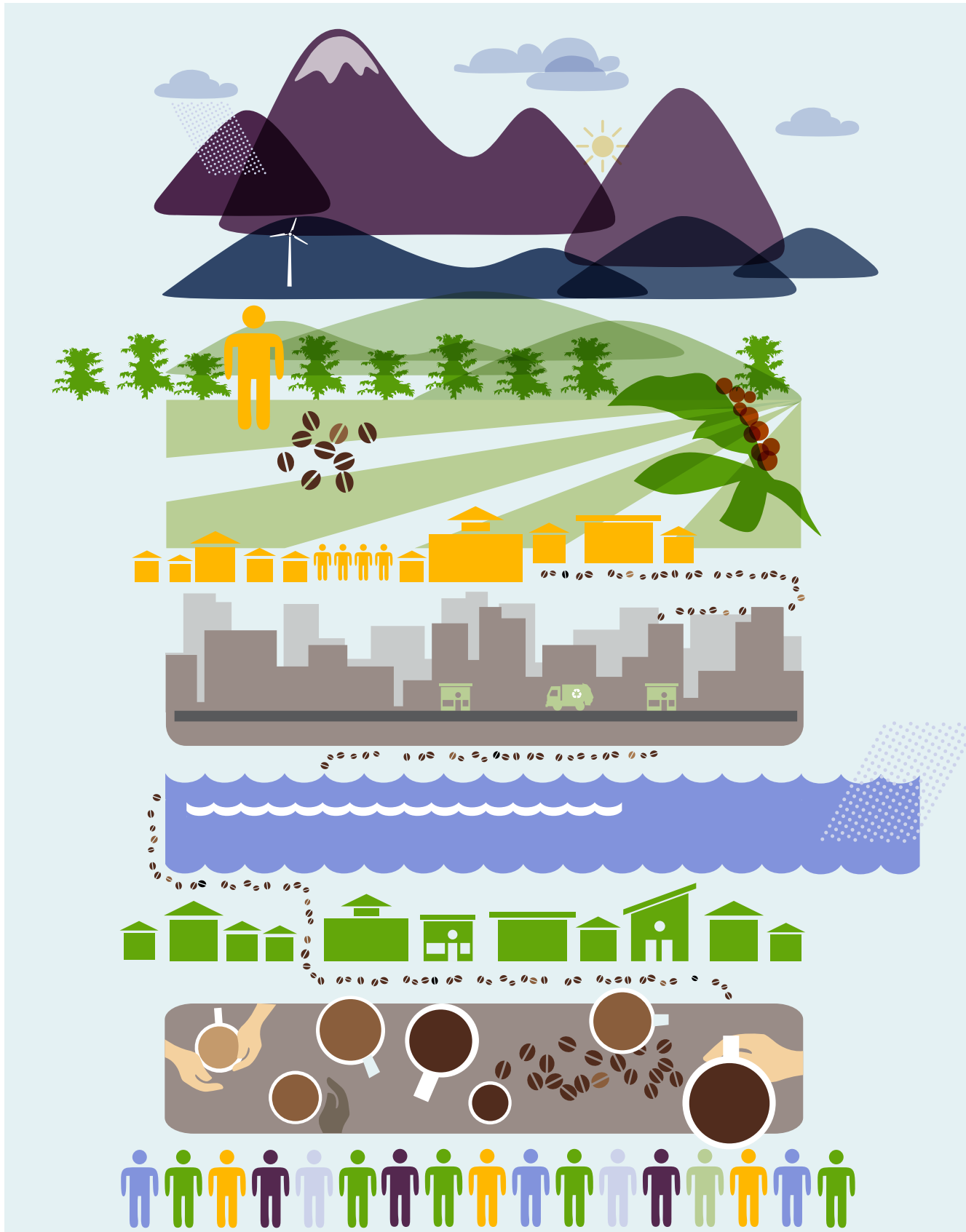


# STARBUCKS GLOBAL RESPONSIBILITY REPORT

*Goals and Progress 2013*





## Message from Howard Schultz

This past winter, I traveled with the Starbucks senior leadership team to Hacienda Alsacia in Costa Rica, the first coffee farm that Starbucks has owned and operated in our history. It was harvest season, and during our first morning each of us was given a basket and led to fields where we picked coffee cherries. In the time it typically takes for an experienced picker to fill a large basket, each of us was lucky if we picked enough cherries to cover the bottom of our own.

Participating in the farm work was not only a humbling experience, but it once again reminded me of the extraordinary effort that goes into every bean destined for Starbucks coffee. It was also a time to reflect on our company's responsibility to all the people who depend on Starbucks for their livelihood, from the thousands of farmers to the 200,000 partners (employees) who wear the green apron. Caring for people's well-being is a responsibility that extends beyond our fields and stores to the communities we serve in more than 60 countries.



As a company, each year we try to live up to this responsibility in new and meaningful ways. In 2013, customers and partners around the world contributed more than 630,000 hours of community service in local neighborhoods. We also reached out to 50,000 young people in 16 countries through our Youth Leadership grants, which help give young people the tools to become leaders. And when a U.S. government shutdown threatened the economy, we encouraged civility with a petition signed by nearly two million of our customers that urged America's elected leaders to come together for the collective good.

I am especially proud of Starbucks commitment to hiring 10,000 veterans and military spouses in the U.S., employing men and women who bring valuable skills to the workplace. In the coming year, we also plan to open five new Community Stores near military communities to help fund local non-profit programs that support veterans re-entering the workforce and their spouses.

As Starbucks continues to grow, we will never stop exploring innovative solutions to effect positive change. We will continue to challenge ourselves, to set aspirational goals, always refusing to accept the status quo. This is who we are. I am proud that we continue to push, to learn, and to take big swings, knowing that sometimes we may miss. But we must continue to ask ourselves, *what can Starbucks do to live up to our responsibility to all the people and communities we serve?*

On behalf of Starbucks, I offer my heartfelt appreciation to everyone who touched our business this past year – from the farmers who cared for our coffee through the first part of its journey to our store partners who prepared and served it with pride to millions of customers. Thank you all for helping Starbucks build an enduring company by leading through the lens of humanity.

Warm regards,

Howard Schultz  
chairman, president and chief executive officer



## 2013 Global Responsibility Report: Year in Review

Since Starbucks opened its doors more than four decades ago, we have always set out to be a different kind of company. Our mission: to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time.

In 2013 we continued to live up to that mission in the way we sourced our products, invested in our communities, and minimized our environmental footprint.

Just as every customer interaction is built upon the relationships our partners form each day with our customers, so too is our human connection with farmers and suppliers an essential part of ethically sourcing our products. We opened our first Farmer Support Center in Costa Rica in 2004 to implement our C.A.F.E. (Coffee and Farmer Equity) Practices, and we now serve farmers with additional locations in China, Rwanda, Ethiopia, Tanzania, Colombia and Guatemala. Our direct work on the ground has been essential to the program taking root in coffee-growing communities, and this year 95% of our coffee purchases met the C.A.F.E. Practices standard.



With our business, we know that we must constantly develop innovative and flexible solutions. We have found we need to be equally nimble when it comes to our community efforts. In March 2013 Starbucks announced a first-of-its-kind initiative to create employment opportunities for job-ready disengaged youth. Building on the learnings and success of Starbucks Youth Leadership initiatives, Starbucks awarded an initial \$1 million grant for the development of a nonprofit corporation —LeadersUp— that will bring community-based resources to provide job and leadership skills training to young people. We are also reimagining educational opportunities for Starbucks partners and young people in our communities.

We continue to make progress in our environmental efforts, even as our business continues to grow and evolve. We reduced our water use by more than 21% over our baseline levels, and are nearing our goal of a 25% savings by 2015. Recycling continues to be a complex and multi-layered issue for us, but we are pleased to be able to offer front-of-store recycling to 67% more locations over the past year. We also expanded our green building program, with LEED-certified stores in 18 countries, and the inclusion of green building strategies in all remodels and new construction.

Although we are not perfect, we are unwavering in our commitment to Starbucks mission. With every cup in every community, to make a positive impact with those we serve.

Blair Taylor  
chief community officer



## What is the Role and Responsibility of a For-Profit, Public Company?

In 2008 we set a series of ambitious goals where we felt we could use our scale for the greatest good in the areas of ethical sourcing, environmental impact and community improvement. We had a vision that by 2015, we could fundamentally transform the way our company approaches corporate social responsibility and imprint these values into our business.

Since then we have achieved a number of goals, and created new ones. With others, we encountered obstacles and faced unforeseen challenges as our operations became more global and complex, growing to a nearly \$15 billion a year business with approximately 20,000 stores in more than 60 countries. But with each goal, we've made forward progress and learned valuable lessons that are informing our future direction.

Our approach forms a cycle: we set aspirational goals; find collaborators, especially among our 200,000 partners, who can share their expertise and amplify our efforts; create innovative solutions; and use what we've learned to inform our next steps. With each revolution of the wheel, we expand our impact and engage our customers and partners in the journey.

As 2015 comes into view, we recognize that this is not the end of our commitment. But rather it is a new beginning. Tapping the experience, passion, and resourcefulness of our partners, customers, and you, we want to invite you to help us answer the question we ask ourselves everyday: What is the role and responsibility of a for-profit, public company?

Share your views and help shape our efforts at [My Starbucks Idea](#) or simply email us at [GlobalResponsibility@starbucks.com](mailto:GlobalResponsibility@starbucks.com). Thanks for helping us.

John Kelly  
senior vice president, Global Responsibility and Public Policy





Ethical Sourcing



Our uncompromising commitment to exceptional quality is one reason our customers are loyal to Starbucks. They also trust us to have ethical business practices, to be good environmental stewards, and to be respectful of the people who grow and supply Starbucks products. It’s our responsibility to earn and maintain their trust.

We take a holistic approach to ethically sourcing our products – from the coffee we serve to the green aprons worn by our baristas. We foster lasting relationships with the people who supply our products and create our manufactured goods to produce high-quality products and build a stable, resilient supply chain.

Our approach includes responsible purchasing practices; farmer support; economic, social and environmental standards for suppliers; industry collaboration; and community development programs. We know that the integrated ecosystem we touch is vast, and we have an opportunity to use its scale to make positive changes industry-wide.

Coffee

At Starbucks, coffee is the heart and soul of our company. And we are committed to buying and serving high-quality coffee that is responsibly grown and ethically traded.

GOAL

PROGRESS

Ensure 100% of our coffee is ethically sourced by 2015

95% of our coffee was ethically sourced in 2013 through C.A.F.E. Practices, Fairtrade or another externally audited system.

ON TRACK

Total coffee purchases (in millions of lbs)	545	396
Total ethically sourced coffee purchases (in millions of lbs)	509	377

93%

95%

100%









2012

2013

2015

Includes green coffee purchases for all Starbucks brands.

ON TRACK



Includes green coffee purchases for all Starbucks brands.





The cornerstone of our approach is Coffee and Farmer Equity (C.A.F.E.) Practices, our comprehensive coffee-buying program that ensures coffee quality while promoting social, economic and environmental standards. C.A.F.E. Practices, which we developed in collaboration with [Conservation International \(CI\)](#) a decade ago, has created significant social and economic impacts for more than one million workers, and environmental improvements on the thousands of participating farms.



**“Starbucks takes a truly comprehensive approach to verifying their coffee supply chain and allows us plus the farmers to provide continual feedback.”**

- Nathan Smith  
Director, Sustainability and Food Safety, SCS Global Services

Learn more about [C.A.F.E. Practices and the impact it is having on farmers.](#)

Farms and mills are evaluated using a comprehensive scorecard of more than 200 indicators by third-party verification organizations, which are overseen by [SCS Global Services](#). In 2013 94.9% of our coffee was C.A.F.E. Practices verified.

We are committed to not only increasing our own C.A.F.E. Practices purchases, but also to making the program available to the entire coffee-growing industry – even competitors. We opt for an “open-source” approach, sharing our tools, best practices and resources to help all producers make improvements in the long-term sustainability of their farms. We are continuously improving this program by working with groups such as Conservation International to measure the true impact our purchasing programs have on participating farmers and producers.



**“Conservation International has proudly worked with Starbucks for more than 15 years to advance their ethical sourcing program. Together we’ve been able to protect biodiversity, promote healthy ecosystems and improve coffee-growing communities globally.”**

- Peter Seligmann  
Chairman, Chief Executive Officer, Co-founder, Conservation International

For details on our most recent findings, see [C.A.F.E. Practices Results Assessment](#) for fiscal years 2011-2012.

In 2008 we set a goal that all of our coffee would meet our standards for ethical sourcing by 2015, through C.A.F.E. Practices, Fairtrade and/or other externally verified or certified programs. We have made steady progress toward this goal each year, and in 2013 95.3% of our coffee was ethically sourced, with some coffees receiving multiple verifications or certifications.

Purchasing third-party certified or verified coffees not only meets our customers’ expectations, but also helps protect the environment and the livelihood of farmers in coffee-growing regions. We have offered Fairtrade coffee since 2000, and in 2013 33.4 million pounds (8.4%) of our coffee purchases were Fairtrade certified. We also purchased 4.4 million pounds (1.1%) of certified organic coffee in 2013.

Starbucks sourced 396 million pounds of premium-quality green (unroasted) coffee from 27 countries in 2013, with total coffee purchases lower from the previous year due to carryover of inventory from 2012. These coffees are sold under the Starbucks, Seattle’s Best Coffee and Torrefazione Italia brands.



Another important component of our approach is a green coffee pricing model that aims to pay the prices premium quality commands, while fostering price stability and mutually beneficial relationships with suppliers. The coffee market has always been prone to ups and downs, mostly related to the balance between supply and demand. Starbucks paid an average price of \$1.92 per pound in 2013. To help ensure we know how much farmers make on the coffee they sell us, in 2013 97.5% of our contracts included an economic transparency clause. The vast majority of the coffee purchased in 2013 was roasted during the same fiscal year, although there is some carryover year to year.\*

## Tea

In the same way we approach responsible coffee sourcing, we are committed to a long-term strategy of ethical tea sourcing, which includes helping support farmers and their communities throughout our tea supply chain. Since 2005 we have worked with the [Ethical Tea Partnership \(ETP\)](#) to collaborate with others in the tea industry, and to make sure that our tea is grown in a socially responsible way.



**“Starbucks and their Tazo tea brand has been an engaged member of ETP since 2005. They absolutely support the mission to improve the lives of tea workers and their environment.”**

*- Sarah Roberts  
Executive Director, Ethical Tea Partnership*

In 2013 100% of the estates that we sourced from for our Tazo brand were part of ETP and subject to audit under ETP's guidelines. Starbucks acquired the Teavana brand in early fiscal 2013, and is evaluating how to bring Teavana tea purchases under ETP as well.

Since 2003 we have been proud to support tea-growing communities through the [CHAI](#) (Community Health and Advancement Initiative) project with Mercy Corps. Over the past decade, CHAI has directly impacted 80,000 people in more than 200 farming communities in India and Guatemala.

## Cocoa

Our [Cocoa Practices](#) program is designed to understand the supply chain for cocoa beans and provide valuable sustainability information to producers and purchasers alike. As in the C.A.F.E Practices program, the inspections are performed by independent verifiers that are trained and audited by [SCS Global Services](#).

Our Cocoa Practices program has helped us identify key areas for improvement and increased our understanding of the dynamics of cocoa farming in West Africa.

## Store Merchandise

We're also committed to social responsibility standards for the merchandise, furniture and other items found in our stores. We've set [strong standards](#) for our suppliers and offer them assistance when corrections need to be made to their business practices. Adherence to those standards informs our sourcing decisions and ensures we are working with suppliers who share our commitment to ethical sourcing. Our buyers work directly with a diverse set of suppliers who share our social and environmental values to negotiate contracts for the products we need in our operations or sell to our customers. Frequent factory assessments have been a key part of our strategy since we started the program in 2006. We continue to work with more than 70 factories on programs to improve standards and in 2013 we assessed 86 factories and found that 22 of them failed to meet our standards. Even though our approach is to work with suppliers to correct the issues, there are times when we halt business due to the nature of the issues and until adequate resolution takes place. While we were able to implement improvement plans with almost half of the factories assessed, we discontinued working with 17 factories for standards issues.

**What is important to you regarding the ethical sourcing of products, and what more can Starbucks do? Share your ideas with us at [My Starbucks Idea](#).**



We are continuing to collaborate with others in our industry to address ethical sourcing best practices in our shared supply bases. Starbucks is a member of the [Global Social Compliance Program](#), a business-driven effort to promote the continuous improvement of environmental and working conditions of global supply chains.

**“We appreciate Starbucks being at the table, raising awareness and contributing thought leadership to the critical work of improving working and environmental conditions in global supply chains.”**

- Claudine Musitelli

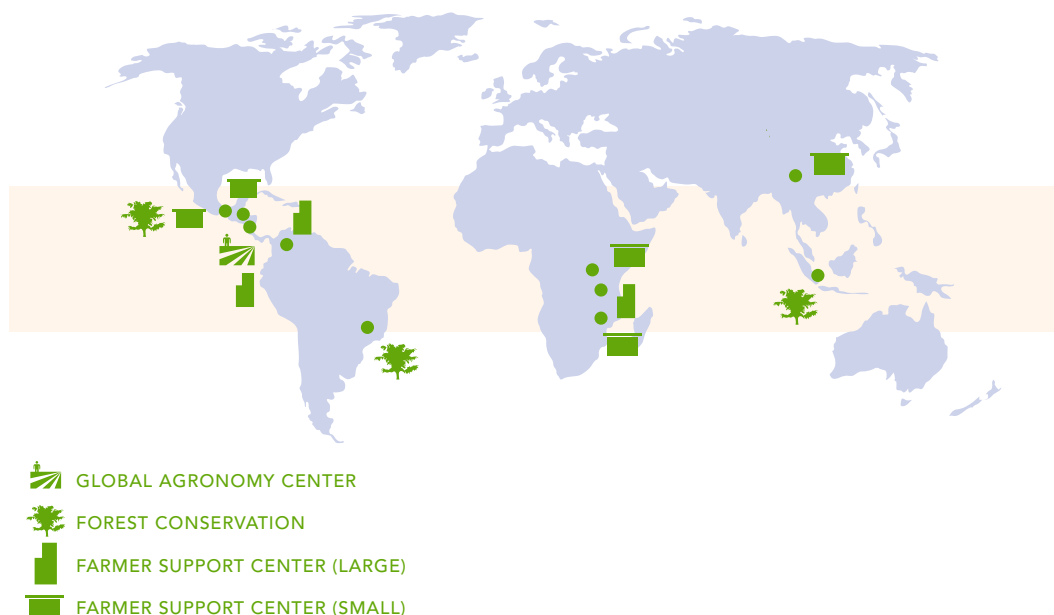
*VP Ethical Sourcing and Food Safety Initiatives, Global Social Compliance Programme*

## Farmer Support

We know our success as a company is linked to the success of the thousands of farmers who grow our coffee. We work directly with farmers in communities around the world to help positively impact both their lives and their families' livelihood. Ultimately, we hope to help farmers increase both coffee quality and yields to help them become more economically stable and more resilient, long-term producers supporting the specialty coffee market.

Starbucks agronomists collaborate directly with coffee farmers and suppliers in each of our growing regions to encourage responsible growing practices and improve the quality and size of their harvests. We support African farmers with farmer support centers in Kigali, Rwanda; Mbeya, Tanzania; and Addis Ababa, Ethiopia. We opened our first Asia-based farmer support center in Yunnan Province, China, in early fiscal 2013. In Latin America, we serve farmers through our support centers in San José, Costa Rica, and Manizales, Colombia, as well as a satellite office in Guatemala City.

### FARMER SUPPORT







In March 2013 Starbucks expanded these efforts with the purchase of a farm for research and development purposes on the slopes of the Poás Volcano in Costa Rica. Starbucks is adapting the 240-hectare farm to conduct farming research and help coffee-farming communities around the world mitigate climate change impact and support long-term crop stability.



**"This farm is two things. It is a working farm. It is also a global agronomy research center. We want to understand everything a farmer deals with."**

*- Craig Russell  
senior vice president, Starbucks Global Coffee*

Learn More about Starbucks [Hacienda Alsacia, Costa Rica Farm](#).

## Farmer Loans

Providing access to credit at reasonable terms is a critical aspect of our farmer support model. By investing in farmer loans, we're helping cooperatives manage risk and strengthen their businesses. Our goal is to increase our farmer loans to \$20 million by 2015.

### GOAL

Invest in farmers and their communities by increasing farmer loans to \$20 million by 2015

### PROGRESS

In 2013, the total loan commitment decreased due to fund restructuring by one of our loan partners. We anticipate achieving our farmer loans investment goal of \$20 million by 2015.

ON TRACK



Commitment is defined as being made either by public declaration of intent or signed contract.



In 2013 we had a total loan commitment of \$11.9 million which our loan partners **Fairtrade Access Fund**, **Root Capital**, **Calvert Foundation** and **Verde Ventures** dispersed in coffee related loans across five distinct countries. This included \$1.3 million placed in the Fair Trade Access Fund set up by **Incofin Investment Management**, **Grameen Foundation** and Fairtrade International. The fund provides financial and technical assistance to address the needs of smallholder farmers by investing in Fairtrade producer organizations and cooperatives in Paraguay, Peru, Chile, Honduras and Nicaragua. In 2013 the Fairtrade Access Fund disbursed \$9.44 million in loans to cooperatives in five countries.

**“Starbucks was the very first anchor private investor in the newly formed Fairtrade Access Fund. Now sixteen cooperatives in Latin America have received loans which they have put towards essential projects such as new drying equipment, financing for individual coffee farmers, and crop renewal. In one instance, sugar farmers have now become the first smallholders in Paraguay ever to own their own sugar mill – thanks in part to the support of the Access Fund. So Starbucks has really put their money to work behind Fairtrade smallholders.”**

- *Harriet Lamb*  
CEO, Fairtrade International

Our total farmer loan investment in fiscal 2013 decreased from the previous year due to fund restructuring by one of our loan partners. Verde Ventures temporarily ceased disbursement of funds and returned \$4.05 million of our investment. We continue to explore innovative partnerships to help us better leverage the loans in concert with our technical support, social development investments and coffee purchases.

*\*Does not represent the coffee impact in the fiscal 2013 consolidated statement of earnings due to timing of when coffee is purchased (amount referenced above) versus when it is used (amount reflected in the consolidated statement of earnings).*

Are we meeting your expectations as it relates to supporting our farmers? Share your thoughts and ideas with us at **My Starbucks Idea**.



## Environment



Our comprehensive approach to reducing our environmental impact means looking at all aspects of our business, how they intersect and how we can integrate new solutions to create meaningful and sustained change. By building more energy-efficient stores and facilities, conserving the energy and water we use, and scaling front-of-store recycling for customers, we are pushing ourselves to reduce the environmental footprint of our business operations.

When it comes to environmental sustainability, our experience has proven the power of collaboration. By working with non-governmental organizations, policy makers, competitors and others, we are advancing a number of meaningful initiatives and taking bold actions that we believe are having a significant impact on the entire foodservice industry.

We also know that the magnitude and complexity of addressing climate change requires us to think beyond the actions of our own company. As a result we are committed to continuing to use the power of our voice to champion progressive climate policies in partnership with other like-minded businesses and organizations through [BICEP](#). We are also working in critical areas of our supply chain to mitigate our impacts and help farmers adapt to a changing climate. This is to ensure the long-term sustainability of our business and the health of the communities we touch.

**“Starbucks stands out as a founding BICEP member that will speak out when asked and show up when called upon.”**

- Anne L. Kelly  
*Director, Business for Innovative Climate & Energy Policy*



## Greener Stores

Starbucks remains focused on green building initiatives to deliver long-term environmental impact and operating cost reductions. In 2013 we continued to push forward on our goal to build all new company-operated stores to the U.S. Green Building Council's LEED® certification standards. Building to these environmental standards is critical since we know nearly 80% of our direct greenhouse gas emissions come from the energy used to power our stores and facilities.

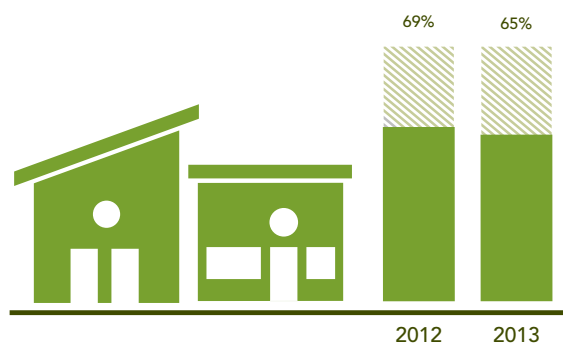
### GOAL

Build all new, company-operated stores to achieve LEED® certification

### PROGRESS

We now have LEED certified stores in 18 countries and have integrated green building strategies into all renovations and new construction. We have experienced some challenges and complexities in our high-growth markets.

IN PROGRESS



Percentage of new company-operated stores built to achieve LEED® certification.

Starbucks has been a leader for more than a decade in the development and implementation of a scalable green building program for retail companies like ours. We joined the U.S. Green Building Council (USGBC) in 2001 and collaborated with them to develop the LEED for Retail program, an effort to adapt LEED to new construction and commercial interior strategies for retail businesses. Starbucks later became one of the first retailers to join USGBC's LEED volume certification pilot program.

We've come a long way since opening our first LEED-certified store in 2005 in Hillsboro, Oregon. We now have LEED-certified stores in 18 countries across all three of our regions.

In 2013 we built 65% of our new global company-operated stores to achieve LEED, down slightly from 2012 due to challenges and complexities of business growth in regions where the program is not as established. While our LEED goal addresses new company-operated stores, we have integrated green building strategies into all of our remodels and new construction, including renovations, licensed stores and joint-venture projects.

As the first retail company to take this building approach globally, we are continuously learning how to manage the complexities of the program throughout the entire course of building and certification. Going forward we will continue to explore additional strategies to bring all of our stores to a sustainable building standard.



**"Starbucks leads the retail sector when it comes to LEED certification around the world."**

- Mahesh Ramanujam  
COO, U.S. Green Building Council

What is the difference between a good and a great environmental company? Share your ideas with us at [My Starbucks Idea](#).

See examples of our LEED stores around the world on our [Store Design](#) site.



## Conserving Energy and Water

The energy used to power our stores, facilities and roasting plants accounts for nearly 80% of our [Scope 1 & 2 carbon footprint](#), while water is a key ingredient in our beverages and a necessity for operating our stores. Recognizing both the environmental and economic impacts of our energy and water footprint, we have incorporated water and energy conservation strategies into how we design our stores, how we select equipment and how we operate and maintain systems for optimal performance. We continue to test new ideas and work with our suppliers to better understand how we can operate our stores more efficiently.

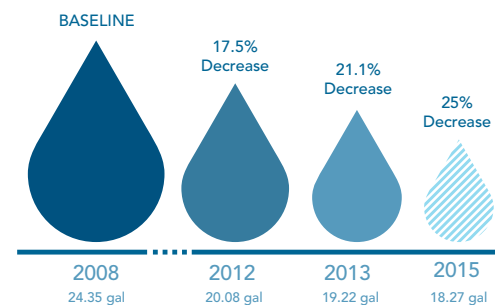
### GOAL

Reduce water consumption by 25% in our company-operated stores by 2015

### PROGRESS

Water consumption decreased more than 4% over the prior year, bringing us to a total decrease of 21.1% since 2008.

ON TRACK



Average water use per square foot/store/month U.S. and Canada company-operated stores. Percentage change to the 2008 baseline. 2012 results previously reported as 17.7% due to difference in rounding methodology.

Much of the water in our stores is used to make coffee and tea beverages, and to run equipment such as dishwashers and ice machines.

In 2008 we set a goal to reduce water consumption by 25% in company-operated stores by 2015. Since then we've identified a number of opportunities to use this precious resource more wisely and have spent the last few years testing and validating these solutions. To date we have cut water consumption by 21.1% through several measures, including the use of efficient fixtures and equipment, actively monitoring consumption to identify spikes in water usage and taking action, and upgrading the water filtration systems in our stores.

**"Efforts by Starbucks to identify and employ creative strategies that help communities like San Francisco save our most precious natural resource—water—are commendable. We welcome partnerships that underscore the importance of infrastructure, jobs, and sustainability to the economic stability in neighborhoods."**

- Harlan L. Kelly, Jr.  
General Manager, San Francisco Public Utilities Commission

In order to ensure quality, consistent beverage quality and taste, we filter water at all of our locations. In 2013 we implemented new reverse osmosis filtration retrofits in 503 stores, which averaged a 20% decrease in water use. Reverse osmosis provides a high level of water filtration to achieve our quality standards for beverages and helps to ensure our optimal performance for equipment. Looking ahead we are proactively working to address seasonal drought issues.

What more can we do to save water in our stores? Share your ideas with us at [My Starbucks Idea](#).





Our work on water also extends into water consumption, protection and access to clean drinking water in coffee-growing communities. Through **C.A.F.E. Practices** and the resources our agronomists provide coffee farmers at our six farmer support centers around the world, we can help increase their yield and quality, while still reducing water used for coffee processing, protecting rivers and streams and ensuring workers have access to clean drinking water.

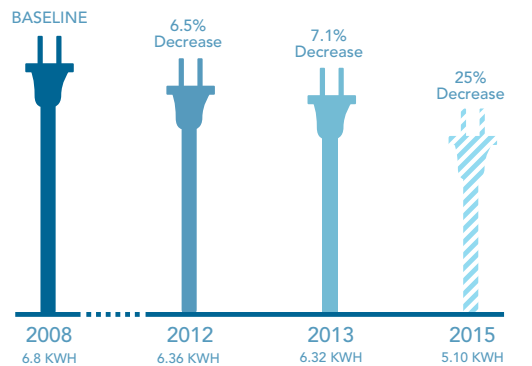
GOAL

PROGRESS

Reduce energy consumption by 25% in our company-operated stores by 2015

Our energy efficiency improved slightly in 2013, with many of our conservation measures offset by a significant increase in food transactions and oven use. We are exploring new approaches to better address the energy demands of our evolving business.

NEEDS IMPROVEMENT



Average electricity use per square foot/store/month U.S. and Canada company-operated stores. Percentage change to the 2008 baseline.

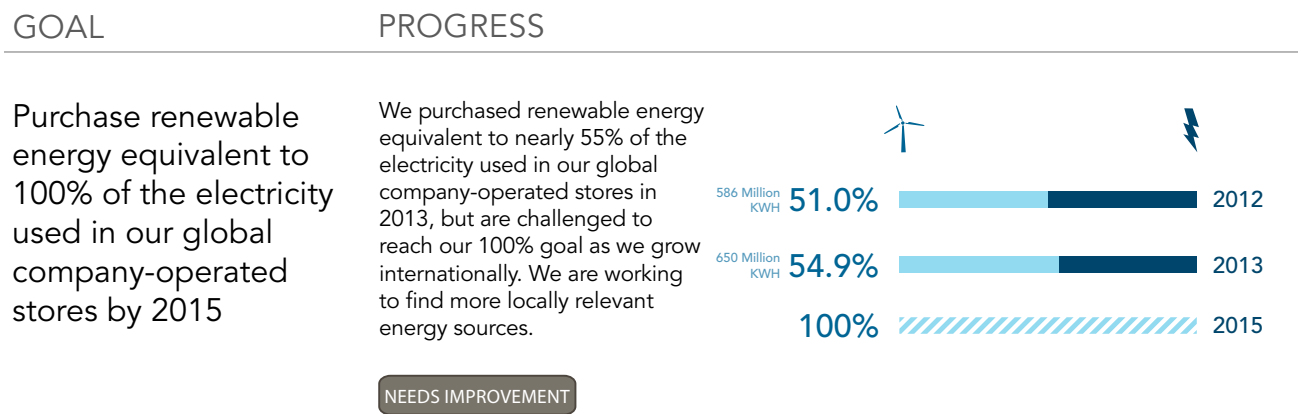
In 2008 we set a goal to reduce electricity use by 25% in all company-operated stores. Since then we’ve implemented a number of initiatives and have seen our electricity use decrease 7.1% from the 2008 baseline. Our performance in 2013 was a slight improvement from 2012, which included an increase in food transactions and oven use in stores across the United States. Due to the expansion of our business in food and beverage offerings, we are currently evaluating the changes to our stores’ energy demand and how we measure and monitor efficiency improvements.

Although we are pleased to see our electricity use decrease, we need to continue to make improvements and innovate new solutions in order to further our goal of improving the energy performance of our stores. We are trying to balance the quality of the customer experience with energy conservation. For instance, the addition of heated food to our offerings has required an increase in refrigeration and ovens, often offsetting a portion of the gains from our existing energy efficiency measures. We are evaluating and implementing new strategies that help reduce energy use and meet our environmental performance targets, such as adding Energy Management Systems, that drive our suppliers to provide equipment that operates at leading-edge efficiency levels.



## Investing in Renewable Energy

In addition to **reducing our energy** use, we’re increasingly focused on advancing renewable energy sources through our purchasing practices. In 2008 we set the goal to purchase Green-E certified Renewable Energy Certificates (RECs) equivalent to 50% of the electricity used in our U.S. and Canada company-operated stores. We achieved that goal in 2010, so in 2011 we began working toward a goal to purchase the equivalent of 100% of the electricity used in our company-operated stores globally by 2015. The RECs we purchase encourage the development of new clean-energy sources by providing wind-farm owners with additional revenue. In turn that helps them sell electricity at prices competitive with power plants that use fossil fuels.



In 2013 we increased our renewable energy certificate purchases 7.6% over 2012 levels, equivalent to 54.9% of the electricity used in our stores globally. The U.S. Environmental Protection Agency has named us among the top 10 purchasers of renewable energy in the country.

While we have applied RECs to our total global energy footprint, they are designed to spur development of the U.S. renewable energy market. As we continue to grow internationally, we are working with our regional teams to identify locally relevant energy sources that help increase our global investment in renewable energy.

## Innovating in Recycling and Food Packaging

As one of many companies in the foodservice business, we continue our commitment to lead the entire industry toward greater access to recycling for cups and other packaging. Ultimately we want our cups to be recyclable in both material and practice, so that our customers have access to recycling services wherever they choose to dispose of their cups.

We’ve offered a cup with 10% post-consumer recycled paper fiber since 2006, after developing and leading the industry to approve using recycled fiber for food packaging. And we keep working to decrease the materials used in our packaging, finding new ways to encourage reusables and implement recycling solutions for our cups. In 2012 we introduced the EarthSleeve™ to Starbucks locations across the United States and Canada. This new hot-cup sleeve requires fewer raw materials to make, while increasing the amount of post-consumer content. These adjustments correlate to a savings of nearly 100,000 trees a year, and we are working to roll out EarthSleeve globally.

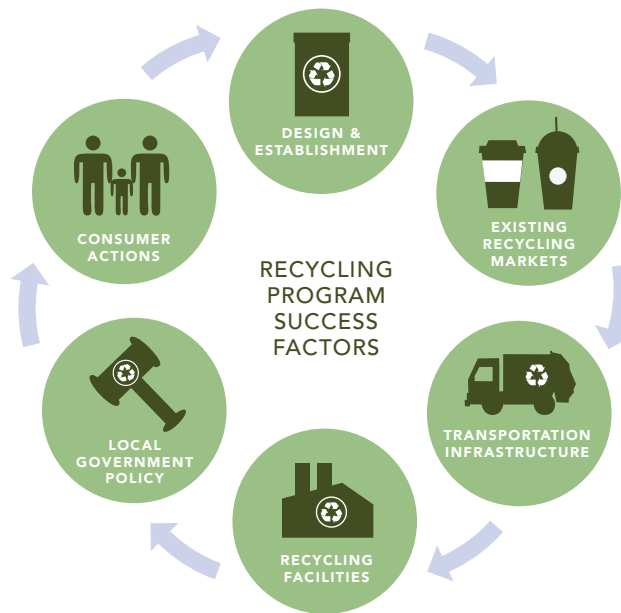
Our approach is to not only provide customers with cup choices for their beverages, but to also collaborate with others to create locally relevant improvements in the recycling infrastructures of communities where we operate.

Do you expect companies to support development of renewable energy? Share your ideas with us at [My Starbucks Idea](#).



## Recycling Our Cups

Our customers' ability to recycle our cups (or cups from any coffee shop), whether in their home curbside recycling, at work, in public spaces or in our stores, is dependent on multiple factors, including local government policies and access to recycling markets, such as paper mills and plastic processors. Because recycling infrastructure varies widely around the world, or may not exist at all – even from one city to another – a one-size-fits-all approach does not work for a global business with stores in 62 countries. Some communities readily recycle our paper and plastic cups. However, due to a historical lack of demand for used cup material by the recycling industry, many don't have the infrastructure in place to handle collection, hauling and processing. Additionally, in our stores operating in leased spaces, our ability to provide recycling for our customers is often dependent upon landlords who control the waste collection and decide whether or not they want to provide recycling. With approximately 20,000 retail locations globally, conditions vary from city to city and from store to store – making it a challenge for us to efficiently and effectively implement uniform recycling strategies.



## Starbucks Recycling Infrastructure

We have proven that our used cups can be accepted as a valuable raw material in a variety of recycling systems. We are working as a member of the Foodservice Packaging Institute's [Paper Recovery Alliance](#) and the Plastics Recovery Group to bringing solutions to scale and address common challenges.

**"Starbucks has proven to be a leader in the front-of-store recovery of packaging, establishing ambitious goals and willing to take the steps necessary to achieve them. Particularly notable is their work engaging public officials to support policy tools that can increase recovery of all packaging, not just foodservice packaging."**

- Lynn M. Dyer  
President, Foodservice Packaging Institute



By working with non-governmental organizations, policy makers, competitors, our industry associations and others, we can tackle common challenges. We are helping advance a number of meaningful food packaging initiatives that will have a significant impact on the entire industry, such as analysis of the way our packaging “flows” through recycling facilities and where it eventually ends up, along with an assessment of the causes of current gaps in recycling services for our products in neighborhoods around the U.S. and Canada.

## Recycling in Our Stores

Although most of our customers take their beverages to go, providing front-of-store recycling is an important part of our effort to develop comprehensive recycling solutions.

### GOAL

### PROGRESS

Implement front-of-store recycling in our company-operated stores by 2015

Although we are pleased that 67% more company-operated stores in the U.S. and Canada offered front-of-store recycling over the prior year, we have struggled to implement this single solution in local markets across the entire Starbucks portfolio. While we work to increase front-of-store recycling, we will also explore new ways to lower our impact.

NEEDS IMPROVEMENT



In 2008 we set a goal to implement front-of-store recycling for customers in all company-operated locations. Since that time Starbucks has implemented recycling in more than a dozen markets and established relationships with several municipalities to expand their acceptance of materials produced by Starbucks and the foodservice industry in local recycling systems.

In 2013 39% of our company-operated stores in the United States and Canada were able to offer front-of-store recycling. Of these locations, 71% were able to recycle or compost the hot cup. While we added front-of-store recycling in more than 1,200 locations and continue to see a strong 90% acceptance rate for our cold cups, we saw a decline in overall acceptance of our hot cup due to limitations of recycling technology in several markets. To address this challenge, we are working with the Paper Recovery Alliance to address this shift and increase acceptance of our materials while tailoring our recycling program to accommodate varying regional requirements when possible.

When we set this goal in 2008, we envisioned front-of-store recycling as a single, universal solution. We now realize that this single approach does not fully address the individual and varied challenges faced in local markets across the entire Starbucks portfolio such as inconsistent public policy, limited market for the recycled end-products, lacking infrastructure and operational challenges. While we continue to work to increase the availability of front-of-store recycling where we can, we cannot do this work alone. Going forward we will explore new ways to lower our impact using more flexible solutions.

Back-of-store recycling is also a priority, with the majority of our in-store waste generated behind the counter. In 2013 80% of our more than 3,200 company-operated stores in the U.S. and Canada (where Starbucks is responsible for providing waste removal services) recycled cardboard boxes and other back-of-store items. Among our remaining locations, the majority were limited by operational impasses, such as minimal store space, lack of commercial recycling services or the landlords' unwillingness to provide recycling services on-site.

Since most of our customers take their beverages to go, recyclability of our cups and other packaging is highly dependent on local government policies that promote or mandate recycling.

Want recycling in your area? Check if packaging is recyclable in your neighborhood at [Earth 911](#) and, if not, tell your local governments to make recycling availability a priority.



## Reducing Waste with Reusable Cups

Reusable cups are an important component of our overall waste reduction strategy. Since 1985 we've rewarded our customers with a discount when they bring in personal tumblers, and we have a goal to serve 5% of the beverages made in our stores in tumblers and mugs brought in by our customers.

### GOAL

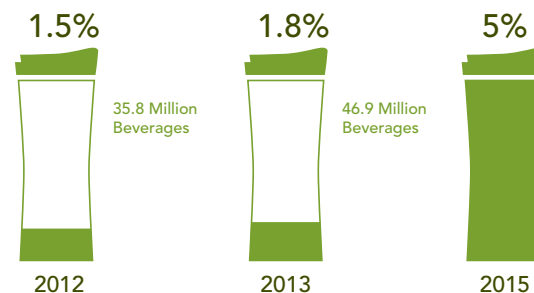
Serve 5 percent of beverages made in our stores in personal tumblers by 2015

### PROGRESS

Despite offering a low-cost reusable cup and discount for the personal tumblers, we have been challenged to reach our 5% reusable goal. We continue to explore new ways to encourage customers to bring their own personal cups and reduce waste.

NEEDS IMPROVEMENT

#### Percent of beverages served in personal tumblers



In 2013 customers brought their own tumblers into our stores 46.9 million times, up from 35.8 million in 2012, saving more than 1.4 million pounds of paper from landfills. As more customers brought in their personal tumblers over the previous year, the percentage of customers choosing reusable mugs saw a 22% increase over the prior year from 1.5% to 1.8%.

We are continuing to find innovative ways to engage customers to work with us to reduce waste. In January 2013 we launched a \$1 reusable cup in the U.S. and Canada, and a £1 cup in the United Kingdom in April. We plan to expand the ideas that work to other markets and continue to explore new ways to reduce our cup waste. Ultimately though, it will be our customers who control whether or not we achieve continued growth in the number of beverages served in reusable cups.

What would make you bring a reusable cup more often? Share your ideas with us at [My Starbucks Idea](#).





## Climate Change

Starbucks is concerned about climate change and the long-term impact it will have on coffee supplies and on the health of the communities where we do business. Reducing the environmental impact of our business operations will help to safeguard the availability of high-quality coffee beans that meet our exacting standards and to help preserve the planet for future generations. Starbucks has been driving our climate change strategy since 2004, focusing on renewable energy, energy conservation and climate adaption and mitigation efforts of our farmers. We're also committed to continue championing progressive climate change policy, and to helping our political leaders understand that strong climate policy is actually good for the long-term success of the business community.

## Forest Conservation

Climates are changing, especially in the sensitive bioregions where coffee is grown. To better understand the impact to farming communities and our supply chain, we work with Conservation International (CI) and farmers in three unique coffee-producing communities. Together we are working to identify and test effective strategies for improving the sustainability of coffee production processes, the conservation and restoration of natural habitat and opportunities to facilitate farmer access to forest carbon markets or other payment for environmental services. We have learned that each country requires differing models in order to be successful impacting farmers, and we are now working to identify how best to share this information and involve the right organizations that can sustain the positive impact.

### GOAL

### PROGRESS

Improve farmers' access to carbon markets, helping them generate additional income while protecting the environment

We helped farmers plant or save 250,000 shade trees in Indonesia, worked with farmers in 23 communities in Mexico and participated in distributing 200,000 native tree seedlings in Brazil.

ON TRACK



In Chiapas, Mexico, we engaged more than 260 farmers in 23 communities in 2013 and helped them protect over 620 hectares. We also worked with the state government of Chiapas to establish a set of policies that will make climate change adaptation and mitigation more accessible for farmers.

In Sumatra, Indonesia, we explored the feasibility of a carbon market program with local and regional government organizations laying the groundwork with the government of Aceh Tengah to incorporate these recommendations into its climate and coffee policy. In 2013 the Starbucks Foundation also contributed \$10,000 to Conservation International to build a seedling nursery for the farming community in Sidamanik. Starbucks partners, members of CI and local farmers, community leaders and university students and professors all participated in the building of this nursery – demonstrating their dedication and investment in this effort for the future. Once the nursery is fully operational, it will be able to provide more than 10,000 seedlings for 325 coffee farmers, supporting their future farms and growth of their communities.

We expanded the program to the Minas Gerais region in Brazil's Atlantic Forest in 2012, and have helped distribute 200,000 native tree seedlings each year to farmers in collaboration with other organizations. We are helping farmers gain access to existing government programs that provide cash incentives for forest conservation, preservation and restoration. In 2013 we conducted a field study of coffee producers to better understand the impacts of C.A.F.E. Practices in the region and opportunities for improved productivity, increased income and resilience to climate change.



“Conservation International is very proud to work in collaboration with Starbucks on innovative approaches that enable coffee producers to adapt to the impacts of climate change, improve productivity and enhance farmer livelihoods.”

- Vic Arrington  
Senior Vice President, Center for Environmental Leadership  
in Business, Conservation International

Learn more about our work to conserve forests in collaboration with [Conservation International](#).

Looking ahead this information will help us refine our strategies so they can be applied to other coffee-growing communities and replicated by other government and industry partners. With all of these models, our aim is to find solutions that can be sustained by coffee-growing communities.

What do you think is the role of companies in addressing climate change? Share your ideas with us at [My Starbucks Idea](#).



## Community



We believe in the power of the coffeehouse to bring people together. Our stores allow Starbucks partners (employees) and customers to connect and tap into shared passions to be catalysts for change.

Our neighborhoods are not just where we have stores. They are in every community our business touches, from the places where our customers live and work, to the towns where our products are produced, and to the verdant hillsides where our coffee is grown. We have a responsibility to make our communities stronger – using the scale of our business for good.

### Serving our Communities

Coming together in service represents a fundamental act of citizenship for individuals, businesses and community members to create a stronger, more cohesive society.

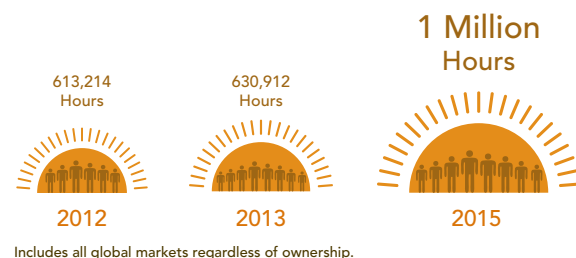
#### GOAL

#### PROGRESS

Mobilize our partners (employees) and customers to contribute 1 million hours of community service per year by 2015

We increased our service hours in 2013, contributing over 17,600 more hours than last year.

ON TRACK



Includes all global markets regardless of ownership.

In 2013 we brought together our customers and partners, civic leaders, businesses and nonprofit organizations to contribute more than 630,000 hours of service globally.

During 2013's April's Global Month of Service, nearly 55,000 volunteers contributed their time and expertise in schools, parks and urban farms in more than 30 countries – with 1,723 projects completed in just 30 days. These efforts helped more than 2.4 million beneficiaries and involved more than 1,350 first-time volunteers in service.



"I painted the Martin Luther King Jr. portrait. It's so inspirational that we can have this kind of impact within only few hours when we all join together. One of the students told me I was like a super hero! A SUPER HERO! That in itself is one of the many reasons why we are so passionate about serving our communities."

- Whitney  
Starbucks Los Angeles area, store manager

## Investing in Youth Leadership

Today there are more than 1.2 billion 15- to 24-year-olds, the largest global cohort of young people in history. Unfortunately, a growing number of these young people are disengaged and unemployed, often referred to as NEET (not engaged in employment, education or training). Starbucks is implementing a range of programs to help address these issues and provide young people with the skills and training necessary to help them succeed in an evolving global community.

### Youth Leadership Grants

We're investing in skills training and educational opportunities through our [Youth Leadership Grants](#) to equip young people ages 15 to 24 years old in the following three areas:

- Business savvy: Having the ability to leverage opportunities with integrity and innovation; to make good decisions and achieve results.
- Social conscience: Valuing the impact an individual and enterprise can have on the community.
- Collaborative communication: Engaging others in an inclusive manner across teams, functions and cultures; leveraging new and creative ways of communication.

While the opportunity to engage and develop young people is global, the work we do is tailored to each country and region. In 2013 we awarded nearly 100 Starbucks Youth Leadership Grants to local organizations in 16 countries, activating almost 50,000 young people. We continue to innovate and involve our communities in identifying the opportunities and solutions we should invest in, leveraging our global scale but making sure our efforts resonate on a local level to ensure the greatest impact. This includes programs such as the Starbucks Apprenticeship -Barista Mastery and Customer Service program in the United Kingdom.

Want to make a difference? Find nearby projects on the [Starbucks Community Service website](#).



**"I chose an apprenticeship with Starbucks because I wanted to gain experience in retail, whilst gaining new, transferable skills. This also meant that I could learn in a hands-on environment which suited me much more than the traditional academic route"**

- Anthony  
Starbucks UK, apprentice

In the UK, we offer the Starbucks Barista Apprenticeship program as part of our youth leadership platform. Meet some of our apprentices and learn more about the [Starbucks Barista Apprenticeship in the UK](#).

## LeadersUp

In March 2013 Starbucks announced a first-of-its-kind initiative to create employment opportunities for job-ready disengaged youth. Building on the learnings and success of the Starbucks Youth Leadership initiative, Starbucks awarded an initial \$1 million grant for the development of a nonprofit corporation – LeadersUp – that will bring community-based resources to provide job and leadership skills training to young people.

## Community Stores

Our [Community Stores program](#) helps support revitalization efforts to address education, health, housing, and employment issues in the neighborhoods they serve.

In October 2011 we opened our first two Community Stores in Harlem, New York, and the Crenshaw community of Los Angeles. We added three new stores this past year in Houston and Seattle, as well as our first international location in Bangkok, Thailand. In fiscal 2014 we plan to open new Veterans Community Stores to serve veterans transitioning to the civilian workforce and families of active-duty military personnel.



**"AAMA gave me the power of communication and my new dream is to give back to them and my community through all I do as a Starbucks partner."**

- Anita  
Starbucks Houston store manager and former AAMA graduate

Learn about how Starbucks and the Association for the Advancement of Mexican Americans (AAMA) are working with the [Houston community](#) for greater impact.

By the end of 2013, Community Stores generated a total of nearly \$260,000 for community organizations. We hope to have 50 Community Stores in neighborhoods where we do business around the globe by 2018.





## Farming Communities

Our commitment to communities extends beyond our stores to include the regions that supply our coffee, tea and cocoa. Starbucks invests in programs designed to strengthen local economic and social development. We work collaboratively with non-governmental organizations that have experience and expertise in working with farming communities in the countries where coffee is raised.

### Public-Private Partnership in Colombia

In August 2013 Starbucks forged a first-of-its-kind relationship with the U.S. Agency for International Development (USAID) for a program to expand support and improve coffee yields and the livelihoods of 25,000 farmers throughout some of Colombia's most remote and conflict-impacted farming regions. USAID and Starbucks will each contribute \$1.5 million over three years to provide technical support, technology and market opportunities to small-scale coffee farmers in Colombia's rural regions of Antioquia, Tolima, Huila, and Cauca.

**"Starbucks scale and willingness to collaborate and innovate with others, like USAID, will help speed meaningful results to farming communities."**

- Margaret Spears  
Director of the Partnerships Office at USAID's Food Security Bureau

### Ethos Water Fund

Starbucks supports water, sanitation and hygiene education programs through the Starbucks Foundation's **Ethos Water Fund**. For each bottle of Ethos® water purchased, a contribution of \$.05US (\$.10CN in Canada) is made to the fund. Since 2005 \$7.38 million has been granted through the Ethos Water Fund, benefitting approximately 430,000 people around the world.

### Indonesia's BLEND Project

In Indonesia's Aceh province, Starbucks has teamed with **Save the Children** to improve children's health and education in coffee-growing communities through BLEND (Better Living, Education, Nutrition and Development). Since 2009 Starbucks has contributed \$2.1 million to the project and helped improve the lives of children and their families from more than 40 communities in the Bener Meriah district.

### Education in Guatemala

Since 2005 Starbucks has contributed over \$2.6 million toward the Guatemala Education Initiative, an effort with Save the Children to bring education programs to children living in remote coffee-producing villages in that country. Starbucks has been focused on Guatemala's Huehuetenango region since 2011 through a three-year, \$1 million project that is improving the overall quality of preschool and primary education for children in more than 20 communities.

**"Starbucks dedication to the health and education of children in the coffee-growing communities of Guatemala and Indonesia is an inspiration. Together, we're opening the door to a brighter future for young children."**

- Carolyn Miles  
President and CEO, Save the Children



## CHAI – Community Health and Advancement Initiative

In tea-growing regions of India and cardamom-farming communities in Guatemala, Starbucks has helped support health and economic development programs for more than a decade through the Community Health and Advancement Initiative (CHAI) project, a partnership with Mercy Corps. Starting in 2011, Starbucks contributed \$750,000 toward a three-year project with our tea and cardamom suppliers to improve access to clean water, empower young people to succeed in school and become leaders in their communities, and help people learn the skills to get a job or start a business.

**“Over the course of a decade, Starbucks and Mercy Corps have transformed the lives of more than 80,000 men, women and children. Starbucks has shown its leadership by investing in the health and economic vitality of communities, whether it’s joining Mercy Corps to engage directly with tea estates in Darjeeling and Assam, or helping to lead industry-level collaborative efforts such as the Coffeelands Food Security Coalition.”**

- Neal Keny-Guyer  
CEO of Mercy Corps

## Water Access and Sanitation, Nutrition

Starbucks is committed to supporting local needs in water-stressed coffee-growing communities, and to supporting continuation of integrated water and sanitation programs and efforts to address seasonal hunger.

In the Sidama region of southern Ethiopia, Starbucks has been engaged in a project with [Project Concern International](#) (PCI) that began in February 2012 to improve the health outcomes of coffee farmers and their communities. In early fiscal 2013, Starbucks awarded a two-year \$500,000 grant to make clean drinking water and safe sanitation solutions available in southwest Tanzania’s Mbeya District.

In January 2013 Starbucks joined with other coffee industry leaders for a three-year program called the [Coffeelands Food Security Coalition](#) to help combat seasonal hunger among coffee-farming families in Nicaragua in partnership with the global humanitarian organization Mercy Corps and local organization Asociación Aldea Global Jinotega.

**“Food insecurity is larger than any one group can handle. The Coffeelands Food Security Coalition is one example of a trend towards integrating global food security, stable food production and sustainable environmental practices – a trend we expect will continue to grow in 2014.”**

- Neal Keny-Guyer  
CEO of Mercy Corps

## Starbucks Foundation

The [Starbucks Foundation](#) is a separate 501(c)(3) charitable organization that receives funding from Starbucks Corporation and private donations. The Starbucks Foundation gave \$8.7 million in 2013, making 144 grants to nonprofit organizations. Grants included \$3.7 million for Starbucks Youth Leadership Grants and \$347,000 in origin social development grants.

In 2013 Starbucks Corporation gave \$15.6 million in cash, including \$11.8 million to the Starbucks Foundation. Corporate giving included funding for community-building programs – including the Global Fund through our partnership with (RED)<sup>TM</sup> and other efforts – and \$32 million in in-kind contributions.



## Diversity and Inclusion

As our company has grown to reach more communities around the world, diversity and inclusion have become increasingly important to our success. We understand that meeting the needs of the global community requires creativity and innovation. Fostering a business environment where partners are valued, engaged and utilized to their fullest potential enables Starbucks to make better decisions to serve our customers and improve our business results.

We expect our partners to lead in diversity and inclusion – from our partners in the field to our senior leadership teams. To ensure that our goal is a reality, we have integrated diversity and inclusion into the core of our leadership competencies. In 2013 we continued to build on our commitment by integrating inclusion and diversity into our core business processes; promoting learning and development opportunities for partners with training and mentoring programs; supporting Partner Network initiatives that promote inclusion; and building our cultural competency by engaging and maintaining relationships within the diverse communities that we serve.



**“Through Starbucks I am able to know what working life is all about. “Starbucks has taught me about understanding customers’ needs and how to be efficient while doing my work.”**

- Marcus  
Starbucks Singapore store partner

While the definition of diversity can vary by country, the word inclusion may be more commonly understood. Our **100th store in Singapore** commitment to the inclusion and promotion of people with autism is an example of Starbucks values around diversity and inclusion. Learn more and meet Marcus by watching the [Starbucks Singapore Facebook video](#).

To strengthen these efforts, we also collaborate with diverse **professional organizations, nonprofit organizations, businesses, civic leaders and individuals** who share our values.



# About the 2013 Starbucks Responsibility Report

## Scope

Our report for fiscal 2013 focuses on our performance against the goals we set in 2008 in three key areas: ethical sourcing, environmental stewardship and community involvement. Because these commitments are directly tied to our business, we've also included helpful links to information and resources publicly available at [starbucks.com](http://starbucks.com) regarding our financial, corporate governance, workplace and diversity policies, and performance.

In developing this report, we've covered topics and issues that are important to Starbucks and our stakeholders, based on year-round engagement with and feedback from advocates and investors, and via easily accessible customer and Starbucks partner (employee) tools such as [My Starbucks Idea](#), Starbucks social media channels ([Starbucks](#) and [Starbucks Partners Facebook](#), [Twitter](#), [Instagram](#)) and our [Customer Service](#) team. These efforts are complemented by industry and trend analysis conducted by strategic advisory firm SustainAbility and Edelman public relations, along with direct conversations with the many [organizations we work with](#). We share information about topics in the body of the report or direct readers to other resources.

## Boundaries

As with previous Global Responsibility reports, this year's report highlights the work we are doing in ethical sourcing, community involvement and environmental stewardship. These areas are critical to our business and are also where we know we can and do have the greatest impact. Based on our stakeholder engagement efforts, we also believe they are important to our customers, our partners (employees), non-governmental organizations (NGOs) and investors.

Issues related to health and [wellness](#) and [workplace policies](#) are vital elements of our business and are of considerable interest to important stakeholders. Embracing diversity is an essential component of the way we do business. We are currently in the process of innovating our [diversity and inclusion strategy](#) to support our multi-channel, multi-brand global expansion.

While our commitments are global, our reporting is focused largely on Starbucks U.S. and Canada company-operated retail stores and global supply chain operations. Based on the number of stores included as well as our total coffee purchases, these operations represent the most significant of Starbucks social, environmental and economic impacts. Information regarding the coffee sold and served by all Starbucks brands and retail stores, company-operated or licensed, including Starbucks Coffee, Seattle's Best Coffee and Torrefazione Italia, is covered.

Starbucks uses the Credit360 program to manage our sustainability data for the purposes of reporting on and tracking key performance indicators, providing ongoing visibility into our operations and impacts enterprise-wide, as well as for approval and audit purposes. This fiscal year we've expanded our collection of data to include more company-operated stores globally. We continue to work to validate and improve our global reporting efforts so we can consistently and accurately report against common goals.



Starbucks Global Responsibility Goal Performance Summary

Goal	Unit	2008	2009	2010	2011	2012	2013	Goal	Footnotes
Ensure 100% of our coffee is ethically sourced by 2015	%	77	81	84	86	93	95	100%	2008-2011 results include C.A.F.E. Practices only.
Invest in farmers and their communities by increasing farmer loans to \$20 million by 2015	\$M	12.5	14.5	14.6	14.7	15.9	11.9	\$20M	Commitment is defined as being made either by public declaration of intent or signed contract.
Improve farmers' access to carbon markets, helping them generate additional income while protecting the environment		ON TRACK							
Mobilize our partners (employees) and customers to contribute 1 million hours of community service per year by 2015	Hours	245,974	186,011	191,224	442,353	613,214	630,912	1 M	2008 results for US and CA including Youth Action Grant service hours; 2009-2013 includes all global markets regardless of ownership.
Engage a total of 50,000 young people to innovate and take action in their communities by 2015	People	N/A	20,868	53,673	50,050	54,848	N/A	50,000	2010-2012 ACHIEVED; now tracking new youth leadership metrics.
Implement front-of-store recycling in our company-operated stores by 2015	%	N/A	N/A	5	18	24	39	100%	2010-2013 U.S. and Canada company-operated stores.
	Stores			382	1,390	1,843	3,086		
Serve 5 percent of beverages made in our stores in personal tumblers by 2015	%	1.1%	1.4%	1.5%	1.5%	1.5%	1.8%	5%	2008-2011 results restated using total beverages vs. total transactions.
	#	22,090,511	26,257,492	32,650,747	34,199,507	35,754,382	46,970,869		U.S., Canada, UK, France, Germany and Netherlands company-operated stores.
Reduce energy consumption by 25% in our company-operated stores by 2015	%	0	1.7%	3.3%	7.5%	6.5%	7.1%	25%	Percentage change to the 2008 baseline. Average energy use per square foot/store/month U.S. and Canada company-operated stores.
	KWH	6.80	6.69	6.58	6.29	6.36	6.32	5.10	Avg electricity use per square foot/store/month U.S. and Canada company-operated stores.
Purchase renewable energy equivalent to 100% of the electricity used in our global company-operated stores by 2015	%	20	25	58	50	51	55	100%	2008-2010 goal and results based on for 50% of U.S. and Canada company-operated stores.
	Million KWH	211.3	259.5	580	558	586	650		
Reduce water consumption by 25% in our company-operated stores by 2015	%	0	-8.3%	-21.7%	-17.6%	-17.5%	-21.1%	25%	Percentage change to the 2008 baseline. Average water use per square foot/store/month U.S. and Canada company-operated stores. 2009-2012 results lower by 1-2% due to differences in rounding methodology.
	Gallons	24.35	22.36	19.09	20.11	20.08	19.22	18.27	
Build all new, company-owned stores to achieve LEED certification	%	N/A	N/A	N/A	75%	69%	65%	100%	Percentage of new company-owned stores built to achieve LEED® certification.

## Reporting Year

Starbucks fiscal year 2013 (October 1, 2012-September 29, 2013), unless otherwise noted.

## Currency

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

## Previous Reports

Starbucks has produced an annual report since 2001. Previous year's Global Responsibility Reports available [here](#).

## Information Integrity

Starbucks management is responsible for the preparation and integrity of the information reported for fiscal 2013.

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 2013. External verification is provided by Moss Adams LLP. [Read the Moss Adams Independent Assurance Report](#). All goal charts related to our goal performance are visual representations of progress, and not to exact scale.

## Forward-Looking Statements

Our reporting on global responsibility for fiscal 2013 includes forward-looking statements about the company's business and its future business plans, initiatives, goals and objectives. These forward-looking statements are based on currently available operating, financial and competitive information and are subject to a number of significant risks and uncertainties. Actual future results may differ materially depending on a variety of factors including, but not limited to, coffee, dairy and other raw material prices and availability; successful execution of the company's blueprint for growth and other strategies; cost reduction and other initiatives; fluctuations in U.S. and international economies and currencies; the impact of competition; the effect of legal proceedings; and other risks detailed in the company's filings with the Securities and Exchange Commission, including the "Risk Factors" section of [Starbucks Annual Report](#) on Form 10-K for the fiscal year ended September 29, 2013. The company assumes no obligation to update any of these forward-looking statements.



## INDEPENDENT ASSURANCE 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 Responsibility Annual Report (the Report) for the year ended September 29, 2013. 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:

- Green coffee purchases and average price per pound as contained in the **Ethical Sourcing – Coffee** section on page 5 of the Report;
- C.A.F.E. Practices coffee purchases and purchases as a percentage of total coffee purchased as contained in the **Ethical Sourcing – Coffee** section on page 5 of the Report;
- Fair trade certified green coffee purchases and purchases as a percentage of total coffee purchased as contained in the **Ethical Sourcing – Coffee** section on page 5 of the Report;
- Certified organic coffee purchases and purchases as a percentage of total coffee purchased as contained in the **Ethical Sourcing – Coffee** section on page 5 of the Report;
- Amount of commitment to investment in farmer loans and number of countries represented as contained in **Ethical Sourcing – Farmer Support** section on page 9 of the Report.

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and accordingly, included examining, on a test basis, evidence supporting the Data and performing such other procedures as we considered necessary in the circumstances. Those procedures are described in more detail in the paragraph below. We believe that our examination provides 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, on site at 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 September 29, 2013 is fairly presented, in all material respects, based on the Criteria indicated above.

*Moss Adams LLP*

Seattle, Washington  
 March 28, 2014

