



# HOW STARBUCKS IS ACHIEVING 100% PAY EQUITY

Working with experts and our partners (employees), we've developed a set of best practices and tools designed to address systemic barriers impeding equal pay for equal work. We hope that others will join us in employing best practices, not only at Starbucks, but at companies across the world.



HIRING



BENEFITS AND DEVELOPMENT



CULTURE

## REASON FOR THE U.S. PAY GAP

## BEST PRACTICES AND TOOLS WE USE TO ACHIEVE PAY EQUITY



Starting compensation offers are subjective and determined by the hiring manager, allowing for the effects of bias.

**We create all compensation offers consistently.** For our most common jobs, we use an offer standards calculator to determine target starting pay ranges based on a candidate's experience. Other offers follow guidelines that account for geography and capability in role when setting pay within a competitive range.



New salary offers are based on salary history, so pay inequities follow employees from job to job.

**We do not ask for compensation history.** We do not use someone's prior compensation to determine the base compensation offer for a new role.



Lack of transparency about pay ranges for roles within companies.

**We provide pay ranges** for any role to U.S. and Canada job candidates who ask.



Women tend to be responsible for caregiving which results in fewer job opportunities as they balance competing needs. Experts call this a "motherhood penalty."

Offering benefits like paid sick time and paid family and medical leave and access to ten free days of childcare or eldercare through Care.com (for select US partners) helps make sure **partners can participate fully in the workforce**—including those balancing caretaking responsibilities.



Raises and bonuses are subjective and determined by the manager, allowing for the effects of bias.

**We have clear and consistent processes for annual merit increase and bonuses.** These decisions are statistically analyzed before being finalized to make sure we do not have biased outcomes.



Women are less likely to hold higher-paying management and leadership positions.

We're committed to **fostering a culture of inclusion**—providing equal opportunities to all our partners and we have set goals regarding the representation of women (and people of color) in management and leadership.



Employees are afraid to ask about pay for fear of discrimination or retribution.

We are focused on **creating a culture of transparency when it comes to pay**, and we want all our partners to understand how our compensation programs work—as well as their own pay package. We know this means providing additional education, and we are developing a strategic approach to this across the organization.

Pay is an important topic for everyone. Our partners need to be well informed, and our leaders need to be diligent and thoughtful about pay decisions. Partners will never be subject to discrimination or retribution for discussing pay with their manager.

## READ AND LEARN MORE ABOUT GENDER PAY EQUITY

["The Simple Truth about The Gender Pay Gap"](#) by American Association of University Women

["America's Women and the Wage Gap"](#) by National Partnership for Women & Families

["The Wage Gap: The Who, How, Why, and What to Do"](#), ["Asking for Salary History Perpetuates Pay Discrimination from Job to Job"](#) and ["Salary Range Transparency Reduces the Gender Wage Gap"](#) by National Women's Law Center

To read more about how Starbucks addresses the gender pay gap, see [Starbucks 2019 Civil Rights Assessment](#) and the [2020 Civil Rights Assessment Update](#).

