

STARBUCKS 2021



# Global Environmental & Social Impact Report



# PEOPLE    PLANET    GOVERNANCE

A photograph of three Starbucks employees standing together and smiling. From left to right: Chells, Bryan, and Alyssa. They are all wearing dark-colored shirts under green Starbucks aprons. Each apron has a small name tag patch on the chest. The patch for Chells says "Chells", the one for Bryan says "bryan", and the one for Alyssa says "Alyssa". The Starbucks Siren logo is visible on the left side of each apron.



# Introduction

Twenty years ago, in our [first Corporate Social Responsibility report](#), we shared, “Starbucks has the opportunity to lead by example. Our responsibility starts with being accountable to Starbucks stakeholders – our partners, customers, shareholders, suppliers, community members and others – communicating openly about our business practices and performance.”

Starbucks has always been a different kind of company – one deep with purpose, where we work together to create a positive impact in the world. We pursue ambitious goals for our partners, our communities and our planet with intention, transparency and accountability.



As we report on the company’s environmental and social impact in FY21, we are proud of the progress we have made and we remain rooted in the belief that we can lead through the lens of humanity, far beyond the pursuit of profit. This report outlines the goals we have set and highlights the impact we can have together – when we uplift our partners, when we connect with our customers and our communities, and when we remain accountable to each other.

Our company, like many, is also facing new realities in a changed world – the continued effects of COVID-19, heightened social and political unrest, efforts to unionize and stakeholders who seek new accountability from businesses. At times, we have fallen short of our ambitions. But we remain transparent about our missteps, while still rising to meet the opportunities ahead of us through our Mission and Values – and always with the aspiration to exceed the expectations of our partners and customers.

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**Together, with direct, open and transparent conversation and collaboration we will restore trust in each other, reimagine Starbucks and co-create our future.**

A future where our people and our communities are never left behind, but always propelled forward.

A future where our planet is cared for and we create value not only for our company, but for the collective success of all our stakeholders.

It is our role and our responsibility, together.



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# People

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At Starbucks, we put people at the center of our work. We have always believed that our success should be shared, and we remain committed to providing an elevated experience for our partners. We know that our success can be built upon to help our partners achieve their biggest dreams and to help our communities thrive. We are committed to being people positive—a bold effort to enhance the well-being of all who connect with Starbucks, through actions and programs rooted in opportunity, inclusion and community.



# People

## OPPORTUNITY



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We believe in creating meaningful opportunities for our partners and farmers – investing in their health, well-being and success.



# People OPPORTUNITY



**"We inspire and nurture the human spirit. We have the opportunity every day to create a different kind of company whose DNA is human connection. One Best Moment at a time, one conversation at a time, one community service event at a time, one smile at a time. The world has never needed inspiration and nurturing more than it does now."**

Rossann Williams, evp, president North America

## Uplifting our partners

More than 400,000 Starbucks partners represent the diverse communities we serve around the world. They include working parents, military spouses, students and young people for whom putting on the green apron represents their first job. We know that every person working at Starbucks is on their way to achieving their own personal and career goals, and we are committed to supporting our partners and their aspirations at Starbucks and beyond. To do this, we constantly listen and learn from our partners, and seek ways to make Starbucks a meaningful, fun and inspiring place to work.

Starbucks total pay package remains a fundamental differentiator from others in our industry. In FY21, Starbucks made one of the most substantial wage investments in our history, boosting the premium we already paid to exceed minimum wage in every market. In FY22, Starbucks announced an additional investment in our partners which, once complete, will reach approximately \$1 billion in incremental investments in annual wages and benefits over two years. Please see page 15 of the [2022 Proxy Statement](#) for more details.

Our commitment to our partners goes beyond wage and health coverage by offering a full suite of innovative benefits that are relevant to the diverse needs of our partners around the world.

Our industry-leading benefits for U.S. partners include:

- Comprehensive [healthcare coverage](#)
- Full tuition coverage for a first-time bachelor's degree through the [Starbucks College Achievement Plan](#)
- Starbucks "Bean Stock"
- 401(k) retirement plan
- Lyra mental health benefit
- Backup Care with Care@Work
- [Parental leave](#)
- [Partner and Family Sick Time Benefit](#)
- Caring Unites Partners (CUP) Fund grants for partners experiencing financial hardships
- Vacation time
- Up to \$1,000 annually in matching funds to eligible nonprofit organizations for partner donations or volunteer time
- A free pound of coffee each week, in-store discounts and other perks

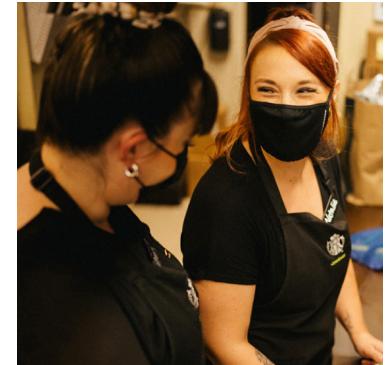
Outside the U.S., we offer innovative partner benefits to help address unique needs in different parts of the world. This includes [Apprenticeship](#) and [Home Sweet Loan](#) programs in the United Kingdom and mental health services for partners in Canada. In China, full-time Starbucks baristas and shift supervisors are eligible for a monthly housing subsidy as well as comprehensive health insurance coverage for their parents.

It is our mission to be a different kind of company, and we continue to evolve our benefits to fit the needs of our partners. Our work to create new benefits and flexibility for our partners during the COVID-19 pandemic is a recent example of our ongoing effort to listen to our partners, learn from their experiences and to then support them as members of the Starbucks global network.

We take great pride in knowing we have continued to pioneer innovative benefits for full- and part-time employees around the world.

# People OPPORTUNITY

## Our Commitment to Partners



### Innovative, Inclusive Healthcare

- Comprehensive and affordable choices in health insurance coverage with personalized support
- Health insurance coverage that is inclusive of transgender medical needs
- Fertility services including IVF
- 20 free mental health sessions each year

### Total Compensation & Retirement

- Competitive wages
- Added pay for tenure at 2+ and 5+ years
- Opportunity to grow your career – Barista Trainer, Shift Supervisor and beyond
- A robust 401(k) plan with match
- “Bean Stock” – partners share in our financial success through grants of Starbucks stock

### 100% College Tuition Coverage

- The Starbucks College Achievement Plan provides 100% tuition coverage for a bachelor's degree through a partnership with Arizona State University
- Starbucks also extends this benefit to a spouse or child of partners who are current members of the U.S. Armed Forces and Veterans
- Starbucks Global Academy offers access to courses for personal and professional development at no cost
- Partners can apply on day one

### Partner & Family Support

- A welcoming and inclusive place to work
- Flexible hours to match partner needs
- Professional networking and career development through Partner Networks
- Paid Parental Leave for birth and non-birth parents
- Partner and Family Sick Time
- Family Expansion Reimbursement
- Childcare benefits
- Vacation and other time off

### More Partner Perks

- A pound of coffee each week
- Discounts
- Free food and beverages on shift
- Free Spotify Premium
- Free Headspace Premium
- Plus more

Partners who work 20 hours or more in the U.S. are benefits-eligible with health and college tuition benefits requiring eligibility.

Around the world we have innovative benefits to address unique needs:

- U.K.: Apprenticeship and Home Sweet Loan Programs
- Canada: Mental health coverage and interest-free housing loans
- China: Housing subsidy and health insurance for parents of partners

# People OPPORTUNITY

## Training and Educational Resources

We are investing Starbucks success back into our partners. Training and educational resources are designed to recruit and retain the best people and affirm Starbucks as one of the very best jobs in retail globally. The way we hire, develop and advance our partners is critical to our journey toward inclusion, diversity and equity at Starbucks.

We believe in sharing our educational resources with those outside of Starbucks as part of our commitment to lifelong learning and providing many pathways to opportunity. [Starbucks Global Academy](#) is a platform for Starbucks partners, customers, suppliers and community members around the world to access world-class, open-scale learning content without barriers and at no cost. Operated in partnership with Arizona State University (ASU), Starbucks Global Academy learners deepen their knowledge on key Starbucks initiatives and advance their personal and professional goals from a library of over 100 curated courses including our To Be Welcoming curriculum, Greener Apron and Starbucks Coffee Academy.

## Barista Basics and Continuous Learning

**FY21 Results: \$1.2 billion invested in onboarding, immersion and continuing education training programs for our retail partners.**

We invest in key training and learning programs to ensure that store partners are equipped with the knowledge, skills and ability to provide a great experience for Starbucks customers. In FY21, Starbucks invested \$1.2 billion in training programs for our new and existing retail partners to foster smart onboarding and continuous learning.

The Barista Basics Training Program provides the initial training for a newly hired barista on essential skills and knowledge required for the role. Using simple and intuitive tools, skills are taught through one-to-one delivery and on-the-job training. It is a highly effective learning experience for a new barista that quickly enhances confidence and competence in delivering customer service. Starbucks is redesigning Barista Basics to include additional training time for all roles as well as practice shifts. We are also working to expand beyond our 40 highly successful training stores in the U.S. that are dedicated entirely to training partners in this area.

## Third Place Development Series

**FY21 Results: 22 Pour Over sessions have been designed and implemented to date.**

Since the beginning, we have worked to build and provide a third place where everyone is welcomed and respected. The Third Place Development Series empowers partners to create an atmosphere of warmth and belonging in Starbucks cafés. Building on the 2020 model, Starbucks engaged its partners in early 2021 to propose and vote on topic ideas through an internal crowdsourcing platform. More than 175 ideas were submitted, and 2,500 partners voted on their preferences. The four partner-generated Pour Over topics selected for 2021–2022 modules include: biases related to age; biases related to weight; non-apparent disabilities, like multiple sclerosis, chronic fatigue and chronic pain; and bridging the political divide through conversation. Each Pour Over session averages 10,000 unique views.

## To Be Welcoming

**FY21 Results: Over 87,000 course enrollments in To Be Welcoming courses globally and nearly 37,000 course completions since launch.<sup>1</sup>**

Our commitment to equal opportunity means cultivating an environment where differences are embraced and building a culture that fosters a sense of belonging. In 2018, we worked with ASU to create the [To Be Welcoming](#) anti-bias curriculum for our partners. In 2020, we opened this 15-course curriculum to the public, free of cost. Now, we are working to meet our goal of enrolling 100,000 learners – partners, customers and communities – in the program to help more people engage with difficult topics through academically robust, objective and research-based content.



<sup>1</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

# People OPPORTUNITY

## Greener Apron

**FY21 Results:** Over 38,000 course enrollments in Greener Apron globally and more than 15,000 course completions since launch.<sup>2</sup>

Starbucks iconic green aprons take on an even deeper meaning through our work to give more than we take from our planet. We offer every partner the opportunity to access the [Greener Apron](#) course. The course is designed to give all partners the tools they need to champion sustainability in their stores, homes and communities. It covers a range of sustainability topics and offers practical steps toward taking better care of the planet.

## Starbucks Coffee Academy

**FY21 Results:** Over 136,000 course enrollments in Starbucks Coffee Academy globally and more than 55,000 course completions since launch.<sup>2</sup>

The [Starbucks Coffee Academy](#) is designed to explore the many facets of the coffee industry and Starbucks role as a leader in ethical sourcing, roasting, blending, brewing and craft. The modular learning experience allows anyone to choose their coffee learning adventure and to join us in our everlasting love for coffee. In FY21, beyond the core curriculum, we added [ongoing learning assets](#) that include video libraries, discussion guides, podcasts, brew guides and origin maps.

## Starbucks College Achievement Plan

**FY21 Results:** 2,500 partners earned their college degree in FY21 through the Starbucks College Achievement Plan.

The [Starbucks College Achievement Plan](#) (SCAP) was created to help more Starbucks partners realize the dream of a college education. Partners who enroll in the SCAP program receive 100% tuition coverage towards their bachelor's degree at ASU from Starbucks. The program connects Starbucks partners with more than 100 bachelor's degree programs, all offered fully online. This flexibility makes the SCAP program a game-changer for many of our partners. Since the program began in 2014, nearly 7,000 partners have earned their college degrees, and we are working towards our ambitious goal of graduating 25,000 Starbucks partners from ASU by 2025.



**"When I started working at Starbucks, I had no idea that it would open so many doors for me."**

Gigi, an aspiring musician and daughter of immigrants from the Philippines who will be the first in her family to graduate college, never thought she would be able to even attend college. Born and raised in the Bay Area, Gigi, now 24, grew up immersed in the arts. But creativity was just a hobby and the plan was to go to a four-year school and study business and hospitality. Until she couldn't come up with the money.

Through her hard work in the Starbucks College Achievement Plan with ASU, her life has changed. She is studying film and media and was even cast in the Starbucks 50th Anniversary national television commercial. And last spring quarter, Gigi earned a 4.0 grade point average.

The future is bright for Gigi and the 20,000 Starbucks partners enrolled in SCAP.

<sup>2</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

# People OPPORTUNITY

## Partner Networks

**FY21 Results: 12 Partner Networks with 77 active chapters across the U.S. and an additional 19 partner networks globally.<sup>3</sup>**

Starbucks Partner Networks are partner-led groups that bring together people with shared identities and experiences, along with their allies, to promote a culture of inclusion and contribute to the success of our partners and our business. Our partners are thoughtful advocates and powerful voices to help promote change and understanding within the company and beyond. Since the launch of the LGBTQ (now Pride Alliance) Partner Network in 1996, partners across the global Starbucks community have created 12 networks with 99 active chapters across the U.S. and 19 partner networks globally as of February 2022.



Welcome, engage and empower Starbucks Veterans, military spouses and advocate partners in cultivating a strong community that embraces Veterans in the workplace and enriches the Starbucks Experience. (Est. 2007)



Share the heritage of the African diaspora to develop partners, advise our business and enrich Starbucks contribution to our customers and communities. (Est. 2007)



Foster a community of awareness, inclusion and accessibility for partners with apparent and non-apparent disabilities. (Est. 2006)



Celebrate the Latinx culture, develop partners and positively impact our customers and communities. (Est. 2006)



Develop a global community contributing to the growth of the India market, celebrate Indian culture and support the growth of partners from the region. (Est. 2013)



Preserve and celebrate Indigenous cultural values, we will interweave communities by teaching and understanding our heritage. Together, we will unite and continuously Walk in Beauty. (Est. 2020)



Support and empower the next generation of Starbucks leadership. (Est. 2015)



Foster meaningful connections and elevate the impact of Pan-Asian partners and allies within Starbucks and the community. (Est. 2007)



Educate, engage and empower Starbucks partners to drive sustainable change. (Est. 2021)



Strive to cultivate an equitable, dynamic and supportive environment for LGBTQ partners, allies and customers. (Est. 1996)



Welcome, empower and advocate for refugee partners and allies while strengthening and enriching their global Starbucks Experience. (Est. 2018)



Ignite the power of women to make an impact through partners, allies and community. (Est. 2008)

### EMEA Partner Networks:

- Black Partner Network (Est. 2020)
- Pride Network (Est. 2020)
- Women's Impact Network (Est. 2020)

### Asia-Pacific Partner Networks:

- Culture Club (Est. 2020, Hong Kong)
- Disability Advocacy Network (Est. 2020, Hong Kong)
- Partners for Sustainability (Est. 2020, Hong Kong)
- Pride Alliance (Est. 2020, Hong Kong)
- Social Impact (Est. 2020, Hong Kong)
- Women's Impact Network (Est. 2018, India; est. 2020, Hong Kong)

### Latin America and Caribbean Partner Networks:

- Diversity Network (Est. 2021, Chile)
- Ethical Diversity Network (Est. 2021, Brazil)
- Partners with Disabilities (Est. 2022, Brazil)
- Pride Network (Est. 2019 in Argentina and Uruguay; est. 2021 in Chile and Colombia)
- Refugee Network (Est. 2021, Costa Rica)
- Sustainability Network (Est. 2021, Chile)

<sup>3</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

# People OPPORTUNITY



**“We must be brave, and we must lead, and set out aspirations that are bold to take the path that can create a better future for those that grow coffee and their families, and to ensure that the beauty and art and ritual that’s coffee remains in all of our cultures, for decades and decades to come.”**

Michelle Burns, evp, Global Coffee, Tea and Cocoa

## Supporting Farmers Around the World

Today's farmers face numerous challenges to their long-term future. We believe that it is Starbucks responsibility to work alongside coffee farmers to improve their livelihoods – whether they sell to us or not. Together, we hope to help farmers increase their productivity, quality of life and profitability by driving solutions that support both people and our planet.

## Coffee and Farmer Equity (C.A.F.E.) Practices

**FY21 Results: Nearly 95% of Starbucks coffee was ethically sourced and verified through C.A.F.E. Practices.**

The cornerstone of our ethical sourcing approach to buying coffee is [Coffee Farmer and Equity \(C.A.F.E.\) Practices](#), which was one of the coffee industry's first set of ethical sourcing standards when it launched in 2004. Developed in collaboration with Conservation International, C.A.F.E. Practices is a verification program that measures farms against economic, social and environmental criteria, designed to promote transparent, profitable and sustainable coffee growing practices while protecting the well-being of coffee farmers and workers, their families and their communities. Evidence shows that farmers participating in the program have higher productivity than country averages, which has helped Starbucks create a long-term supply of high-quality coffee while positively impacting the lives of coffee farmers and their communities. Our goal is to ethically source and verify 100% of Starbucks coffee through C.A.F.E. Practices. In FY21, due to restrictions caused by COVID-19, auditing teams were unable to complete all the necessary in-person, on-farm audits to renew their active status in the program. As a result, 94.86% of our coffee in FY21 was sourced from C.A.F.E. Practice-verified farms.

# People OPPORTUNITY

## Responsible Sourcing for Tea

**FY21 Results:** **99.9% of tea sourced by Global Coffee, Tea & Cocoa, the company's global coffee sourcing team, verified as responsibly sourced.**

Sourcing certified tea is a key aspect of our ethical sourcing approach. In FY21, Global Coffee, Tea & Cocoa, the company's global coffee sourcing team, sourced 99.9% of tea from Rainforest Alliance Certified farms. Farms, forest communities, and businesses that participate in Rainforest Alliance's certification program are audited against rigorous sustainability standards based on the triple bottom line: environmental, economic and social well-being.

In addition to our global coffee sourcing team, Starbucks regional teams also purchase tea. Moving forward, we are working with regional markets to verify their purchases using a consistent set of ethical sourcing guidelines and expect to provide reporting on those efforts in coming years.

## Responsible Sourcing for Cocoa

**FY21 Results:** **Global Coffee, Tea and Cocoa, the company's global coffee sourcing team, purchased 10 million kilograms of segregated cocoa beans.**

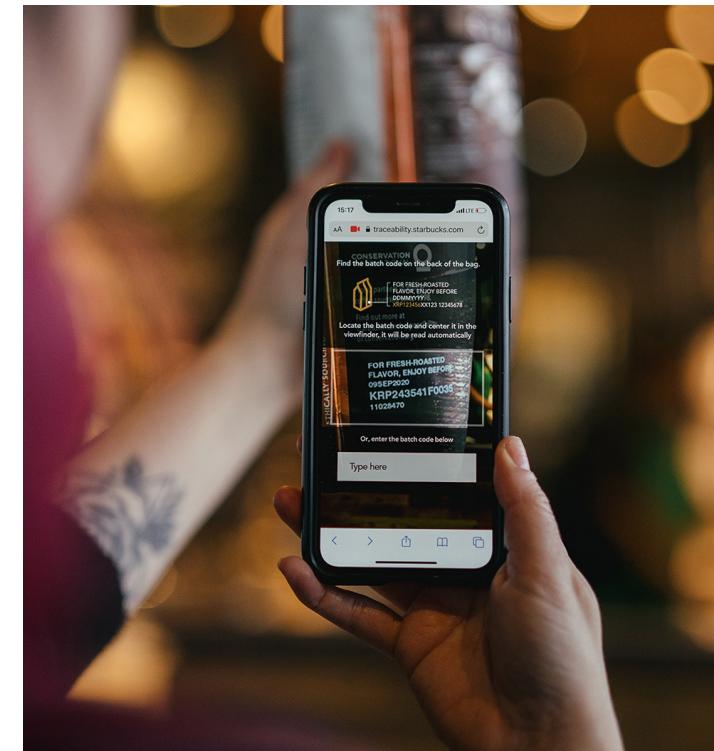
Like coffee and tea, we are dedicated to sourcing cocoa responsibly, for the betterment of people and planet. In FY21, Global Coffee, Tea and Cocoa, the company's global coffee sourcing team, purchased 10 million kilograms of segregated cocoa beans from the Ivory Coast through our Tier 1 supplier, Cargill.<sup>4</sup> We continue to source Rainforest Alliance Certified cocoa and to work in partnership with the Rainforest Alliance to leverage their expertise and increase our due diligence and transparency in our cocoa supply chains. We are a member of the World Cocoa Foundation and continue to work with others across the industry to evolve and strengthen our approach to responsibly sourced cocoa.

In addition to our global sourcing team, Starbucks regional teams also purchase cocoa. Moving forward, we are working to provide additional transparency across all cocoa-based products sourced across the company globally.

## Traceability

**FY21 Results:** **More than 33,000 bags of coffee were traced using our online tool.**

In 2020, the [Starbucks Digital Traceability tool](#) was launched in North American retail stores to transform each bag of coffee beans into a digital passport, launching coffee lovers on a virtual expedition to meet farmers, roasters and baristas and to explore coffee-growing regions around the world. In FY21, more than 33,000 bags of coffee were traced using the traceability tool online, and the tool was accessed by nearly 170,000 unique visitors, raising awareness for farmers, C.A.F.E. Practices and Starbucks ongoing commitment to transparency.



<sup>4</sup>More on Cargill's approach to Cocoa procurement can be found [here](#).

# People OPPORTUNITY

## Global Farmer Fund

**FY21 Results:** Starbucks doubled the Global Farmer Fund to \$100 million. Since FY18, \$54.8 million in loans has been deployed.

The Starbucks Global Farmer Fund was created to improve supply chain resiliency and ensure a long-term supply of coffee by addressing the unmet business financing needs of farmers. Too often, farmers cannot turn to traditional banks for business lending because of high interest rates. The loans provided through the fund allow farmers to plant new trees, improve their infrastructure and build financial resiliency in the face of shifts in climate and markets. In FY21, Starbucks committed an additional \$50 million dollars to double the fund. Since FY18, Starbucks has deployed \$54.8 million to coffee businesses and farmers through loans.

## Farmer Support Centers

**FY21 Results:** Opened our 10th Farmer Support Center globally. More than 30,000 people trained with advanced agronomy techniques.<sup>5</sup>

Starbucks operates Farmer Support Centers in coffee-producing countries around the world and in FY21 opened our tenth Farmer Support Center. These centers provided free direct-to-farmer training along with training to technical experts in a train-the-trainer model to more than 30,000 people globally. In 2020, we achieved our goal of training 200,000 people with the latest findings of Starbucks agronomists including advances like new varietals of disease-resistant coffee trees and advanced soil management techniques.

## Childcare Centers

**FY21 Results:** Five new centers opened in Guatemala to support farming families during harvest.

Through co-investments with Starbucks suppliers, we opened an additional five childcare centers in Guatemala for the 2021–2022 harvest season bringing the total operating in this harvest to ten. The centers provide safe spaces for local and migrant workers' children to continue their education during the coffee harvest season.



Carlos Mario Rodriguez, director and global head of coffee research and development, was part of the very first Farmer Support Center agronomy team. He drove his pickup truck over countless miles of narrow roads to visit farmers and help them with a range of sustainability issues and ensure a long-term supply of quality coffee. Carlos helped farmers set up their own test plots, showed them how to space trees correctly and offered suggestions to manage erosion and reduce the use of pesticides.

**"I think it's very important for customers to know how difficult it is to produce high-quality coffee," he said. "It's critical that we support the farmers."**

For Carlos, Starbucks progress in supporting farming communities is best measured one farm, one farmer at a time.

**"To me, as a professional, as a partner, it's the best part really when you start working with a particular farmer and see that they are improving their living conditions and being able to keep producing coffee as a good business," he said. "That's the best. It's really something that motivates us."**

<sup>5</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

# People



# INCLUSION

We believe it is our responsibility to advance racial and social equity, and we are committed to furthering that work with intention, transparency and accountability.



# People INCLUSION

## Racial & Social Equity Goals & Representation

At Starbucks, we are on a journey to advance racial and social equity for our partners, our community and our society. Our work to advance inclusion, diversity and equity has already led to important policies, programs and initiatives. We are building on the work in our prior Civil Rights Assessments, conducted by Covington & Burling, including the recommendation to hire a chief inclusion & diversity officer and to set and meet representation goals for Black, Indigenous and People of Color (BIPOC) partners and women partners across the company.<sup>6</sup> Starbucks continues its efforts to achieve 2025 representation goals, including achieving at least 30% BIPOC representation at all corporate levels and at least 40% in all retail and manufacturing roles. We also aim to achieve 55% women in all retail roles, 50% women in corporate roles and 30% women in manufacturing roles by 2025. We are working to ensure that our partners represent the communities they are part of and serve.

Use our [interactive tool](#) to view additional demographic data of Starbucks partners.

### FY21 Results: Diversity in Retail Stores

Goal: Our partner base will include 40% BIPOC partners and at least 55% women partners in all retail roles in the U.S. by 2025.

ROLE	BIPOC	WOMEN
<b>Regional Vice President</b>	20%	65%
<b>Regional Director</b>	30%	52%
<b>District Manager</b>	32%	60%
<b>Store Manager</b>	37%	69%
<b>Shift Supervisor</b>	45%	70%
<b>Barista</b>	50%	73%

### FY21 Results: Diversity in Corporate Roles

Goal: We aim to achieve at least 30% BIPOC representation and 50% representation of women for all enterprise roles by 2025.

ROLE	BIPOC	WOMEN
<b>Senior Vice President+</b>	22%	59%
<b>Vice President</b>	32%	49%
<b>Director</b>	29%	56%
<b>Manager</b>	30%	54%
<b>Individual Contributor</b>	38%	54%

### FY21 Results: Diversity in Manufacturing Roles

Goal: We will achieve 40% BIPOC representation and 30% representation of women for manufacturing roles in the U.S. by 2025.

ROLE	BIPOC	WOMEN
<b>Director</b>	13%	13%
<b>Manager</b>	24%	28%
<b>Individual Contributor</b>	49%	34%

## Board Diversity

**FY21 Results: Our Board of Directors has 55% BIPOC representation (6 out of 11 members) and 36% representation of women (4 out of 11 members).**

In FY21, Starbucks announced that Mellody Hobson would build on her experience since joining the Starbucks board of directors in 2005 by serving as the company's non-executive chair. At the time of this groundbreaking announcement, only 15 companies where the director is not also the CEO among the S&P 500 had a female chair, and none of the women represented identified as Black. Starbucks joined the [Board Diversity Action Alliance](#) to act alongside peer companies as part of our commitment to representation of racially and ethnically diverse directors on Starbucks corporate boards of directors. The Board Diversity Action Alliance works to increase the representation of racially and ethnically diverse directors on corporate boards of directors, beginning with Black directors. Our full disclosure is in the [2022 Proxy Statement](#) on page 26.

<sup>6</sup>Demographic percentages represented in this section have been rounded.

# People INCLUSION

## Global Equity in Pay

**FY21 Results:** Starbucks has achieved and maintained 100% pay equity for women and men and people of all races performing similar work in the U.S. and achieved and maintained gender equity in pay in global company-operated markets Canada and Great Britain.<sup>7</sup>

Since announcing in 2018 that Starbucks had achieved 100 percent pay equity for women and men and people of all races performing similar work in the United States, we have committed to maintaining that standard annually and reaching 100% gender pay equity for all partners in Starbucks company-operated markets globally.

In FY21, Starbucks once again maintained 100% pay equity for women and men and people of all races performing similar work in the U.S. As of the end of FY21, median pay ratio in the U.S. was 100% for women and BIPOC partners.

Globally, in FY21 the median pay for women was 100% of the median for men. We once again maintained gender equity in pay in company-operated markets Canada and Great Britain.

In FY20, our licensed partners in Singapore, the Philippines and India achieved 100% pay equity for women and men. In FY21, eight additional markets in Asia-Pacific and the Hong Kong Support Center achieved 100% gender pay equity, and we continue to work with licensed partners to prioritize gender pay equity in all markets.

We continue to leverage our experience in achieving gender equity in pay in the U.S. and other markets by sharing our pay-equity principles – equal footing, transparency and accountability – with other employers to help address known, systemic barriers to global pay equity.

## Starbucks Inclusion & Diversity Mentorship Program

We continue to be intentional in cultivating a culture of inclusion, with a focus on partner retention and development by launching a mentorship program. Beginning with our BIPOC partners, the program is designed to connect partners to senior leaders with the goal of creating continuous learning opportunities for the mentor and the mentee. In FY22, the first cohort of participants graduated, and survey results show that 100% of program participants “feel a sense of belonging at Starbucks since the launch of the program.” All mentors and mentees surveyed agreed that they achieved a deeper understanding of partners’ experience with inclusion and diversity.

## Civil Rights Assessment

**FY21 Results:** Starbucks published its third annual Civil Rights Assessment.

Since 2019, Starbucks has commissioned an annual, objective assessment of our company's commitment to civil rights. In FY21, we published our third Civil Rights Assessment. This assessment, conducted by Covington & Burling LLP under the leadership of former U.S. Attorney General Eric Holder, Jr., addresses our progress over time and provides recommendations for how we can better advance inclusion, diversity and equity on behalf of our partners, customers and communities. To promote transparency, we publish these [assessments](#) online.



<sup>7</sup>Our goal is to reach 100% pay equity in all global company-owned and operated markets.

# People INCLUSION

Before joining Starbucks as a store manager in Southern California, Joe spent 15 years in the restaurant business, eight of them as a chef. When COVID-19 became a pandemic and everyone started wearing masks, Joe realized he was suddenly deprived of his primary communication tool: reading lips.

Joe, 28, was born in Guam, unable to fully hear sounds – especially whispers or anything said behind him. Doctors eventually diagnosed him with otosclerosis, a condition caused by the abnormal growth of the tiny bones inside the ears that commonly contributes to hearing loss.

"Growing up, I was classified as Deaf," Joe says. "I was very ashamed of my hearing. I was embarrassed. I thought if people found out, they wouldn't want to be my friend, wouldn't want to talk to me, wouldn't want to hire me. So I taught myself how to read lips, read the room. I taught myself things to be and feel normal. I wore hearing aids as a little kid, but after a while I would take them off when I got to school... I saw how other kids would act toward kids with disabilities."

Recently, his twin girls – with the help of his wife and father-in-law – gifted him with a new pair of hearing aids. They were an unexpected blessing. They also gave him the confidence to seek out community and a career outside his comfort zone, which led him to Starbucks.

"I started to embrace my Deafness and decided I want to learn more about it and inspire other people with Deafness," Joe says. "Who knows, maybe there's a handful of partners out there who are afraid or embarrassed to share. I want to let them know it's all right. We're all just people at the end of the day."

## Supporting LGBTQ+ Partners

### FY21 Results: Starbucks scored 100% on the [Human Rights Campaign Corporate Equality Index](#).

For more than three decades, Starbucks has been committed to building a culture where everyone is welcome. We stand as an ally to the lesbian, gay, bisexual, transgender and queer community – affirming every way people may choose to identify. In FY21, Starbucks received a 100% score on the Human Rights Campaign Corporate Equality Index based on corporate policies and practices for LGBTQ equality for the 11th year. Starbucks also donated \$50,000 to the [Lavender Rights Project](#) to support providing low-cost legal services for transgender and queer low-income people and other marginalized communities in Washington state and \$50,000 to the [National Center for Transgender Equality](#) to increase understanding and acceptance of trans people across the United States.



# People INCLUSION

## Disability Inclusion

**FY21 Results:** Starbucks received 100% score on the [Disability Equality Index](#).

Starbucks is committed to enhancing accessibility of the Starbucks Experience for partners and customers. We are proud to be recognized for our inclusion policies and practices related to people with disabilities. In 2015, 2016, 2017, 2019 and 2021, Starbucks scored 100 out of 100 on the Disability Equality Index and was recognized as a “Best Place to Work.” We are a member of Disability:IN’s Inclusion Works program, a national forum for peer institutions to share best and evolving practices on Access and Disability Inclusion, and have signed on to Disability:IN’s pledge, Are You In, committing to advance disability inclusion in the workplace.



## Inclusive & Accessible Design

**FY21 Results:** Began offering free Aira service, which provides visual interpreter service for blind and low-vision customers and introduced new large-print Braille menus in all stores in the U.S. and Canada.<sup>8</sup>

Starting from the early stages of design, we strive to create accessible environments in our stores by employing universal design principles and in our digital world through the Starbucks app and accessible websites. In FY21, we began offering free Aira service, which provides visual interpreter service for blind and low-vision customers and introduced new large-print Braille menus in all stores in the U.S. and Canada.



<sup>8</sup>The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada.

<sup>9</sup>The geographic scope of this data point includes all company-owned and operated stores globally.

## Starbucks Signing Stores

**FY21 Results:** Operating 11 Signing Stores globally.<sup>9</sup>

Signing Starbucks stores are led by store partners who are proficient in sign language, whether they are hearing, hard of hearing or Deaf. Starbucks operates 11 signing stores globally that provide a space for the Deaf and hard of hearing community to connect through sign language and celebrate Deaf culture.



# People INCLUSION

## Refugee Support

**FY21 Results:** Starbucks hired 339 partners who self-identified as refugees in the U.S., Canada and EMEA, bringing our cumulative total to 2,959.<sup>10</sup>

Starbucks has a longstanding history of creating opportunity and investing in the people who are part of the communities we serve. That includes our commitment to hire refugees across the company, with a goal of hiring 10,000 refugees globally by 2022. In FY21, Starbucks hired 339 refugees globally, bringing our cumulative total of partners who have self-identified as refugees to 2,959. In the U.S., our efforts include a focus on hiring interpreters, personnel and their families who served alongside U.S. troops overseas to champion their talent, experience and resilience. Since announcing our commitment, we have built partnerships with organizations around the world like [International Rescue Committee](#), [LIRS](#) and [Upwardly Global](#). Additionally, in FY21, Starbucks joined coalition efforts dedicated to welcoming Afghan refugees in the U.S. such as [Mobilizing America for Refugees Fund](#) and [Welcome.US](#).

The Starbucks Foundation, a 501(c)(3) charitable organization with a mission to strengthen humanity by transforming lives across the world, awarded more than \$350,000 in grants to [No One Left Behind](#), [International Rescue Committee Seattle](#), [ACCES Employment](#) and [Refugee Council U.K.](#) – nonprofit organizations supporting the resettlement of Afghans in the United States, Canada and the United Kingdom in FY21.

## Veterans and Military Families

**FY21 Results:** 78 Military Family Stores are now open, and we have hired 7,720 Veterans and military spouses across Starbucks roles in the U.S.

We are dedicated to serving Veterans, military service members and military spouses, whose leadership and sacrifice inspire us each day. Our goal is to hire 5,000 military Veterans and military spouses annually, and in FY21 we have hired more than 7,700 Veterans and military spouses across Starbucks roles in the U.S.

Starbucks Military Family Stores have become a hub for active service members, Veterans, families and communities all over the country. Because military families often live far from family and friends, Military Family Stores are located near major military bases to serve as a place of connection and support. Each store also works with Veterans Service Organizations to help connect local Veterans and their families to services and resources. By the end of FY21, Starbucks 78 Military Family Stores were open across the United States, with the goal to open 132 Military Family Stores by the end of 2022.

Starbucks is also dedicated to teaming up with service organizations that help Veterans transition to civilian life, develop as leaders and leverage their skills and passion to positively change communities.

- Starbucks has partnered with [Team RWB](#) since 2017 to support their work in building a sense of belonging, camaraderie and inclusiveness for hundreds of thousands of Veterans.
- [Headstrong](#) helps Veterans and their families heal the hidden wounds of war with confidential, free and effective mental health treatment. With an investment of \$150,000, Starbucks catalyzed the Headstrong clinical counseling network in the Pacific Northwest.



<sup>10</sup>The geographic scope of this data point includes globally company-owned and operated markets and licensed markets in EMEA.

# People

# COMMUNITY

We recognize a responsibility to strengthen the communities where we live, work and grow. Starbucks impact in communities is most meaningful when our efforts begin with our partners, who know their neighbors best.



# 2021 REPORT

# People COMMUNITY

## Community Stores

**FY21 Results:** Starbucks dedicated its 21<sup>st</sup> Community Store in the U.S., and its 13<sup>th</sup> Community Store in Asia.

Starbucks Community Stores are dedicated to providing economic opportunity in rural and urban communities across the U.S. These stores are focused on hiring locally, creating dedicated space for communities to come together for events, featuring local artists and working with diverse contractors for store construction and remodels. In FY21, Starbucks dedicated its 21<sup>st</sup> Community Store in the U.S. and the 13<sup>th</sup> Community Store in Asia on the journey to opening 100 Community Stores by the end of 2025.

## Hunger Relief

**FY21 Results:** FoodShare food donation program is available at 100% of company operated stores in the U.S. and Canada. In FY21, 10.4 million meals were donated in the U.S. and 1.2 million meals were donated in Canada.<sup>11</sup>

Since 2016, Starbucks has been committed to the fight against hunger through its innovative FoodShare food donation program in partnership with Feeding America®, Second Harvest Canada and other hunger-relief organizations. In FY21, FoodShare was scaled to 100% of company-operated stores in the U.S. and Canada, resulting in 10.4 million meals donated and 13.8 million pounds of food diverted from waste streams in the U.S.,<sup>12</sup> and 1.2 million meals donated and 1.4 million pounds of food diverted from waste streams in Canada. Since FoodShare was launched in U.S. in 2016, 39.4 million meals have been donated while we have diverted 47.3 million pounds of food from waste streams. FoodShare in Canada launched in 2019, and through the end of FY21, 3 million meals have been donated, along with 3.3 million pounds of food diverted from waste streams. Starbucks hunger relief programs also expanded to international markets, including the United Kingdom, Japan and Mexico.

Since 2016, Starbucks has invested \$45 million into hunger relief efforts in the U.S., and in FY21 made a commitment to reinvest \$100 million by 2030. Additionally, in FY21, we announced a new \$1.7 million donation to Feeding America to advance equitable access to nutritious food, building on \$2.69 million invested in food bank mobile pantry programs since 2019. The equitable food access grants were distributed to 16 local Feeding America member food banks located near Starbucks Community Stores. The grants are designed to help food banks provide nutritious food to households with individuals who are BIPOC and residing in communities experiencing high rates of food insecurity.



**“When you’re on the receiving end, every bit counts,” says Antonio Flores Sanchez.**

It's 10:30 p.m. on a recent Tuesday night, and the cars are still stop-and-go in the drive-thru line at the Starbucks Community Store in Watts. Inside, Antonio, the store manager, is checking his inventory of perishable food. Sandwiches, salads, pastries, wraps. Various protein boxes filled with vegetables, eggs, cheese and chicken. He rifles through them all, filling an orange tote with unsold products.

He walks the box to a refrigerator in the back and putting it inside. On Wednesday, a delivery truck will stop at one of the Los Angeles Regional Food Bank's warehouses, a 90,000-square foot storage and distribution center that processes four million pounds of food donations every week. Starbucks uses an innovative backhaul model, which means the same drivers who drop off the supplies at each Starbucks store also pick up the donation boxes, unlocking efficiencies and possibilities that didn't exist before.

Nearly 700 smaller, local agencies work with the Los Angeles Regional Food Bank to get food free of charge for their own programs, whether it's a larger sub-agency or a kids' backpack program or a senior-citizen home delivery service. Starbucks helps support mobile food banks and refrigerated vans to ensure that fresh food is delivered safely and on time. It's a story that happens thousands of times over, at every company-operated Starbucks in the United States.

<sup>11</sup>The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada.

<sup>12</sup>According to the USDA, 1.2 pounds of food is the equivalent to one meal.

# People COMMUNITY



## Community Resilience Fund

**FY21 Results:** Starbucks committed to invest \$100 million in a Community Resilience Fund; Starbucks deployed \$10 million into Chicago Community Development Financial Institutions (CDFIs) to support small businesses.

Too often, entrepreneurs of color can't thrive because they don't get the capital and support they need to succeed. In FY21, Starbucks executed its FY20 commitment to partner with CDFIs to invest \$10 million in small-business development loans for Chicago's underserved communities. Building on this initiative, Starbucks committed to invest \$100 million in the Starbucks [Community Resilience Fund](#). The Fund aims to advance racial equity and environmental resilience by supporting small business growth and community development projects in BIPOC communities with historically limited access to capital with a goal to have the total fund invested by 2025.

The investments will initially focus on 12 U.S. metropolitan areas and their surrounding regions: Atlanta, Detroit, Houston, Los Angeles, Miami, Minneapolis, New Orleans, New York City, Philadelphia, San Francisco Bay Area, Seattle and Washington, D.C. In partnership with community leaders, CDFIs and other impact-focused financial institutions, the Fund will help provide access to capital intended to support small businesses and neighborhood projects, including those addressing the inequitable impacts of climate change.

## Supplier Diversity and Inclusion

**FY21 Results:** Nearly \$800 million spent with Tier 1<sup>13</sup> diverse suppliers.<sup>14</sup>

The Starbucks Supplier Diversity and Inclusion program drives inclusion of qualified businesses with a focus on suppliers of all sizes and categories. In FY21, Starbucks spent nearly \$800 million with diverse suppliers, supporting more than 6,400 jobs and contributing to \$1.2 billion in total direct, indirect and induced economic impact nationwide. Starbucks has spent more than \$8 billion with Tier 1 diverse suppliers since 2000.

<sup>13</sup>Tier 1 refers to those suppliers from whom Starbucks directly purchases a given product.

<sup>14</sup>The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada.

# People COMMUNITY

## Civic Engagement Resources

**FY21 Results:** In FY21, nearly 85,000 people – including customers and partners – accessed voter registration and election information (via [Fuel Our Democracy](#)) while more than 12,500 partners used civic education resources (via [Starbucks Partners Vote](#)).

As part of Starbucks commitment to civic engagement, we continued to provide tools and resources for partners to ensure their voice is heard in each and every election. We provide partners with voter education and resources to make a plan to vote and support conversations between managers and partners to ensure partners don't have to choose between work and voting.

In July 2021, Starbucks joined the [Business for Voting Rights Coalition](#) in calling on Congress to update the Voting Rights Act, to help ensure protection of the right to vote for all.

## Community Champions

**FY21 Results:** More than 18,000 partners globally engaged as Community Champions, participating in over 2,900 community events and donating more than 45,000 volunteer hours to local nonprofit organizations.<sup>15</sup>

Our vision is to empower every partner to be a Community Champion, and we provide the resources, tools and recognition for the many ways partners can make a positive impact in the community. For some partners, being a Community Champion may mean donating unused food nightly as part of their store's FoodShare program. For other partners it may include planning and participating in community service events, hosting donation drives in store, nominating community nonprofits for Neighborhood Grants, donating to nonprofit organizations or inspiring others to become Community Champions. Starbucks matches up to \$1,000 annually for both full-time and part-time partners' eligible contributions to nonprofits, including a dollar-for-dollar match on financial donations and, with recent improvements in the program, a match for every hour of volunteer time donated to an eligible nonprofit organization. In support and recognition of U.S. and Canada Starbucks Partners' Community Champion efforts, Starbucks donated over \$1 million to more than 2,000 nonprofit organizations.

## Outreach Worker Program

**FY21 Results:** Outreach workers across six cities connected with over 6,000 customers, helping to enroll more than 1,600 people in stabilizing programs.

The Outreach Worker pilot program launched in FY20 in service to support partners in high-complexity stores by connecting them with hyperlocal street outreach and social workers that have expertise in connecting individuals to stabilizing programs and resources. The program initially launched in partnership with United Way Worldwide and has since partnered with local nonprofit organizations that specialize in street outreach and connect individuals experiencing homelessness, mental health and substance abuse to existing city-specific resources. During FY21, Starbucks scaled the program to New York City, in addition to continuing operations in its initial pilot cities (Philadelphia, Washington D.C., Seattle, Los Angeles and Chicago).



<sup>15</sup>The geographic scope of this data point includes company-owned and operated markets in the U.S. and Canada, and licensed operations in the Bahamas, Indonesia, and Mexico.

# People

# NAVIGATING A GLOBAL PANDEMIC

Throughout the COVID-19 pandemic, Starbucks has remained committed to three guiding principles:

- ① Prioritizing the health and well-being of our partners,
  - ② Playing a constructive role in supporting health and government officials, and
  - ③ Showing up in positive and responsible ways to serve our community.



# People

## NAVIGATING A GLOBAL PANDEMIC

Our partners are the backbone of our business and they have continued to show up for their communities in the face of extraordinary circumstances. Since the start of the COVID-19 pandemic and through FY21, we provided benefits to support our partners that included service pay, catastrophe pay, benefits continuation, expanded mental health support, expanded backup childcare support and food and beverage allowances. Additionally, we have continued to strongly encourage all partners to get fully vaccinated and boosted against COVID-19, providing up to two hours of paid time off for partners to receive the vaccine, up to three doses, as well as up to 4 hours of paid time off if partners experience vaccine-related side effects and miss a scheduled shift within 48 hours of receiving the COVID-19 vaccine or booster. We also created online tools for partners – along with their friends and family – to create a vaccine plan and easily access state-specific information about vaccine availability. And because our partners are known for giving back, we continue to share volunteer opportunities for partners who want to support safe and equitable vaccine access in their communities.

A key part of our COVID-19 action plan is to stay informed and communicative about recommendations from national, state and local health authorities. Since the onset of COVID-19, Starbucks aligned with national, state and local health recommendations to ensure our business decisions are anchored to and guided by facts and science. In addition, Starbucks believes that businesses have a role and a responsibility to support our communities with safe and equitable vaccine access. In FY21, Starbucks shared educational information and resources about the COVID-19 vaccine and supported our communities in equitable vaccine access and distribution.

- Starbucks hosted scientists from the Fred Hutchinson Cancer Research Center for virtual conversations with thousands of partners to discuss the current state of COVID-19 and facilitate answers to partner questions on vaccine effectiveness, virus variants and antibodies and addressing fears about vaccines.
- In coffee and tea growing communities, The Starbucks Foundation continued to support urgent needs related to COVID-19 of vulnerable families in Brazil, Colombia, Costa Rica, Ethiopia, Guatemala, India, Indonesia and Kenya. Working with nonprofit organizations such as Mercy Corps and Bean Voyage, these efforts addressed food insecurity, expanded access to clean water and promoted resilience building.
- Starbucks and The Starbucks Foundation together contributed nearly \$500,000 to innovative programs designed to increase equitable vaccine access.
- Starbucks and other companies joined a first-of-its-kind public-private partnership, the Washington State Vaccine Action Command and Coordination Systems (VACCS) Center, to help optimize accelerated, safe and equitable access to the COVID-19 vaccine across Washington.

### Support for Front-Line Responders

**FY21 Results: Starbucks provided 1 million cups of coffee to first and frontline responders through a partnership with Operation Gratitude.**

Starbucks has served more than one million cups of free coffee to first responders and front-line responders supporting the healthcare industry. We continue to applaud and support our front-line responder communities through donations to local organizations.



In January, Starbucks and other companies joined Washington State Governor Inslee and Challenge Seattle in a first-of-its-kind public-private partnership (the COVID-19 Vaccine Action Command and Coordination System (VACCS) Center), to help optimize accelerated, safe and equitable access to the COVID-19 vaccines across Washington State.

Utilizing the company's Tryer Center Innovation Lab, Starbucks contributed expertise in operational efficiency, scalable modeling and human-centered design to Washington State's vaccine distribution efforts. The Starbucks team used this work to inform three different models: vaccination clinics, drive-through clinics and mobile pop-ups to go to people in more rural or underserved areas. Starbucks, in partnership with Challenge Seattle and VACCS, also released a Playbook of best practices from this partnership, so that other states and government leaders may leverage the findings and efficiencies for other mass vaccination sites across the country.

This partnership helped Washington State successfully accelerate vaccine distribution to meet Washington State's 45,000 vaccinations per day goal.

# People

## THE STARBUCKS FOUNDATION

The Starbucks Foundation is a U.S. 501(c)(3) charitable organization with a mission to strengthen humanity by transforming lives across the world. It is focused on enabling community resiliency and prosperity, and uplifting communities affected by disaster. In FY21, the Foundation provided more than \$23 million in grants to nonprofit organizations across the U.S. and around the world.

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21



# People THE STARBUCKS FOUNDATION



For Frank, a barista in Texas, volunteering is a way of paying it forward.

**“When good things started happening to me, I felt I needed to find something to give back to.”**

Frank, 49, has been volunteering for Resource Center in Dallas for more than 20 years. As a young gay man, he first sought out Resource Center’s HIV education and prevention services when he moved to Dallas. It’s now one of the largest LGBTQ+ community centers in the country.

Frank volunteers at the center in a number of ways, but his heart lies with the food service program. For the last decade, he’s organized a Thanksgiving meal that has grown to serving over 400 people. In November 2020, the event was cancelled due to the pandemic. But his longtime volunteers still wanted to contribute. Frank also had help from his Starbucks partners.

“It wasn’t what we normally did, but it was the next best thing to do. And to see my fellow partners come out to represent Starbucks...They knew it wasn’t going to be glamorous. It was going to be cold. It was going to be outside. They did it with grace and smiles.”

Frank’s enthusiasm for Resource Center prompted his manager to nominate it for a Neighborhood Grant from The Starbucks Foundation. These grants are awarded to community nonprofits, all nominated by partners.

“I’m hoping I can bring my experience with philanthropy and community outreach to do more under the Starbucks umbrella.”

## Origin Grants for Women & Girls

**FY21 Results: 15 unique grants totaling \$5 million awarded in support of women and girls in Origin communities.<sup>16</sup>**

Since International Women’s Day 2018, the Foundation has been working toward a goal to empower 250,000 women and girls in coffee, tea and cocoa growing communities by 2025. Women play key roles for their households, farms and communities, and women are often most disproportionately impacted by evolving challenges, such as the climate crisis. We believe that investing in women and girls in coffee, tea and cocoa-growing regions significantly impacts both families and broader communities. The Starbucks Foundation’s Origin Grants help these communities continue to break down barriers to education, promote clean water, sanitation and hygiene (WASH) and create economic opportunities for women and girls. Through FY21, this effort has made a difference in the lives of more than 125,000 women in coffee- and tea-growing front-line communities across Africa, Asia and Latin America.

## Neighborhood Grants

**FY21 Results: \$2 million awarded to more than 1,300 local nonprofits nominated by Starbucks partners.<sup>17</sup>**

The Starbucks Foundation’s Neighborhood Grants are investments in nonprofit organizations – nominated by Starbucks partners – to help build sustained local impact and inspire increased partner volunteerism in our communities. Since 2019, more than 15,000 Starbucks partners have participated, resulting in Neighborhood Grants to more than 3,000 organizations across the U.S. and Canada totaling more than \$5 million.

<sup>16</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

<sup>17</sup>The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada.

# People

## THE STARBUCKS FOUNDATION

### Youth Equity Grants

**FY21 Results: More than \$4 million in grants awarded to organizations serving BIPOC youth.**

In 2020, The Starbucks Foundation committed to invest \$5 million in nonprofits that serve BIPOC youth. In FY21, The Starbucks Foundation finalized its grant recipients: [Big Brothers Big Sisters of America](#), [Boys & Girls Clubs of America](#), [City Year](#), [Covenant House](#), [Junior Achievement USA](#), [MENTOR](#), [Public Allies](#) and [YWCA USA](#). These grants will support diversity, equity and inclusion initiatives, youth mentorship and leadership and life skills for youth through national- and local-level programs in communities across the United States. As of January 2022, programs supported by the Foundation's grants have impacted more than 100,000 youth.

### International Grants

**FY21 Results: More than 40 grants totaling \$8 million awarded to impact communities that we serve outside of the United States.<sup>18</sup>**

The Starbucks Foundation supports communities around the world, including in close partnership with our Starbucks partners and business partners in local markets. In 2018, The Starbucks Foundation committed to invest in social impact programs in China and in FY21, achieved the milestone of \$12 million in grants to China nonprofit organizations. For example, the Foundation provided a grant to the [China Foundation for Poverty Alleviation](#) to promote sustainable livelihoods for farmers in Yunnan through vocational training and expansion of economic opportunities. In FY21, The Starbucks Foundation also expanded its partnership with [Planet Water Foundation](#), engaging Starbucks partners as volunteers to provide clean water access and hygiene education programs to communities in seven different countries.

### Disaster Response

**FY21 Results: Nearly \$4 million awarded to promote resilience and uplift communities impacted by disaster.<sup>18</sup>**

Throughout FY21, The Starbucks Foundation continued to uplift communities affected by disaster by investing nearly \$4 million in preparedness, response and resilience programs around the world, including to support communities disproportionately impacted by the increased frequency and intensity of disasters due to climate change. In addition to national support of the [American Red Cross](#) and global support of [World Central Kitchen's](#) chef relief efforts, the Foundation provided quick support to impacted communities, from Hurricane Eta and the Texas winter storms to the Miami building collapse and volcano eruption in the Democratic Republic of Congo.



<sup>18</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

# People FY22 HIGHLIGHTS TO DATE

At Starbucks, inclusion and belonging must be everyday realities – on both sides of the counter, in our Starbucks Support Center, across our supply chains and in farming communities around the world. Our work to enhance the well-being of all who connect with Starbucks continues in FY22.

## Partner Investments

Every decision and every investment we make is to ensure our partners are supported. To do this, we take bold actions with intention, transparency and accountability. In FY22 we built upon our work to increase pay for partners during the COVID-19 pandemic by announcing new wage increases:

- At least a 10% pay increase for baristas, shift supervisors and café attendants hired on or before September 14, 2020.
- At least an 11% pay increase for tenured partners with three years of continued service.
- A continued investment in shift supervisor pay to recognize this critical leadership role and attract the best talent.
- At least a 5% increase to all starting pay rates to support store managers in continuing to attract and retain new talent.

## Advancing Equity

### Diversity Across the Supply Chain

The Starbucks Supplier Diversity and Inclusion program drives inclusion of qualified businesses with a focus on suppliers of all sizes and categories. In FY22, we announced our work to increase the annual spend with diverse suppliers to \$1.5 billion by 2030.

### Reaching More People

At Starbucks, we listen and learn from our partners, our customers and our communities. To ensure we're reaching diverse audiences, we committed to allotting 15% of our advertising budget with minority-owned and targeted media companies.

### Small Business Support

In 2021, Starbucks created a \$100 million Community Resilience Fund that is designed to support small business growth and community development projects in BIPOC communities. The initial investments are focused on 12 U.S. metropolitan areas and surrounding regions: Atlanta, Detroit, Houston, Los Angeles, Miami, Minneapolis, New Orleans, New York City, Philadelphia, San Francisco Bay Area, Seattle and Washington, D.C. As of January 2022, Starbucks has issued \$21 million in funding to seven CDFIs through the Starbucks Community Resilience Fund.

## Inclusive and Accessible Physical and Digital Spaces

With the recognition that one in four American adults has a disability and all people experience changes to their physical or mental health, Starbucks is working to extend disability inclusion and accessibility.

In FY22, Starbucks committed to design, test and scale more inclusive design standards and experiences across its store portfolio, with the goal of ensuring that every physical and digital Starbucks environment will meet a bolder, more accessible standard by 2030.

## Community Impact

### Global Community Impact Grants

The Starbucks Foundation, in FY22, announced a \$30 million investment by 2030 in a new Global Community Impact Grants portfolio designed to drive locally relevant impact in the communities where Starbucks operates around the world. To scale the initiative, The Starbucks Foundation invited partner companies (licensees) which operate the Starbucks brand across its three international regions – Asia Pacific; Europe, Middle East & Africa; and Latin America & the Caribbean – to nominate local nonprofit organizations for grants. These grants are intended to fund programs that create meaningful local or regional impact and expands on the company's people positive ambition to enhance the well-being of all who connect with Starbucks.

## Positively Impacting Women and Girls at Origin

In FY22, The Starbucks Foundation met its commitment to empower 250,000 women and girls in origin communities by 2025, ahead of schedule. In service of our ambition to be people positive, The Starbucks Foundation committed to expand its commitment – seeking to positively impact 1 million women and girls in coffee-, tea- and cocoa-growing communities by 2030.

### Addressing the Root Causes of Chronic Homelessness in Seattle

Building on the company's 50-year legacy of work to strengthen and uplift its hometown, in FY22, Starbucks announced nearly a half a million dollars of investments that will take place throughout 2022 to advance solutions that support those experiencing chronic homelessness in the greater Seattle region. These efforts include partnering with the We Are In Coalition to support Partnership for Zero, led by the King County Regional Homelessness Authority (KCRHA), expanding support for nonprofits providing dignified access to basic needs including bathrooms, showers and laundry services for individuals experiencing chronic homelessness, expanding its commitments to the chronically homeless population by supporting Plymouth Housing and extending its investment in Northwest Harvest as part of its FoodShare program.

# Planet

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Starbucks is committed to being resource positive — giving back more than we take from the planet.

Over the course of our 50 years, with the help of our partners, we have looked for ways to help protect our planet consistent with the belief that we can build a great business that scales for good — driving innovation, ensuring a sustainable future for coffee and caring for people. We have set a bold commitment to reduce our carbon, water and waste footprints in half by 2030, and we continue to work to ensure that our 2030 targets remain ambitious as science and measurement capabilities evolve.

# Planet

# 2030 GOALS & PROGRESS

Our aspiration to become resource-positive means we will give more than we take from the planet: storing more carbon than we emit, providing more clean freshwater than we use and eliminating waste.



# Planet 2030 GOALS & PROGRESS

## 2030 Planet Goals

### Carbon

50% absolute reduction in scope 1, 2 and 3 greenhouse (GHG) emissions representing all of Starbucks direct operations and value chain.



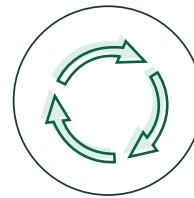
### Water

50% of water withdrawals will be conserved or replenished across Starbucks direct operations, stores, packaging and agricultural supply chain, prioritizing action in high-risk water basins while supporting watershed health, ecosystem resilience and water equity.



### Waste

50% reduction in waste sent to landfill from stores (including packaging that leaves stores) and direct operations, driven by a broader shift toward a circular economy.



We are governing our sustainability commitments through our Global Environmental Council, which is comprised of senior leaders across Starbucks whose compensation is tied to performance against our goals. We also formally review and seek counsel from our Board of Directors Nominating and Corporate Governance Committee, along with informal advisors who are experts and influencers in the sustainability sector.

We can only achieve this ambition by working together with, and receiving feedback from, our stakeholders – partners, suppliers, non-profit organizations, industry partners, government, farmers and customers are all part of our journey to store more carbon than we emit, eliminate waste and replenish more freshwater than we use.

In FY21, rooted in science, grounded in Starbucks Mission and Values and informed by comprehensive market research and trials, Starbucks finalized 2030 environmental goals to cut our carbon, water and waste footprints by half, working from a FY19 baseline.



**"Starbucks sustainability journey has been driven by bold aspirations and a comprehensive approach. Today, our goal is to become resource-positive, storing more carbon than we emit, replenishing more freshwater than we use and eliminating waste. We set targets to cut our carbon, water and waste footprints in half by 2030."**

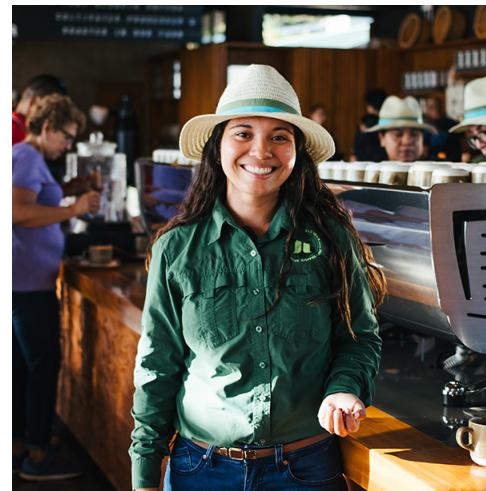
Michael Kobori, chief sustainability officer

# Planet 2030 GOALS & PROGRESS

Since that time, Starbucks carbon goal has been validated as science-based from the Science Based Targets Initiative (“SBTi”). The SBTi has confirmed that the scope 1 and scope 2 portions of our 2030 carbon target are aligned with a 1.5°C pathway, the most ambitious level they validate. In FY20, we joined the newly established Transform to Net Zero (TONZ) initiative as a founding member. Comprised of nine founding members, the Initiative’s objective is to accelerate the transition to a net zero global economy no later than 2050 by developing and delivering research, guidance and roadmaps to guide businesses in achieving net zero emissions.

Starbucks also expanded its goal to conserve or replenish 50% of water used in green coffee production in our direct operations to include global operations, agricultural supply chain and packaging, increasing the projected water conserved or replenished and addressing some of the biggest impacts on Starbucks water footprint. To achieve this, we will focus on expanding water conservation and replenishment efforts to include agricultural supply chains, global operations and packaging; catalyzing holistic watershed health improvements in highest risk basins; and by promoting equity and resiliency for communities through WASH. Starbucks endorsed the United Nations’ Water Resilience Coalition (WRC) to help preserve freshwater resources globally. Coalition members commit to collective action in water-stressed basins, to develop and implement resilient practices across their industry, and to provide leadership and advocacy in the field of water stewardship.

Similar to last year, our progress against our 2030 commitments in FY21 was influenced by external factors, including COVID-19. Compared to FY19, GHG emissions increased one percent<sup>19</sup> and water withdrawals decreased by 11% in FY21<sup>20</sup>. Starbucks diverted 32% of operational waste and 24% of packaging was reusable, recyclable or compostable in FY21<sup>21</sup>. We are continuously improving data availability and quality as we improve our environmental impact measurement process.



<sup>19</sup>At this stage in our journey toward significant reductions, an increase in GHG emissions is expected. We are identifying, testing and scaling innovative solutions across our global operations and engaging with our value chain while improving our measurement systems.

<sup>20</sup>Water withdrawals decreased compared to FY19 because of shifts in agricultural commodities purchased due to changing customer preferences, continued impacts from COVID-19 and improvements to data quality and measurement processes.

<sup>21</sup>In FY21, data reporting for waste diversion and packaging was changed to increase accuracy in measurement and better aligned to industry standards. We are reviewing our goal going forward.

## Planet

# STRATEGIES FOR CHANGE

To meet our 2030 goals, we have set five key strategies rooted in science, grounded in Starbucks Mission and Values and informed by comprehensive research and trials:

- Expand plant-based menu options
  - Shift away from single use to reusable packaging
  - Invest in regenerative agriculture, reforestation, forest conservation and water replenishment in our supply chain
  - Invest in better ways to manage our waste
  - Innovate to develop more sustainable stores, operations, manufacturing and delivery



# Planet STRATEGIES FOR CHANGE



Susan, a partner in Shanghai, is excited to be part of the first Greener Store outside of North America. "I feel very lucky to be store manager at this very important store. As the first store in China to be certified under the 'Starbucks Greener Store' standard, this store sets new benchmarks for green retail," Susan says.

The Shanghai Greener Store is unique in that it will focus on circularity, which means it was designed and built to reduce waste and repurpose goods.

"[Greener Stores] lead sustainability solutions in store design, construction and operations, with [our Shanghai store] focusing on waste reduction. With the opening of this store, we invite customers and communities to adopt greener lifestyles," Susan says.

The store is designed to bring eco-friendly practices to life for customers. From using wood reclaimed from renovations at other Starbucks stores, to Starbucks green aprons made from recycled cups, to a Circular Lifestyle Lab that showcases sustainability-themed exhibitions featuring emerging young artists and advocates, the store promises to be an immersive learning experience for all.

"Protecting the planet is everyone's responsibility. We are all in this together for a better future. I would like to invite everyone to the store, joining us [in a] greener lifestyle," Susan says.

## Greener Stores Framework

**FY21 Results: 2,779 Greener Stores are certified globally.**

Announced in 2018, the [Greener Stores Framework](#), co-developed with [World Wildlife Fund](#), is designed to accelerate the transformation of retail towards lower-impact stores that achieve reductions in carbon emissions, water usage and landfill waste. With performance-based standards that incorporate design and extend throughout the life of a store, Starbucks Greener Stores in North America have reduced energy consumption by 30% compared with the company's prior store designs. Additionally, state-of-the-art technologies treat and conserve water, reducing annual water use by more than 30%, saving more than 1.3 billion gallons of water annually. Meanwhile, 90% of company operated stores have adopted waste diversion and circular practices, including recycling, composting, Grounds for Your Garden and Starbucks FoodShare.

In FY21, 2,779 Starbucks stores were certified Greener Stores and we expanded the framework to international markets, opening the first Greener Store outside of North America in Shanghai with a focus on circularity. The Shanghai Greener Store has been designed and built to reduce waste, repurpose goods and serve as a platform for future innovation. In FY22, Starbucks will continue the international expansion of this program with Greener Stores opening in Japan, the U.K. and Chile. We aim to build and operate 10,000 Greener Stores globally by 2025.



# Planet STRATEGIES FOR CHANGE

## Renewable Energy

### FY21 Results: Renewable energy powered 66% of company-operated facilities globally.

Worldwide, Starbucks purchases enough renewable electricity to power 100% of our company-operated stores in the U.S., Canada and U.K. In FY21, renewable energy powered 66% of company-operated facilities globally compared to 72% in FY20, with market constraints in China and Japan challenging our ability to meet the goal of using renewable energy to power 100% of our operations globally.

Expanding our roster of renewable energy projects in the U.S. is a priority for Starbucks. In FY21, we continued to use our scale to drive innovation across the energy sector and support not only our stores but also the communities in which we operate with renewable energy. Starbucks committed to investing nearly \$97 million in up to 23 new community solar projects in New York in partnership with Generate Capital, which will supply solar energy to more than 24,000 households, small businesses, nonprofits, churches, universities and Starbucks stores. Six of these projects went into service FY21, serving communities that historically do not have access to clean energy. Starbucks also completed the installation of a one-megawatt solar array at the Starbucks Carson Valley Roasting Plant and Distribution Center. On-site solar energy will provide nearly a third of the Roasting Plant and Distribution Center's electricity for the year.

In FY21, a combined Virtual Power Purchase Agreement (VPPA) and Virtual Storage Agreement (VSA) that Starbucks entered came online and is estimated to provide renewable energy for more than 550 stores in California with solar energy and utility-scale batteries. And, in Southwestern Washington, Starbucks supported the development of a new wind project which will provide renewable energy to approximately 140 Starbucks Stores and the company's Kent Roasting Plant, along with numerous communities in Washington.

As Starbucks advances its renewable energy strategy, the company will use its scale to drive innovation across the energy sector, applying an environmental and climate justice lens to new investments in the U.S. and Canada.

## Plant-Based Menu

### FY21 Results: Continued to expand plant-based menu items for customers.

Expanding Starbucks plant-based menu items globally is one of the ways we are pursuing our plant positive aspirations. Our aim is to provide our customers a variety of choices as part of their Starbucks experience. Customers around the globe continue to see new additions to their local menus. Starbucks joined forces with plant-based innovators so that today nearly all stores across our markets offer plant-based food and beverage menu items.

In the Asia Pacific region, Starbucks has introduced plant-based beverage and food choices in markets such as Hong Kong, Indonesia, Philippines, New Zealand, Singapore, South Korea, Taiwan and Thailand. Customers in Starbucks Caribbean markets can now enjoy the Impossible Breakfast Sandwich while those in Chile can savor two plant-based paninis made in association with NotCo. Starbucks customers in the U.K. can enjoy Beyond Meat Breakfast Sandwiches and in January 2021, Starbucks in UAE and Kuwait launched new plant-based food including the Beyond Meat Triple Cheese Wrap and Beyond Meatball Arabian Ciabatta. Starbucks continues to introduce new drinks and food to menus while innovating with plant-based ingredients across key platforms like espresso, cold brew, refreshment, food and more to meet growing customer demand globally.

## Sustainable Dairy

### FY21 Results: Invested \$10 million in U.S. Dairy Net Zero Initiative.

Since Starbucks introduced its first handcrafted coffee beverage, the Caffè Latte, in 1984, cow's milk has been an integral ingredient for the company. While Starbucks will continue to expand plant-based menu options, dairy remains an important option for our customers. At the same time, dairy is one of the largest contributors to Starbucks carbon footprint and water withdrawals. To reach our planet positive goals, we must innovate and work with others to source dairy responsibly and sustainably.

In FY21, Starbucks joined the U.S. Dairy Net Zero Initiative, a partnership of the U.S. dairy community seeking to enable progress toward the industry's goals of achieving greenhouse gas neutrality and improvements in water quality on farms. Through a \$10 million investment, Starbucks is providing more farmers access to effective environmental and economically viable practices and technologies – from feed production to manure handling, cow care and on-farm energy efficiency. Starbucks also joined the Farm Powered Strategic Alliance as a founding member, repurposing food waste in Starbucks supply chain into renewable energy via farm-based anaerobic digesters. The process produces low carbon fertilizer that host farms use to support regenerative agriculture practices, while Starbucks, in turn, helps contribute to a low carbon economy.

# Planet STRATEGIES FOR CHANGE

## Reducing Single-Use Plastic

### FY21 Results: Continued employing our innovative test-and-learn approach to reducing single-use plastic.

Efforts to reduce single-use plastic, particularly cup waste, are not new to Starbucks. We have offered the option for customers to enjoy their beverage in For Here Ware or to BYOC (bring your own cup) for a discount since the 1980s. In FY21, after removing the option from our stores due to COVID-19, we proudly reintroduced personal reusable cups and For Here Ware in most markets, though less than 1% of beverages sold were in reusable cups.<sup>22</sup> We continue to conduct consumer and market research to better understand how best to incentivize the use of reusables towards our goal to double the use of reusable cups from 2016–2022. In FY21, our test-and-learn approach included testing a Borrow-A-Cup program in stores in Seattle and Korea, which gave customers the option to receive their beverage in a reusable cup and return it at a participating store's contactless kiosk. International markets also identified key pathways in support of our 2030 waste reduction target. Starbucks EMEA committed to offering a reusable cup share program in all EMEA stores by 2025, and Starbucks South Korea committed to eliminating single-use cups by 2025.

In addition, finding better ways to manage waste with more sustainable packaging solutions is a priority to achieve our Planet Positive goals. As we continue our work to shift away from single-use materials, Starbucks is continuing our work to develop compostable and recyclable hot cups in collaboration with Closed Loop Partners and the NextGen Consortium. We are also taking action to shift away from single-use plastics and champion the circular economy through our participation in the Ellen MacArthur Foundation's [New Plastics Economy Global Commitment](#).

We plan to launch a new cup in the fall of 2022 that will meet our goal to include 20% recycled content in our hot cups. Currently, our hot cups contain 10% recycled content. While we are increasing the amount of recyclable content used to make hot cups, we are also working to develop 100% compostable and recyclable hot cups by 2022. In FY21 and FY22 to date, seven new markets in the U.S. have joined the list of major markets where Starbucks hot cups are recyclable. We recognize that some of these efforts may be delayed or change because of operational challenges created by the COVID-19 pandemic. However, these shifts will not deter our longer-term objectives for reusables.

We achieved our goal to eliminate plastic straws.<sup>23</sup> This effort does not deter our commitment to accessibility and our responsibility to provide plastic straws for customers who require them to enjoy their favorite beverage. To eliminate traditional plastic straws, we first reduced demand, through the rollout of strawless lids, which we have approximately 9% less plastic than the flat lid and straw historically used for iced beverages. Unlike traditional plastic straws, the strawless lids can be recycled in many markets in the U.S. and Canada. We also introduced alternative material straws mostly made of polylactic acid (PLA) and polyhydroxyalcanoate (PHA). While some PLA and PHA straws have been available in international markets, PHA straws were introduced in the U.S. in 2021.



<sup>22</sup>The geographic scope of this data point includes all company-owned and operated stores in the US and licensed operations in Korea.

<sup>23</sup>The geographic scope of this data point includes all company-owned and operated markets globally.

# Planet STRATEGIES FOR CHANGE

## Sustainable Future of Coffee

### FY21 Results: Announced goal to achieve Carbon Neutral Green Coffee by 2030.

Coffee farmers rely on a healthy planet to produce high-quality coffee. In FY21, Starbucks announced a new goal to achieve carbon neutral green coffee by 2030. This commitment builds on Starbucks work to source coffee responsibly, for the betterment of people and planet, while we also work to empower farmers, improve their livelihoods and positively impact their communities, all with the aspiration of ensuring a sustainable future of coffee. To help achieve this goal, we are focused on on-farm carbon mitigation in our supply chain, leveraging precision agronomy to support better soil health and fertilizer management. Working across Starbucks Farmer Support Centers and in partnership with suppliers and farmers, we continue to collect soil samples to better help farmers understand the specific nutrients and fertilizer needed, with the intent to reduce green coffee's carbon footprint while helping farmers to be more productive and resilient. To date, we have collected nearly 23,000 soil samples in Guatemala, Mexico, Peru, Rwanda and Kenya to help inform custom fertilization plans.



## Water Reduction and Replenishment

### FY21 Results: Committed to conserve water usage in green coffee processing by 50%; To date, contracted more than 1200 eco-wet mills.

Traditional coffee processing is water intensive. In FY21, Starbucks announced a goal to conserve water usage in green coffee processing by 50%. With 200,000 wet mills in Starbucks C.A.F.E. Practice supply chain to separate coffee fruit from coffee beans, Starbucks has an opportunity to conserve water by ensuring farmers have access to more environmentally friendly machines, which also standardizes quality and increases processing efficiency for farmers.

In FY21, Starbucks contracted more than 1,200 eco-mills for coffee farms in Guatemala, Mexico, Peru, Kenya and Rwanda. The result has been up to 80% water savings in coffee processing where installed. As part of Starbucks long-term water strategy, we are developing water replenishment projects at Origin, with a focus on prioritizing action in high-risk basins while supporting watershed health, ecosystem resilience and water equity.

## Climate-Resistant Coffee Trees

### FY21 Results: More than 10 million climate-resistant trees were distributed globally through Starbucks 100 Million Tree commitment.

Starbucks has a goal to provide 100 million coffee trees to farmers by 2025. In FY21, we distributed more than 10 million trees to farmers in Mexico, Guatemala and El Salvador. Over the past six years as part of our 10-year, 100 million-tree commitment, Starbucks has donated nearly 60 million coffee trees to farmers. These new trees are bred to be resistant to coffee rust, a disease associated with climate change, and to help farmers improve the quality and yields of their harvest. In FY21, we announced a partnership with the [Federacion Nacional de Cafeteros de Colombia](#) to distribute 23 million coffee seedlings to more than 12,000 C.A.F.E. Practices farmers over the next two and a half years with the goal of helping farmers renovate their farms and improving productivity and yields. In the last year, we have distributed more than 7 million coffee trees as part of this program. In addition, we have also expanded the program with a goal to distribute more than 45 million coffee trees to C.A.F.E. Practice-verified farmers in Colombia by 2023.

## Forest Conservation & Restoration

### FY21 Results: Launched two new projects in Colombia and Peru and protected and restored more than 500 hectares of forests.

Land-use change and deforestation are the greatest climate risks facing the coffee industry. Early in FY21, Starbucks launched projects with Conservation International in Huila, Colombia, and San Martin, Peru, to not only remove carbon and support our carbon neutral goals, but to provide freshwater ecosystems benefits and improve biodiversity. In FY21, these projects have resulted in more than 500 hectares of forest in Peru protected or restored with restoration plans underway in Colombia. Over the next five years, we anticipate these projects to conserve or restore more than 6,000 hectares in 16 farming communities across the countries, benefiting both local communities and reducing Starbucks carbon footprint. The projects are also developing carbon measurement and water monitoring protocols, in conjunction with local stakeholders.

# Planet STRATEGIES FOR CHANGE

## ASU-Starbucks Center for the Future of People & the Planet

**FY21 Results: Announced the creation of the ASU-Starbucks Center for the Future of the People and the Planet.**

Building on our long-standing partnership, in FY21, Starbucks and ASU announced the creation of the ASU-Starbucks Center for the Future of People and the Planet – a new research and rapid innovation facility created to find new ways to design, build and operate Starbucks stores. Composed of a dedicated team of scientists, researchers and support staff, including subject-matter experts from Starbucks and ASU, the center's objective is to positively impact the future of our planet. In its first year, the Center has focused on food and wellness, innovation test stores, greener stores and community betterment.



# Planet

## Animal Welfare

Just as with our coffee, Starbucks goal is for everything we sell to be produced under high quality and ethical standards. For the food and dairy we serve, this means a commitment to social responsibility standards with animal welfare as a primary focus. We are committed to working with and buying from farmers and suppliers who share our commitment to humane practices throughout an animal's lifecycle. FY21 has brought a renewed focus on Animal Welfare, and we have launched an internal Animal Welfare working group and steering committee to continue to improve our commitments. Please view [Starbucks Animal Welfare-Friendly practices](#).



## Cage Free Eggs

**FY21 Results: In the U.S. and Europe, 100% of shelled eggs are certified cage-free. In the U.S., 99.3% of liquid eggs are certified cage-free.<sup>24</sup>**

Since Starbucks first began buying cage-free eggs in 2008, we have made significant progress, increasing our purchases year-over-year. In FY21, Starbucks received a Good Egg award from [Compassion in World Farming's](#) 2021 Egg Track Report for the progress we've made against our cage-free egg commitment in the U.S. and Europe. In FY21, all of the shelled eggs we use in our products in the U.S. and Europe are certified cage-free, and all of the liquid eggs we use in Europe and 99.3% of the liquid eggs used in the U.S. are certified cage-free. While there have been great strides in availability of the cage-free egg supply in the U.S. and Europe, there is still work to be done across the industry to increase supply to address market availability globally. In Asian company-operated markets such as China and Japan, the production of cage-free eggs is not widespread and supply is not yet available at scale. Starbucks will continue to engage and consult with industry stakeholders on increasing the available supply in order to achieve our goal for company-operated stores.

## Antibiotics

**FY21 Results: As of 2018, all poultry featured in Starbucks products in stores in the U.S. is raised without the routine use of antibiotics. We work closely with our suppliers to continue to ensure they meet this commitment.**

Starbucks engaged with our suppliers and set a goal to serve only poultry raised without the routine use of medically important antibiotics in all company-operated U.S. stores by 2020. In 2018, we met that goal two years ahead of schedule. The poultry we serve has been raised without the routine use of antibiotics.

## Sow Housing

**FY21 Results: Developed plan to phase out excessive use of gestation stalls.**

In December 2021, Starbucks released an updated sow housing commitment for North America. Starbucks is phasing out the excessive use of gestation stalls for the sows (mother pig) in our supply chain by 2030. The excessive use of gestation stalls would include stalls where gestating sows do not have the ability to turn around. This commitment extends to all Starbucks branded products, including those supplied to our licensee business partners in the U.S. and Canada. To reach our goal of phasing out the excessive use of gestation stalls, we will specify 100% "group-housed" pork as a requirement of our pork suppliers in the U.S. and Canada and take steps to ensure a "group-housed" pork supply in 2024. We expect to demonstrate meaningful progress towards this goal in 2023. Group housing will significantly reduce a sow's time in a gestation stall.

<sup>24</sup>Our goal is to source 100% cage-free eggs globally. The geographic scope of this data point includes all company-owned and operated markets in the U.S. and Europe.

# Planet FY22 HIGHLIGHTS TO DATE

## Starbucks Journey to Sustainable Dairy

As a company that works with and relies on the farming community every day, it is Starbucks responsibility to help drive solutions that support both people and our planet and that help ensure a sustainable future of dairy. In FY22, we launched a collaborative effort with dairy farmers and The Nature Conservancy to help refine and scale an approach to sustainable dairy and environmental stewardship for the betterment of people, planet and animals.

## Expanded Greener Stores

Starbucks Greener Stores support our Planet Positive goals with performance-based standards that incorporate design and extend throughout the life of a store. In December 2021, we opened the doors to Japan's first Greener Store in Tokyo, which will serve as a sustainability hub, informing Starbucks Greener Stores expansion across Japan. Starbucks will continue the international expansion of this program with Greener Stores opening in the U.K. and Chile.

## Innovative Reusable Cup Programs

Starbucks continues to test “Borrow-A-Cup” or Returnable Cup operating models in the U.S., U.K., Japan and Singapore, with more countries in the year ahead. In addition, the company continues to encourage customers to bring their own cup and emphasize for-here-ware as the default sit-and-stay experience, while exploring new customer incentives and technologies, like cup washing stations at café counters. In FY22, Starbucks announced that by the end of 2023, customers will be able to use their own personal reusable cup for every Starbucks visit in the U.S. – including in café, drive-thru and mobile order and pay. Our goal, over time, is to give customers easy access to a personal or Starbucks provided reusable cup for every visit making it convenient to reuse wherever customers are enjoying their Starbucks Experience.

## NextGen Consortium

As a founding member of the NextGen Consortium, Starbucks has been working to address single-use food packaging alongside leading food and beverage companies globally. In October 2021, Starbucks and McDonald’s announced a joint \$10 million investment in the NextGen Consortium to identify, accelerate and scale commercially viable, circular foodservice packaging solutions.

## Waste and Recycling App

In FY22, Starbucks launched a new Partner Waste and Recycling App, developed by partners as part of the Greener Stores Innovation Challenge, designed to help partners navigate complex and unique store recycling guidelines. The app puts everything partners need to know to reduce waste and recycle in one place; it features store specific information and notifications, a sorting guide and the option to create store specific signage for partners and customers.

## Fueling the Future

In FY22, Starbucks continues to rapidly expand its roster of renewable energy and decarbonization projects in the United States, including a new partnership with Volvo to electrify the driving route from the Colorado Rockies to the Starbucks Support Center in Seattle. Beginning this summer, Volvo electric vehicle chargers, powered by ChargePoint, will be available at up to 15 Starbucks stores along the route as part of the company's 2,700 Greener Store portfolio. The company will use these pilots to explore how EV charging and emerging technology will intersect with the Starbucks Experience of the future and changing trends in retail. By 2030, Starbucks aspires to lead the retail industry in decarbonization solutions, including Electric Vehicle charging and onsite solar availability at stores and in adjacent locations. Starbucks will continue to expand its solar pilot locations to 55 new stores this year.

# Governance.

We believe strong corporate governance is the foundation for financial integrity, partner and stakeholder confidence and sustainable performance. We promote ethical leadership and business practices to deliver our very best in all we do, while holding ourselves accountable for results.



# Governance

## Board Oversight on Environmental, Social and Governance Issues

Our board is highly engaged in sustainability matters given that our global environmental and social impact goals are intricately linked to our strategic direction. Our board considers our impact agenda at least annually in connection with the strategic plan.

In addition, our Nominating and Corporate Governance Committee is tasked with the responsibility of overseeing the effectiveness of our environmental and social responsibility policies, goals and programs, including review of our annual Global Environmental and Social Impact Report, and make recommendations as appropriate.

Other board committees are also involved in assessing and managing our environmental and social priorities through their oversight responsibilities, including risk management and talent management.

In addition to board oversight of our environmental and social goals, we regularly engage with informal advisors who are experts and influencers in sustainability.

### BOARD

Responsible for ensuring ESG risks and opportunities are integrated into Starbucks long-term strategy.

### NOMINATING AND GOVERNANCE COMMITTEE

Oversees, reviews and assesses the effectiveness of Starbucks ESG strategies, policies, practices, goals and programs; annually reviews Starbucks corporate political contributions and expenditures to ensure alignment with Starbucks policies and values.

### COMPENSATION COMMITTEE

Oversees the development, implementation and effectiveness of Starbucks practices, policies and strategies relating to human capital management as they relate to Starbucks workforce generally.

### AUDIT COMMITTEE

Oversees certain ESG risks, as part of overall risk management, and also reviews ESG disclosures in SEC filings.

# Governance

## Ethics & Compliance

**FY21 Results:** Starbucks was recognized by Ethisphere as one of the World's Most Ethical Companies for the 14th year.

Our [Ethics & Compliance program](#) supports our Mission and Values and helps protect our culture by fostering an environment that is committed to ethical leadership and conducting business with integrity. The Ethics and Compliance program makes regular reports to the Board of Director's Audit Committee including formal sessions several times per year.

We provide all Starbucks partners with our [Standards of Business Conduct](#), a framework to guide them in ethical decisions at work. The Standards of Business Conduct is supported by other robust global company policies and training for our partners. Our internal policies cover ethics and human rights issues including Anti-Harassment, Anti-Discrimination, [Conflicts of Interest](#), [Gifts & Entertainment](#), [Anti-Bribery](#) and [Equal Employment Opportunity](#).

Annually, we conduct training on our SoBC for our partners to recommit to our company values.

Partners are empowered to ask for guidance and voice concerns when they experience or see conduct that is inconsistent with our [Standards of Business Conduct](#). Our Ethics & Compliance Helpline and Webline allow partners to ask questions and voice concerns. The Helpline and Webline are available 24 hours a day, seven days week, with interpreters and translations available. We are committed to providing safe, confidential and accessible channels to all individuals connected to Starbucks, while maintaining a strict Anti-Retalatory Policy in compliance with our [Global Human Rights Statement](#).



# Governance

## Executive Compensation Tied to ESG Performance

In FY21, we incorporated a new set of measurements into our executive compensation programs focused on sustainability and building inclusive and diverse teams, which resulted in the increase of the individual performance factor (IPF) of the Annual Incentive Bonus Plan from 30% to 50% of the overall payout calculation. Ten percent of the overall bonus payout calculation for Starbucks senior vice president and above population is tied to Starbucks planet-positive results which aligns to our vision of giving back more than we take from the planet, as well as ensuring the sustainability of coffee and other materials which are paramount to our business operations. Another ten percent of the overall bonus payout calculation is tied to creating an inclusive environment where everyone belongs, because the strength, diversity and inclusiveness of our workforce drives our success as a global brand.

## Responsible Tax Policies

As a responsible business, we manage our global tax responsibilities in keeping with our mission and values. Our approach to tax aims to align with the needs and long-term interests of our various stakeholders – including governments, shareholders, partners and the communities where we operate and source products. To achieve this, we work to implement several guiding principles:

- We always consider the company's corporate and social responsibilities, brand and reputation when considering tax affairs.
- We aim for our tax affairs to be sustainable and equitable, and we recognize the importance of tax systems in helping governments fund policies and programs to meet the needs of their communities and residents.
- We engage with all tax authorities in an open, transparent and respectful manner.
- We support initiatives to improve transparency on tax matters, including Organisation for Economic Co-operation and Development (OECD) measures on country-by-country reporting and automatic exchange of information.
- We comply with the financial and tax related disclosure and transparency requirements of the U.S. Securities and Exchange Commission ("SEC"), as well as other government institutions that require financial and tax reporting in each jurisdiction where we have operations.

## Stakeholder Engagement

Our ESG goals are formulated based on a comprehensive stakeholder review process which includes materiality review and analysis and identifying business critical issues. By actively engaging both internal and external stakeholders in this process, we ensured our strategy and goals are targeted to key areas allowing us to have the greatest impact and create positive outcomes. This process includes direct outreach, public forums and industry working groups, and we will continue to leverage these channels on an ongoing basis.

At the local level, operations teams, including our regional, district and store managers are available and often actively engage local stakeholder questions or concerns. If an issue goes beyond the scope of their responsibilities, they escalate it to the Starbucks Support Center (headquarters). Any issues related to ESG matters referred to the Global Social Impact and Global Public Policy team for response or further action.

## Political Expenditures

Starbucks is committed to being actively involved in the communities we serve. This commitment extends to our approach to public policy. We believe we have a responsibility to advocate policies that support the health of our business, our partners and communities we are part of. In an effort to better communicate these activities, Starbucks adopted a policy to provide more transparency about our corporate political contributions and expenditures. We believe this policy serves Starbucks interests in promoting public policies of concern to the company and educating elected and public officials about our business, while providing important information to our partners, customers and shareholders. Starbucks is committed to conducting business ethically, with integrity and in accordance with the law. Part of that commitment includes compliance with rules, regulations and standards governing our interaction with the government, including our disclosure and accountability regarding political contributions and expenditures.

# Governance

## Human Rights

At Starbucks, we are committed to respecting human rights, as outlined in our [Global Human Rights Statement](#), which was updated in FY20. Throughout FY21, we continued to embed our updated Global Human Rights Statement into our various internal and external stakeholder communication, training and due diligence systems.

Throughout the year, we continued to work diligently to demonstrate our commitment to human rights and human rights due diligence through our various People Positive initiatives, from ensuring that the coffee we serve to our customers is ethically sourced to advancing racial and social equity, LGBTQIA2+ rights and disability inclusion throughout our operations.

For instance, within our Tier 1 coffee supply chain, we leveraged our flagship [C.A.F.E. Practices](#) program to identify and initiate corrective action plans for zero tolerance non-conformities in FY21. For each zero tolerance non-conformity brought to our attention through C.A.F.E. Practices, we swiftly addressed them by working closely with our suppliers and our on-the-ground, third-party partners to pursue corrective actions, including, where appropriate, providing remedy for the impacted individuals. See our [program scorecard](#) for the full list of human rights topics we cover.

On the manufactured goods side, whether it's the merchandise on our shelves or the furniture we place in our stores, we continued to implement our ethical sourcing [program](#) and [standards](#) for manufactured goods and services, which includes on-the-ground factory assessments and assurance measures to identify and remediate potential and actual violations. While the COVID-19 pandemic limited our ability to conduct these on-the-ground assessments, we were nevertheless able to achieve a significant milestone in FY21: the mapping of and transparency into 98% of our Tier 1 manufactured goods supply chain. Going forward, we now have the transparency we need to influence, measure and report the performance of nearly our entire Tier 1 manufactured goods supply base.

Our global commitment to fundamental human rights is a core component of how we engage our partners. Starbucks respects the inherent dignity of all people and seeks to enable partners to do their best work by embracing and valuing the unique combination of talents, experiences and perspectives they each bring to our work. We adhere to [ILO Core Labor Standards](#), including the rights to freedom of association and participation in collective bargaining. While we do not believe third-party representation is necessary at Starbucks, we respect our partners' right to organize and we want partners to be informed as they make decisions about engaging with third-party representation. Starbucks created the "[We Are One Starbucks](#)" website with critical information and resources for partners who may be exploring joining or engaging with a union.

See data tables at the end of this report for FY21 performance results and trends.



## ABOUT THIS REPORT

### Scope

Our Global Environmental and Social Impact report for FY21 focuses on the goals in our two key social impact areas: People and Planet. We've also included links to information and resources publicly available at [stories.starbucks.com](#) and [starbucks.com](#) regarding financial, corporate governance work, workplace and diversity policies and performance, because these commitments are directly tied to our business. The geographic scope of all data points in the report are tracked against U.S. company-owned operations unless otherwise noted. Starbucks is committed to United Nations Sustainable Development Goals and uses these goals as a lens for our social impact programs and collaborations with others. Based on our stakeholder engagement efforts, we also believe these areas are important to our customers, our partners, non-governmental organizations (NGOs) and investors.

### Reporting Year

Starbucks fiscal year 2021 or "FY21" is September 28, 2020 through October 3, 2021, unless otherwise noted.

### Currency

All references to currency are in U.S. dollars, unless otherwise noted.

### Previous Reports

Starbucks has produced an annual global social impact report since 2001. Previous annual reports are available on our [website](#). We also respond to key industry questionnaires such as the Dow Jones Sustainability Index and the CDP Climate Change, Water and Forests Questionnaires.

### Information Integrity

Starbucks management is responsible for the preparation and integrity of the information reported for fiscal 2021. Through a system of internal controls, including a comprehensive verification process involving internal subject matter experts, we believe this information accurately represents our global responsibility activities and performance results for the fiscal year. External verification over specified metrics is provided by Moss Adams LLP and Burns & McDonnell Engineering Inc.

### Forward-Looking Statements

Our reporting on global responsibility for fiscal 2021 includes "forward-looking" statements within the meaning of the applicable securities laws and regulations. Generally, these statements can be identified by the use of words such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "outlook," "plan," "potential," "predict," "project," "seek," "should," "will," "would," and similar expressions intended to

identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements include statements relating to trends in or expectations relating to the effects of our existing and any future initiatives, strategies and plans, as well as trends in or expectations regarding our financial results and long-term growth model and drivers, the anticipated timing and effects of recovery of our business, the conversion of several market operations to fully licensed models, our plans for streamlining our operations, including store openings, closures and changes in store formats and models, expanding our licensing to Nestlé of our consumer packaged goods and Foodservice businesses and its effects on our Channel Development segment results, tax rates, business opportunities and expansion, strategic acquisitions, our future relationship with Starbucks Coffee Korea Co., Ltd., expenses, dividends, share repurchases, commodity costs and our mitigation strategies, liquidity, cash flow from operations, use of cash and cash requirements, investments, borrowing capacity and use of proceeds, continuing compliance with our covenants under our credit facilities and commercial paper program, repatriation of cash to the U.S., the likelihood of the issuance of additional debt and the applicable interest rate, the continuing impact of the COVID-19 pandemic on our financial results, future availability of governmental subsidies for

COVID-19 or other public health events, the expected effects of new accounting pronouncements and the estimated impact of changes in U.S. tax law, including on tax rates, investments funded by these changes and potential outcomes and effects of legal proceedings. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Actual future results and trends may differ materially depending on a variety of factors, including, but not limited to: further spread of COVID-19 and related disruptions to our business; regulatory measures or voluntary actions that may be put in place to limit the spread of COVID-19, including restrictions on business operations or social distancing requirements, and the duration and efficacy of such restrictions; the potential for a resurgence of COVID-19 infections and the circulation of novel variants of COVID-19 in a given geographic region after it has hit its "peak"; fluctuations in U.S. and international economies and currencies; our ability to preserve, grow and leverage our brands; the ability of our business partners and third-party providers to fulfill their responsibilities and commitments; potential negative effects of incidents involving food or beverage-borne illnesses, tampering, adulteration, contamination or mislabeling; potential negative effects of material breaches of our information technology systems

to the extent we experience a material breach; material failures of our information technology systems; costs associated with, and the successful execution of, the Company's initiatives and plans, including the successful expansion of our Global Coffee Alliance with Nestlé; our ability to obtain financing on acceptable terms; the acceptance of the Company's products by our customers, evolving consumer preferences and tastes and changes in consumer spending behavior; partner investments, changes in the availability and cost of labor including any union organizing efforts and our responses to such efforts; significant increased logistics costs; inflationary pressures; the impact of competition; inherent risks of operating a global business; the prices and availability of coffee, dairy and other raw materials; the effect of legal proceedings; and the effects of changes in tax laws and related guidance and regulations that may be implemented and other risks detailed in the company filings with the Securities and Exchange Commission, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. The company assumes no obligation to update any of these forward-looking statements.

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STARBUCKS 2021 GLOBAL ENVIRONMENTAL & SOCIAL IMPACT REPORT

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# Supporting Documents & Data Tables

## GOALS SCORECARD

Here's a snapshot of our People and Planet goals and progress for FY21.



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# Goals Scorecard

## PEOPLE

### Opportunity

GOAL	FY21 RESULT	NOTES
<b>Enroll 100,000 learners – partners, customers and communities – in a To Be Welcoming course</b>	Over 87,000 course enrollments in To Be Welcoming courses globally and nearly 37,000 course completions since launch.	The geographic scope of this data point includes all company-owned and operated markets globally.
<b>Graduate 25,000 Starbucks partners from Arizona State University (ASU) by the end of 2025</b>	2,500 partners earned their college degree in FY21 through the Starbucks College Achievement Plan.	
<b>Committed to 100% ethically sourced coffee in partnership with Conservation International</b>	Nearly 95% of Starbucks coffee was ethically sourced and verified through C.A.F.E. Practices, down from 98.6% in FY20 due to restrictions caused by COVID-19. Auditors were unable to complete all necessary in-person, on-farm audits.	
<b>Committed to 100% ethically sourced tea and cocoa</b>	99.9% of tea sourced by Global Coffee, Tea & Cocoa sourcing team was verified as responsibly sourced. 10 million kilograms of segregated cocoa beans were purchased from the Ivory Coast through our Tier 1 supplier, Cargill.	More on Cargill's approach to Cocoa procurement can be found <a href="#">here</a> .

### Inclusion

GOAL	FY21 RESULT	NOTES
<b>At least 40% BIPOC representation and 55% women in all retail roles, by 2025 in the U.S.</b>	All partner base: 71% female and 48% BIPOC	More information on our Workforce Diversity Data is available <a href="#">here</a> .
<b>At least 30% BIPOC representation and 50% women for all enterprise roles, including senior leadership, by 2025 in the U.S.</b>	Within BIPOC representation: 8% of partners identify as Black; 29% Hispanic or Latinx; 6% Asian; 5% Multiracial; 1% American Indian or Alaskan Native and 0.5% Native Hawaiian or other Pacific Islander	Demographic percentages represented in this section have been rounded.
<b>At least 40% BIPOC representation and 30% women in all manufacturing roles by 2025 in the U.S.</b>	Senior Leadership: 54% women and 36% BIPOC	
<b>100% gender and racial pay equity in the U.S.</b>	Manufacturing: 33% female and 44% BIPOC	
<b>100% gender pay equity globally in company-owned markets</b>	Starbucks has achieved and maintained 100% pay equity for women and men and people of all races performing similar work in the U.S.	
	Starbucks has achieved and maintained 100% pay equity for women and men performing similar work in global company-operated markets Canada and Great Britain.	In FY20, our licensed partners in Singapore, the Philippines and India also achieved 100% pay equity for women and men. In FY21, eight additional markets in Asia-Pacific and the Hong Kong Support Center achieved 100% gender pay equity.

# Goals Scorecard

## PEOPLE

### Inclusion

GOAL	FY21 RESULT	NOTES
<b>Hire 5,000 Veterans and Military Spouses in the U.S. annually</b>	In FY21, Starbucks has hired 7,720 Veterans and military spouses across Starbucks roles in the U.S.	
<b>Hire 10,000 Refugees globally by 2022</b>	In FY21, Starbucks hired 339 partners who self-identified as refugees in the U.S., Canada and EMEA. 2,959 refugees hired in the U.S., Canada and EMEA to date.	The geographic scope of this data point includes globally company-owned and operated markets and licensed markets in EMEA.

### Community

GOAL	FY21 RESULT	NOTES
<b>Open 100 social-impact–designed Community Stores by the end of 2025 in the U.S.</b>	Starbucks dedicated its 21st Community Store in the U.S.	The geographic scope of this data point includes company-owned and operated markets in the U.S. and licensed markets in Asia-Pacific.
<b>Open 200 Military Family Stores by 2022 in the U.S.</b>	78 Military Family Stores open in the U.S.	
<b>Reinvest \$100 million into hunger relief efforts in the U.S. by 2030</b>	Met FY21 goal to ensure FoodShare food donation program is available at 100% of company operated stores in the U.S. and Canada. In FY21, 10.4 million meals were donated in the U.S. and 1.2 million meals were donated in Canada.	The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada.
<b>Increase annual spend with diverse suppliers to \$1.5 billion by 2030</b>	Nearly \$800 million spent with Tier 1 direct, diverse suppliers.	The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada. Goal announced in 2022.
<b>Invest total \$100 million in the Community Resiliency Fund by 2025</b>	Starbucks deployed \$10 million into Chicago Community Development Financial Institutions (CDFIs) to support small businesses.	
<b>Empower 250,000 women and girls in coffee, tea and cocoa growing communities by 2025</b>	The Starbucks Foundation's Origin Grants help communities break down barriers to education, promote clean water, sanitation and hygiene (WASH) and create economic opportunities for women and girls. We met this goal in early FY22, and expanded our commitment to reach 1 million women and girls in coffee- and tea-growing frontline communities across Africa, Asia and Latin America.	The geographic scope of this data point includes all company-owned and operated markets globally.

# Goals Scorecard

PLANET

## 2030 Targets

GOAL	FY21 RESULT	NOTES
<b>Starbucks commits to reduce absolute scope 1, scope 2 and scope 3 greenhouse gas emissions by 50% by FY30 from a FY19 base year</b>	<p>1% increase compared to FY19. An increase at this stage in our journey towards significant reductions in our GHG emissions is expected. We are focused on identifying and testing innovative solutions that we can scale across our global operations and engaging with our value chain while improving our measurement systems.</p> <p>In March 2021, Starbucks GHG reduction goal was validated as science-based by the SBTi, which confirmed our target is aligned with a 1.5 degree Celsius pathway.</p>	
<b>Starbucks commits through conservation or replenishment to reduce water withdrawals from direct operations, stores, packaging and our agricultural supply chain by 50% by FY30 from a FY19 base year</b>	<p>11% decrease compared to FY19. Water withdrawals decreased in FY21 because of shifts in agricultural commodities purchased due to changing customer preferences, continued impacts from COVID-19, and improvements to measurement processes.</p> <p>In August 2021, we announced an expanded water target increasing the projected water conserved or replenished and catalyzing holistic watershed health improvements in high risk basins.</p>	
<b>Starbucks commits to reduce waste sent to landfill from stores (including packaging that leaves stores) and direct operations by 50% by FY30 from a FY19 base year</b>	<p>In FY21, we are reporting progress against our waste target as two metrics: Starbucks diverted 32% of operational waste and 24% of packaging was reusable, recyclable or compostable.</p> <p>To improve measurement and align to industry standards, our methodology for calculating waste diversion and packaging was updated. We are reviewing our target going forward.</p>	

## Strategies for Change

GOAL	FY21 RESULT	NOTES
<b>10,000 Greener Stores globally by 2025</b>	<p>2,779 Starbucks stores in FY21 were certified Greener Stores mainly in the U.S. and Canada, representing an approximately 20% increase over FY20.</p> <p>Starbucks began expanding our Green Stores framework globally. Certifying our first Greener Store outside of North America in Shanghai, China.</p>	SCS Global Services completed the verification of Starbucks Greener Stores program for FY21.
<b>100% renewable energy for global operation by 2020</b>	<p>Sourced renewable energy to power 66% of company-operated locations globally with market constraints in China and Japan limiting our ability to meet this goal globally.</p> <p>As members of the RE100, we remain committed to reaching 100% renewable energy in our global company operations.</p>	

# Goals Scorecard

PLANET

## Strategies for Change

GOAL	FY21 RESULT	NOTES
<b>Eliminate plastic straws globally by end of 2021</b>	<p>We achieved our goal to eliminate traditional plastic straws. This effort does not deter our commitment to accessibility and our responsibility to provide plastic straws for customers who require them to enjoy their favorite beverage.</p> <p>We are using various alternatives to traditional plastic straws globally, including PLA or PHA materials straws, and have reduced the need for straws in cold beverages through strawless lids.</p>	The geographic scope of this data point includes all markets globally.
<b>Double the use of reusable cups from 2016-2022</b>	<p>Less than 1% of beverages sold were in reusable cups, either a customer's personal cup, "for here" ware, or a "borrow a cup" in company operated stores globally.</p> <p>Due to COVID-19 safety measures reusable cups options were paused in the U.S. until June 2021, which decreased this rate. Other markets also had pauses or limitations related to Covid-19 safety measures.</p>	
<b>20% recycled content in our hot cups by 2022</b>	Hot cups currently contain 10% post-consumer (PCR) fiber. We will be launching a new hot cup with increased PCR fiber before the end of 2022.	
<b>100% compostable and recyclable hot cups developed by 2022</b>	<p>Starbucks is continuing our work to develop compostable and recyclable hot cups in collaboration with Closed Loop Partners and the NextGen Consortium.</p> <p>In FY21 and FY22, to date seven new markets have joined the list of major markets where Starbucks hot cups are recyclable: Lansing, Mich.; Athens and Clark County, Ga.; Atlanta and Dekalb County, Ga.; Detroit; Madison; Chicago; and Cincinnati. They join 15 other major markets: Seattle; Washington, DC; Denver; New York City; San Francisco; Boston; Louisville, Ky.; Dallas; Chattanooga, Tenn.; Kent County, Mich.; Sioux Falls, S.D.; St. Lucile County, Fla.; Vancouver and province of British Columbia; London; and Amsterdam.</p>	

# Goals Scorecard

PLANET

## Ellen MacArthur Foundation Global Commitment<sup>1</sup>

GOAL	FY21 RESULT	NOTES
<b>Take action to help eliminate problematic or unnecessary plastic packaging by 2025</b>	In 2021, we eliminated traditional plastic straws globally from our retail stores.	
<b>Take action to move from single-use towards reuse models where relevant by 2025</b>	We launched multiple “borrow a cup” trials to engage customers with reusable cups in new ways.	
<b>Take action for 100% of plastic packaging to be reusable, recyclable or compostable by 2025</b>	17.8% of plastic packaging was reusable, recyclable or compostable.	
<b>Use 5–10% recycled content across all plastic packaging by 2025</b>	4.6% of recycled content used across all plastic packaging.	
<b>20% reduction of virgin plastic packaging by 2025 compared to FY19</b>	11.9% increase of virgin plastic packaging compared to FY19.	

## Sustainable Future of Coffee

GOAL	FY21 RESULT	NOTES
<b>Achieve Carbon Neutral Green Coffee by 2030</b>	This goal was announced in FY21. Starbucks is working to determine the baseline for this goal and appropriate measurement processes.	
<b>Conserve water usage in green coffee processing by 50%</b>	Contracted more than 1,200 eco-wet water mills for separating coffee fruit from coffee beans, saving up to 80% of water where installed.	
<b>Provide 100 million coffee trees to farmers by 2025</b>	More than 10 million climate-resistant trees distributed globally.	

<sup>1</sup>Starbucks EMF commitments and related reporting represents packaging from direct operations and licensed stores and excludes Starbucks branded packaging not sold in our stores. Starbucks branded products sold outside of our stores is part of a licensed model of the Global Coffee Alliance with Nestlé, while our global ready-to-drink businesses operate under collaborative relationships with PepsiCo and others. The Starbucks branded packaging used by Channel Development business partners are part of their commitments and reporting.

# Goals Scorecard

PLANET

## Animal Welfare

GOAL	FY21 RESULT	NOTES
<b>Phase out the excessive use of gestation stalls for mother pigs (sows) in our supply chain by 2030</b>	Developed plan to specify “100% group-house pork” as a requirement of our pork suppliers in the U.S. and Canada and take steps to ensure a “group-housed” pork supply in 2024. We expect to demonstrate meaningful progress towards this goal in 2023. Group housing will significantly reduce a sow’s time in a gestation stall.	The geographic scope of this data point includes all company-owned and operated stores in the U.S. and Canada.

# Supporting Documents & Data Tables

## PLANET POSITIVE PERFORMANCE<sup>1,2,3</sup>

The following metrics represent detailed reporting of Starbucks environmental performance in FY19, the baseline year for our 2030 environmental targets, and FY21. We made significant updates to our inventory methodologies this year and rebaselined FY19 results, which will differ from the FY19 data previously reported. We did not update our FY20 calculations because reduced business activity in FY20 from COVID-19 make this year difficult to use for comparisons.<sup>4</sup> In FY21, we were not expecting significant reductions in our environmental impacts and progress towards our 2030 targets as we are focused on identifying and testing innovative solutions that we can scale across our global operations and we are committed to enhancing measurement systems and coordination across Starbucks and our value chain.

<sup>1</sup>The scope of this data is global unless otherwise noted. Direct operations refers to an operational control boundary, inclusive of company owned stores, corporate offices, and manufacturing and distribution facilities. This includes global wholly-owned and partially-owned subsidiaries over which Starbucks has management and operational control. Direct operations excludes licensed stores.

<sup>2</sup>We have updated the methodologies used to develop our environmental inventories. These updates including improved data quality and availability, changes to emissions and water factors, and other methodological changes. These changes are reflected consistently in our FY19 and FY21 inventories.

<sup>3</sup>Where possible, reported data aligns with our fiscal year. In some cases, for example utility bills, the data aligns to the nearest month rather than the exact fiscal year end and start dates.

<sup>4</sup>FY20 environmental performance metrics are available in [Starbucks FY20 Global Environmental and Social Impact Report Supplement](#)



# Planet Positive Performance

ENERGY CONSUMPTION (MWh)	FY19	FY21	
<b>Total Energy Consumption, direct operations<sup>5</sup></b>	<b>2,570,946</b>	<b>2,605,210</b>	
Total purchased electricity, direct operations	1,948,466	1,991,153	
Percent renewable <sup>6</sup>	71%	66%	
Total fuel consumed, direct operations <sup>7</sup>	622,480	614,057	
<hr/>			
GREENHOUSE GAS EMISSIONS <sup>8</sup>	FY19	FY21	
<b>Scope 1<sup>9</sup></b>	<b>349,178</b>	<b>372,020</b>	
<b>Scope 2</b>			
market-based <sup>10</sup>	396,487	474,774	
location-based <sup>9</sup>	877,440	923,483	
<i>sub-total scope 1 + 2 market-based emissions</i>	<i>745,665</i>	<i>846,794</i>	
<b>Scope 3<sup>10</sup></b>			
<b>① Purchased goods and services<sup>9,11,12</sup></b>	<b>8,143,957</b>	<b>8,128,362</b>	
<b>② Capital goods</b>	<b>250,223</b>	<b>211,674</b>	
<b>③ Fuel- and energy-related activities</b>	<b>164,059</b>	<b>203,417</b>	
<b>④ Upstream transportation and distribution</b>	<b>589,987</b>	<b>676,195</b>	
<b>⑤ Waste generated in operations</b>	<b>287,716</b>	<b>283,847</b>	
<b>⑥ Business travel</b>	<b>26,008</b>	<b>3,766</b>	
<b>⑦ Employee commuting</b>	<b>583,742</b>	<b>619,526</b>	
<b>⑧ Upstream leased assets<sup>13</sup></b>	<b>Not relevant</b>		
<b>⑨ Downstream transportation and distribution</b>	<b>Not relevant</b>		
<b>⑩ Processing of sold products</b>	<b>42,055</b>	<b>46,498</b>	
<b>⑪ Use of sold products</b>	<b>77,718</b>	<b>78,339</b>	
<b>⑫ End-of-life treatment of sold products</b>	<b>155,748</b>	<b>155,004</b>	
<b>⑬ Downstream leased assets<sup>15</sup></b>	<b>Not relevant</b>		
<b>⑭ Franchises<sup>16</sup></b>	<b>3,330,106</b>	<b>2,308,317</b>	
<b>⑮ Investments<sup>17</sup></b>	<b>143,350</b>	<b>1,144,133</b>	
<i>subtotal scope 3 emissions</i>	<i>13,794,670</i>	<i>13,859,078</i>	
<b>Total emissions (scope 1 + 2 market-based + 3)</b>	<b>14,540,335</b>	<b>14,705,871</b>	
Percent of total GHG emissions from fluid dairy purchases <sup>18</sup>	19%	18%	
Percent of total GHG emissions from green coffee purchases <sup>19</sup>	16%	14%	
<b>Percent reduction of total emissions from FY19 baseline</b>		<b>-1%</b>	

<sup>5</sup>In gigajoules, total energy consumption in FY21 equals 9,478,801 GJ, and total fuel consumed in FY21 equals 2,296,223 GJ.

<sup>6</sup>A methodology change was made in FY19 and FY21 inventories to update estimates and emission factors resulting more scope 2 market-based emission than previously reported for FY19. This also impacted the percent of electricity sourced from renewables.

<sup>7</sup>Fuel use includes natural gas, propane, aviation fuel and vehicle fuel.

<sup>8</sup>Starbucks presents greenhouse gas emissions in accordance with the GHG Protocol and uses global warming potential values from the IPCC Fourth Assessment.

<sup>9</sup>FY21 data has been third-party verified by Burns and McDonnell. Their report is available at the end of this report.

<sup>10</sup>Scope 3 emissions utilize location-based values

<sup>11</sup>Category 1 emissions includes land use change (LUC) for purchases of coffee, tea, cocoa and dairy. LUC is defined as a change from one land-use category to another as a result of human activity. We use the Quantis LUC methodology, which accounts for year-to-year, country-level LUC over 20-year intervals, including primary and secondary forest loss; peatland drainage and degradation; and soil erosion and degradation. LUC numbers were assumed to stay constant from FY20, as we plan to update our calculation methodologies for these emissions for our next reporting cycle as new guidance becomes available.

<sup>12</sup>Category 1 emissions include the emissions from the purchased goods and services made by Starbucks Corporation. We have moved purchases made by licensees for key commodities to category 14 as recommended by the GHG Protocol.

<sup>13</sup>Starbucks does not have significant upstream leased assets.

<sup>14</sup>Downstream transportation impacts are minimal and not calculated.

<sup>15</sup>Starbucks does not act as a lessor.

<sup>16</sup>A methodology change was made in the FY19 and FY21 inventories to include the scope 1, 2 and select scope 3 emissions of our global licensed stores' in category 14, instead of category 3 as in prior years. The select scope 3 emissions include the emissions from these licensed stores' purchases of food, beverage ingredients, and packaging not purchased through Starbucks Corporation as these are covered in category 1. Due to data availability, purchases by Licensed Stores are often estimated.

<sup>17</sup>A methodology change was made in the FY19 and FY21 inventories to include operational emissions from two joint ventures: (1) North American Coffee Partnership, a joint venture with Pepsi, and (2) Starbucks AiNi Group. From FY20 to FY21, we also updated our methodology for estimating emissions from our investment in the Valor Siren Venture Fund.

# Planet Positive Performance

## WATER WITHDRAWALS (megaliters)

	FY19	FY21
<b>Total water withdrawal</b>	<b>4,306,370</b>	<b>3,845,353</b>
Direct operations <sup>9,20,21</sup>	22,996	24,177
Percent water withdrawn from high-risk basins <sup>22</sup>	Not calculated	32%
Indirect: licensed stores <sup>20</sup>	9,737	13,271
Percent water withdrawn from high-risk basins <sup>22</sup>	Not calculated	42%
Indirect: packaging and agricultural commodities purchased <sup>23</sup>	4,273,638	3,807,905
<b>Percent reduction of total water withdrawal from FY19 baseline</b>		<b>11%</b>

<sup>18</sup>Total GHG emissions from fluid dairy purchases is inclusive of fluid dairy categorized in scope 3 category 1 and category 14, and include estimated LUC associated with these purchases.

<sup>19</sup>Total GHG emissions from green coffee purchases is inclusive of estimated LUC associated with these purchases included in scope 3 category 1.

<sup>20</sup>Water withdrawal from stores includes both primary and estimated data. Where primary data is not available, water withdrawal is estimated by applying an average water withdrawal factor derived from U.S. and Canada company-owned stores.

<sup>21</sup>Starbucks withdraws water strictly from local water utilities or similar relevant entities, and as such all of our water withdrawals are categorized as sourced from third-party water.

<sup>22</sup>High risk basins refers to water withdrawals from facilities located in regions of high or extremely-high baseline water stress as defined by WRI Aqueduct tool, which was used to conduct this assessment.

<sup>23</sup>Water withdrawal from packaging and agricultural commodities is estimated using country-level or regional data from the World Food Lifecycle Database (WFLDB). Reporting of this category aligns with our GHG inventory, scope 3, category 1.

<sup>24</sup>A methodology change was made in the FY19 and FY21 inventories to update operational waste values and classifications to be consistent with internal data tracking and estimation methodology improvements established in FY21. We are not reporting on waste discarded by customers out of stores and instead have expanded our reporting of packaging materials.

<sup>25</sup>Reporting of this category aligns with the GHG inventory, scope 3, category 5.

<sup>26</sup>We measure diversion as waste materials recycled, composted, donated, or sold to be processed into cattle feed. Diversion does not include materials sent to landfill, incineration (with or without energy recovery) or liquid waste sent down the drain (excludes water).

<sup>27</sup>Licensed store non-hazardous waste is estimated based on company-owned store information. This does not include construction & demolition waste. Reporting of this category aligns with the GHG inventory, scope 3, category 14.

## OPERATIONAL WASTE (thousand metric tons)<sup>24</sup>

	FY19	FY21
<b>Total weight of non-hazardous operational waste</b>	<b>1,184</b>	<b>1,183</b>
Direct operations generated <sup>25</sup>	854	901
Percent organic	53%	55%
Percent diverted <sup>26</sup>	27%	34%
Indirect: generated in licensed stores <sup>27</sup>	330	282
Percent organic	58%	56%
Percent diverted <sup>26</sup>	18%	24%
<b>Percent total non-hazardous operational waste, diverted<sup>26</sup></b>	<b>25%</b>	<b>32%</b>

# Planet Positive Performance

PACKAGING MATERIALS <sup>28</sup> (thousand metric tons)	FY19	FY21
<b>Total weight of packaging material<sup>29</sup></b>	<b>280</b>	<b>277</b>
Percent of packaging made from recycled or renewable materials	21.0%	15.5%
Percent of materials recyclable, compostable or reusable Corporation <sup>30</sup>	22.7%	27.3%
Indirect: total weight of packaging materials purchased by licensees for Starbucks retail operations <sup>31</sup>	187	194
<b>Total weight of plastic packaging materials<sup>32</sup></b>	<b>150</b>	<b>166</b>
Total weight of virgin plastic packaging materials	139	156
Percent reduction of virgin plastic packaging materials from FY19 baseline		-11.9%
Percent of plastic packaging that is reusable, recyclable or compostable <sup>33</sup>	19.4%	23.2%
Percent of post-consumer recycled content used in our plastic packaging	6.1%	4.6%

<sup>28</sup>Data represents packaging materials used in our direct operations and licensed stores and all other packaging materials purchased by Starbucks Corporation. Packaging materials purchased by channel business partners for use in products they sell with our brand on it and not sold in a Starbucks retail store is excluded. This aligns with our GHG Inventory and Ellen MacArthur Foundation Global Commitment reporting boundaries. Starbucks branded products sold outside of our stores is part of a licensed model of the Global Coffee Alliance with Nestlé, while our global ready-to-drink businesses operate under collaborative relationships with PepsiCo and others. The Starbucks branded packaging used by Channel Development business partners are part of their commitments and reporting.

<sup>29</sup>Data represents paper and plastic packaging materials, our most significant sources of packaging materials.

<sup>30</sup>Reporting of this category aligns with packaging materials reported in the GHG inventory under scope 3, category 1.

<sup>31</sup>Reporting of this category aligns with packaging materials reported in the GHG inventory under scope 3, category 14.

<sup>32</sup>FY19 inventory has been recalculated to align to methodology changes made as part of the FY21 inventory. These results may differ from what has been previously submitted to Ellen MacArthur Foundation Global Commitment and WWF ReSource Plastic and we anticipate restating these baselines in our 2022 reporting to these organizations.

<sup>33</sup>In assessing the recyclability of our portfolio Starbucks has aligned with the New Plastics Economy 2022 Recycling Rate Survey results.

# Supporting Documents & Data Tables

# SUSTAINABILITY ACCOUNTING STANDARDS BOARD REPORTING



# SASB Reporting

TOPIC & ACCOUNTING METRIC	SASB CODE	FY21 STARBUCKS RESPONSE
<b>Energy Management</b>		
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	FB-RN-13Oa.1	<p>See FY21 Global Environmental &amp; Social Impact Report narrative, page 35.</p> <p>See Planet Positive Performance, page 61.</p> <p><i>Additional information is available in our CDP Climate Change response.</i></p>
<b>Water Management</b>		
(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	FB-RN-14Oa.1	<p>See FY21 Global Environmental &amp; Social Impact Report narrative, page 36.</p> <p>See Planet Positive Performance, page 56.</p> <p><i>Additional information is available in our CDP Water Stewardship response.</i></p> <p><i>Total volume of water consumption is not monitored as we do not typically have discharge meters in our stores and do not track how much water goes into beverages. Therefore, we are disclosing on water withdrawn from regions with high or extremely baseline water stress.</i></p>
<b>Food &amp; Packaging Waste Management</b>		
(1) Total amount of waste, (2) percentage food waste, and (3) percentage diverted	FB-RN-15Oa.1	<p>See FY21 Global Environmental &amp; Social Impact Report narrative, page 36.</p> <p>See Planet Positive Performance, page 56.</p>
(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	FB-RN-15Oa.2	<p><i>Additional information about our packaging is available via our reporting to WWF ReSource and the Ellen MacArthur Foundation Global commitment.</i></p>
<b>Food Safety</b>		
(1) Percentage of restaurants inspected by a food safety oversight body, (2) percentage receiving critical violations	FB-RN-25Oa.1	Starbucks is always committed to the health and safety of our customers and partners. We regularly audit and review product quality and food safety practices. We validate our policies and procedures to ensure they are effective and up to date. We actively communicate with our partners and customers through <a href="#">starbucks.com</a> and other communication channels on product-related nutritional and safety information.
(1) Number of recalls issued and (2) total amount of food product recalled	FB-RN-25Oa.2	
Number of confirmed foodborne illness outbreaks, percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation	FB-RN-25Oa.3	

# SASB Reporting

TOPIC & ACCOUNTING METRIC	SASB CODE	FY21 STARBUCKS RESPONSE
<b>Nutritional Content</b>		
(1) Percentage of meal options consistent with national dietary guidelines and (2) revenue from these options	FB-RN-26Oa.1	Starbucks provides transparent information to ingredients, calories and other nutritional information. <i>Additional information is available on <a href="#">starbucks.com</a>.</i>
(1) Percentage of children's meal options consistent with national dietary guidelines for children and (2) revenue from these options	FB-RN-26Oa.2	Starbucks reviews our marketing and advertising for compliance with all applicable laws, including the Federal Trade Commission's Truth-in-Advertising standards. We also design our digital content to be compliant with the Children's Online Privacy Protection Act (COPPA).
Number of advertising impressions made on children, percentage promoting products that meet national dietary guidelines for children	FB-RN-26Oa.3	<i>Additional information is available in <a href="#">Starbucks Global Human Rights Statement</a>.</i>
<b>Labor Practices</b>		
(1) Voluntary and (2) involuntary turnover rate for restaurant employees	FB-RN-31Oa.1	Starbucks is committed to being an employer of choice and maintaining the strength of our workforce. Starbucks makes available online our Commitment to Partners and our workforce data for the U.S. business. <i>Additional information is available on <a href="#">Human Capital Management</a> in our <a href="#">Form 10-K Filing</a> (on pages 2-4).</i>
(1) Average hourly wage, by region and (2) percentage of restaurant employees earning minimum wage, by region	FB-RN-31Oa.2	As of FY21, 100% of U.S. partners earn above minimum wage. <i>Additional information about Starbucks labor practices is available at <a href="#">Starbucks Commitment to Partners</a>.</i>
Number of advertising impressions made on children, percentage promoting products that meet national dietary guidelines for children	FB-RN-26Oa.3	
<b>Supply Chain Management &amp; Food Sourcing</b>		
Percentage of food purchased that (1) meets environmental and social sourcing standards and (2) is certified to third-party environmental and/or social standards	FB-RN-43Oa.1	Starbucks ethical sourcing approach integrates social and environmental standards and is an expectation for suppliers and business partners. <i>Additional information is available in the <a href="#">Starbucks Global Human Rights Statement</a>, <a href="#">Our Supply Chain</a>.</i>
Percentage of (1) eggs that originated from a cage-free environment and (2) pork that was produced without the use of gestation crates	FB-RN-43Oa.2	
Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	FB-RN-43Oa.3	See FY21 Global Environmental & Social Impact Report narrative, page 39.

# SASB Reporting

TOPIC & ACCOUNTING METRIC	SASB CODE	FY21 STARBUCKS RESPONSE
<b>Activity Metrics</b>		
Number of (1) company-owned and (2) franchise restaurants	FB-RN-000.A	As of October 3, 2021, Starbucks operated 17,133 Company-Operated and 16,700 Licensed locations. Additional information is available in the <a href="#">Starbucks Fiscal 2021 Annual Report</a> , page 11.
Number of employees at (1) company-owned and (2) franchise locations	FB-RN-000.B	As of October 3, 2021, Starbucks employed approximately 383,000 people worldwide. Additional information is available in the <a href="#">Starbucks Fiscal 2021 Annual Report</a> , page 8.

# Supporting Documents & Data Tables

## HUMAN RIGHTS

Starbucks reports its most recent fiscal year performance to demonstrate its commitment to fundamental human rights and reporting continuous improvement transparently. As we continue to mature our internal data management systems, we intend to share more information about our human rights performance in future reports.

2021 REPORT 2021 REPORT 2021 REPORT  
2021 REPORT 2021 REPORT 2021 REPORT  
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# Human Rights

## Coffee

ZERO-TOLERANCE INDICATORS	# OF NONCONFORMITIES	% OF TOTAL NONCONFORMITIES
Nonconformities related to wage practices	161	54.4%
Nonconformities related to traceability requirements	57	19.3%
Nonconformities related to child labor	46	15.5%
Nonconformities related to labor intermediaries	11	3.7%
Nonconformities related to transparency requirements	8	2.7%
Nonconformities related to banned pesticides <sup>3</sup>	7	2.4%
Nonconformities related to forced labor, abuse, or unethical recruitment practices	6	2.0%
	<b>296</b>	<b>100%</b>

All suppliers from which we purchase a product or service are required to pledge compliance with our [Supplier Code of Conduct](#). Our flagship ethical sourcing program, based on the [Coffee and Farmer Equity \(C.A.F.E.\) Practices standard](#), is dedicated to monitoring 100 percent of our C.A.F.E.-approved, coffee supply chains, which today represents more than 400,000 farms around the world.<sup>1</sup> We also monitor all facilities in our first-tier, manufactured goods supply chain.

A nonconformity is a breach of any one of Starbucks zero-tolerance indicators. Multiple nonconformities could be identified in a single location. In FY21, we verified or audited 525 coffee supply chains and identified 296 zero-tolerance non-conformities in 88 supply chains.<sup>2</sup> For each zero tolerance non-conformity brought to our attention through C.A.F.E. Practices, we swiftly addressed them by working closely with our suppliers and our on-the-ground, third-party partners to pursue corrective actions, including, where appropriate, providing remedy for the impacted individuals. For manufactured goods, we assessed 213 manufactured goods facilities and identified 30 zero-tolerance nonconformities in 10 facilities.

## Manufactured Goods

ZERO-TOLERANCE INDICATORS	# OF NONCONFORMITIES	% OF TOTAL NONCONFORMITIES
Nonconformities related to wage practices	19	63.3%
Nonconformities related to transparency requirements	5	16.7%
Access denial into facilities for audits and inspections	2	6.7%
Health and safety, including direct and immediate endangerment	2	6.7%
Environmental impact	1	3.3%
Forced labor	1	3.3%
Child labor	0	0.0%
Abuse and harassment	0	0.0%
	<b>30</b>	<b>100%</b>

<sup>1</sup>A “coffee supply chain” is a network of farms, mills, and warehouses. We work with more than 1,100 coffee supply chains, which are made up of more than 400,000 individual farms.

<sup>2</sup>All coffee supply chains are verified or audited at regular intervals by approved, [verification organizations](#) and with oversight provided by [SCS Global Services](#) that includes additional audits. While exceptions exist, as a general rule, we verify or audit all new supply chains and large-scale supply chains every year. Returning or reverifying coffee supply chains are generally verified approximately every two years.

<sup>3</sup>Includes pesticides classified as Type 1a or 1b by the World Health Organization.





MOSSADAMS

## Independent Accountant's Report

To the Stakeholders of Starbucks Coffee Company

We have examined the data identified below (the Data) contained within the Starbucks Coffee Company's Global Environmental and Social Impact Report (the Report) for the fiscal year ended October 3, 2021. Starbucks Coffee Company's management is responsible for the Data. Our responsibility is to express an opinion on the Data listed below based on our examination:

- 95% ethically sourced coffee purchases as contained in the **Coffee and Farmer Equity (C.A.F.E) Practices** section on page 11 of the Report;
- 99.9% ethically sourced tea purchases as contained in the **Responsible Sourcing for Tea** section on page 12 of the Report;
- 10 million kilograms of segregated cocoa beans purchased from Cargill as contained in the **Responsible Sourcing for Cocoa** section on page 12 of the Report;
- Investment in farmer loans since FY18 of \$54.8 million as contained in the **Global Farmer Fund** section on page 13 of the Report.

The criteria used to evaluate the Data are contained in the respective sections of the Report indicated above.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Data is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Data. Those procedures are described in more detail in the paragraph below. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Data, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our evidence-gathering procedures included, among other activities, the following:

- Testing the effectiveness of the internal reporting system used to collect and compile information on the Data which is included in the Report;
- Performing specific procedures, on a sample basis, to validate the Data, through communications with Starbucks Coffee Trading Company buying operations in Lausanne, Switzerland, and Corporate headquarters in Seattle, Washington;
- Interviewing partners (employees) responsible for data collection and reporting;
- Reviewing relevant documentation, including corporate policies, management and reporting structures;
- Performing tests, on a sample basis, of documentation and systems used to collect, analyze and compile the Data that is included in the Report, and
- Confirming certain of the Data to third-party confirmations and reports.

In our opinion, the Data for the fiscal year ended October 3, 2021, is presented in accordance with the criteria indicated above, in all material respects.

*Moss Adams LLP*

Seattle, Washington

April 22, 2022

# Memorandum



Date: April 5, 2022

To: To the Board of Directors and Stakeholders of Starbucks Coffee Company

From: Emily Robbins – Burns & McDonnell

Subject: Verification Report for FY2021 Greenhouse Gas Inventory and Water Withdrawals  
Inventory

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Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell) was retained by Starbucks Corporation (Starbucks) to verify and provide a third-party assessment of the 2021 Greenhouse Gas (GHG) Emissions Inventory and Water Withdrawals Inventory for Fiscal Year (FY) 2021. The purpose of assessment was to verify that the FY2021 GHG Emissions Inventory and Water Withdrawals Inventory represents a reasonable and accurate account of Starbuck's GHG emissions and water withdrawals.

## **Greenhouse Gas Emissions Inventory**

Burns & McDonnell reviewed Scope 1, Scope 2, and Scope 3 GHG emissions as presented in the “FY21 SBUX GHG Scope 1, 2, Operational Water Inventory” and “FY21 SBUX GHG Scope 3 & Indirect Water Inventory” excel workbooks for the fiscal period September 28, 2020 through October 3, 2021. The GHG emissions data included in the emissions inventory that were subject to review consisted of the following for each Scope:

### Scope 1 GHG Emissions:

- Fuel combustion (retail and non-retail facilities, roasting)
- Process emissions from roasting
- Refrigerant losses from equipment
- Nitrous (whipped cream chargers)
- Corporate jet fuel use
- Starbucks owned vehicles fuel use

### Scope 2 GHG Emissions:

- Purchased electricity usage (market based and location based)

### Scope 3 GHG Emissions:

- Category 1 – Purchased Goods and Services
- Category 2 – Capital Goods
- Category 3 – Fuel- and Energy-Related Activities
- Category 4 – Upstream Transportation and Distribution
- Category 5 – Waste Generated in Operations
- Category 6 – Business Travel
- Category 7 – Employee Commuting
- Category 10 – Processing of Sold Products

# Memorandum *(continued)*



April 29, 2022

Page 2

- Category 11 – Use of Sold Products
- Category 12 – End of Life Treatment of Sold Products
- Category 14 – Franchises
- Category 15 – Investments

It should be noted that this inventory is based on the Fourth Assessment Report (AR4) Global Warming Potential Values developed by the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report.

The GHG inventory assurance review was conducted in accordance with the ISO 14046-3 Standard and World Resources Institute GHG Protocol based on evidence of the reliability of the procedures undertaken to develop the GHG Emissions Footprint. To the best of our knowledge, Burns & McDonnell has found with moderate assurance that Starbucks has satisfactorily compiled a reasonable and fair account of their GHG emissions for FY 2021.

## **Water Withdrawals Inventory**

In order to complete this moderate assurance of Starbucks' FY2021 Water Withdrawals Inventory, Burns & McDonnell utilized the AA1000AS Quality Assurance Standard and obtained, analyzed and verified data related to water withdrawals as described below. This included:

- A review of Starbuck's operations and facility activities for the purposes of verifying the water withdrawals
- A qualitative review evaluating water withdrawals potentially omitted from the FY2021 Water Withdrawals Inventory and the impact on the overall inventory accuracy
- A review of the processes and procedures utilized to gather data for and develop the FY2021 Water Withdrawals Inventory
- An examination of Starbucks' 2021 Water Withdrawals Inventory report and electronic workbook spreadsheets utilized to calculate water withdrawals

## Statement of Independence

This verification and third-party assessment was performed with no conflicts of interest in relation to providing the assurance of the FY2021 Greenhouse Gas Inventory and Water Withdrawals Inventory for Starbucks.