

## STARBUCKS GLOBAL

# IMPACT

report

OUR

PARTNER
ENVIRONMENTAL
FARMER
COMMUNITY
CUSTOMER
SHAREHOLDER





Starbucks has always been a different kind of company. We're on a journey to unleash the *limitless possibilities of human connection*.

In fact, our new mission, launched in 2023, is centered on this – With every cup, with every conversation, with every community, we nurture the limitless possibilities of human connection.

In pursuit of this mission, we established ambitious promises to all our critical stakeholders. These represent the mutual success we commit to, together.

As this report details, when Starbucks is at its best, we promise:

- To bridge to a better future for our **partners**.
- To uplift the everyday for our **customers**.
- To help ensure the future of coffee for all for our **farmers**.
- To contribute positively to each of our **communities**.
- To give more than we take from the **environment**.
- To generate enduring long-term returns for our **shareholders**.



Our mission, these promises, and our values all underscore our commitment to a new era of Starbucks, which will go even further to serve our partners and the world around us.

For more than 20 years, we have reviewed our performance with the Starbucks Global Impact Report. We approach this work with the same commitment to transparency, intentionality, and accountability our partners bring to their work every single day.

As we report on the company's environmental and social impact in FY23, we are proud of the progress we have made. More than ever, we can be a force for positive action.

From investing in our partners through world-class benefits and programs to making it easier for our customers to use reusable cups and working with farmers to support a healthy coffee future, we see an opportunity to evolve and modernize the core of who we are as a brand and a business.

And an opportunity to better meet the needs of today — and of our future.

With gratitude and optimism, Laxman

Laxman Narasimhan chief executive officer



This report provides an overview of our *environmental and social impact strategies* and annual progress during fiscal year 2023 (FY23). While this report is not an exhaustive summary of our efforts, it helps demonstrate the integration between our business and our promises to our most important stakeholders: partners (employees), the environment, farmers, communities, customers, and shareholders. This report also includes data tables that reflect our progress against our goals. A comprehensive view of our progress and reports since 2001 is available <u>here</u>.



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## our PARTNER promise

BRIDGE TO A BETTER FUTURE



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OUR **PARTNER** PROMISE

At our best, we are building a bridge to a better future for our partners (employees) through thoughtful and intentional investments rooted in partner feedback and experiences. We are furthering our mission, promises and values by creating an elevated partner experience around the world.

GLOBA IMPACT We are committed to being a leading retail employer and to uplift, inspire and engage our team members by supporting their careers and lives — from industry-leading benefits to our expansive training and development programs to our commitment to inclusion, diversity and equity. Investing in our partners is what drives our success. Creating opportunities for partners to grow is important to the foundation of the Starbucks brand and builds long-term value for all our stakeholders. And our top priority is to ensure partners feel supported and empowered through robust safety trainings, clear policies and procedures and by creating safe and welcoming stores.

In FY23, Starbucks took meaningful action to expand our partner offerings. We continued to invest in world-class benefits, programs and initiatives that reflect partner feedback and best support their individual well-being and goals. To build a more consistent and high-quality work experience, we support internal growth, ensuring our partners have flexibility and training to develop their careers, supported by their managers. We want our partners to bring their authentic selves to their work, so we strive for a diverse and inclusive workplace that fosters a strong sense of belonging.

Put simply, we help partners access quality healthcare, attend college, contribute to their communities, plan for retirement, save for emergencies, support their families and more. Our promise is to offer a bridge to a better future that supports each partner's individual journey — at Starbucks and beyond. Together, we are creating the future of Starbucks, building on a long, rich heritage that has endured for more than 50 years.

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## **Benefits & Compensation**

For decades, Starbucks has offered U.S. retail hourly partners the best <u>benefits and perks</u> in the industry. For eligible parttime and full-time partners in company-operated U.S. stores, this includes comprehensive medical, dental and vision coverage for partners and their families, industry-leading gender-affirming care, Family Expansion Reimbursement Assistance, free therapy sessions through Lyra Health, 100 percent upfront tuition coverage for those seeking first-time bachelor's degrees, equity in the company through annual Bean Stock Awards and reimbursement of the biennial fee required for Deferred Action for Childhood Arrivals (DACA) recipients to stay in the DACA program.

The comprehensive benefits package provided by Starbucks goes well beyond the industry average\* and is set apart by its accessibility to a broad subset of its retail hourly workforce — including anyone working an average of 20+ hours a week.

## We have made significant ongoing investments of more than \$1 billion since FY22 to uplift the overall partner and store experience.

This investment includes bringing the average hourly pay at Starbucks in FY23 to nearly \$17.50/hour nationally with a range of \$15–23/hour, compared to a federal minimum wage of \$7.25/hour and industry average hourly wage of \$13.53/hour.\*\* Factoring in the value of Starbucks benefits, that number can rise by up to \$10 for a total compensation, with benefits, of approximately \$27/hour, if our partners choose to participate in all of our benefits. Higher wages, expansion of hours and increased benefits have resulted in an increased hourly total cash compensation of nearly 50 percent since FY20, and a positive shift in hourly turnover rates, which are now below pre-pandemic levels. By the end of FY25, Starbucks in the U.S. expects to double hourly income as compared to FY20 through more hours and higher wages.

COMPENSATION	FY23	
Average hourly wage for U.S. hourly partners (\$/hour)	17.42	
% U.S. hourly partners earned above minimum wage	100%	
TURNOVER	FY23	FY22
Total employee turnover (U.S. and Canada)	58%	65%

#### We also offer global Starbucks partners locallyrelevant benefits that help address unique needs in different parts of the world.

In 2017, Starbucks China introduced a first-of-its-kind program to provide critical illness insurance for parents of eligible partners. In 2022, it launched "14th Month Pay," a pioneering initiative giving retail partners an additional month's salary as a bonus on top of the 13th month pay they are eligible for, to be paid out at the end of every financial year. Last year, in Japan, we increased wages and continue to offer unique healthcare benefits for partners. Key initiatives in the U.K. and Europe, Middle East & Africa (EMEA) regions include free food on shift and an extra holiday.

Across our global markets, our licensed and joint venture partners also provide locally-relevant benefits, including in India, which became the first food and beverage company to establish a company-wide, five-day work week for all partners. The company also provides meaningful opportunities and comprehensive benefits for partners including providing a graduation support program to all full-time and part-time partners. The company offers many health and wellness programs including free mental and emotional counseling to partners and their family members, and an optional company-subsidized parental insurance program. In 2021, the Two-Wheeler Mobility Support Program was inaugurated in India to help partners purchase a two-wheeler vehicle for professional or personal use, enhancing their independence and commuting experience.

<sup>\*</sup>According to the results of a recent Benefit Index analysis conducted by Aon, Starbucks continues to deliver more valuable benefits for retail hourly partners than any of the more than 50 other U.S. companies included in the study, inclusive of Fortune 200 and Fortune 500 companies.

<sup>\*\*</sup>Fast Food and Counter Workers mean hourly wage, U.S. Bureau of Labor Statistics, May 2022.

BRIDGE

STARBUCKS\*

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## **Benefits & Compensation**

We offer several signature programs that support our partners' growth, development and long-term success.

For example, through the <u>Starbucks College Achievement Plan</u> (<u>SCAP</u>), partners can earn their bachelor's degree online from Arizona State University (ASU) — with 100 percent tuition coverage. In FY23, our largest Starbucks SCAP class graduated from ASU, and since the launch of the program, more than 10,000 partners have graduated with their bachelor's degree through SCAP. More than 23,400 partners participated in the program during FY23.

## The bridge to a better future includes our partners' financial health.

Starbucks employees are called "partners" for a reason — we offer every eligible partner the opportunity to share in our financial success through equity stock, company match for retirement funds and access to financial wellness programs to help manage student loan debt and save for short-term needs and long-term planning. Our competitive Future Roast 401(k) retirement plan includes a generous company match, and we offer partners discounted company stock (S.I.P.) as well as participation in our equity reward program, Bean Stock. In addition, we help partners save for the unexpected with help from My Starbucks Savings, with cash incentives for eligible partners at key savings milestones.

# The reason we are an industry leader in benefits and compensation is because these investments are informed by the feedback and ideas we receive from our partners.

In our constantly evolving economic and social landscape, we prioritize direct engagement with our partners and routinely create the space for open and honest two-way conversations. We have established a cross-functional Support Partner Experience team, made up of partners across business units. This team focuses on key areas of opportunity that partners have identified and deploy regular engagement surveys. The team also hosts design brainstorms on specific topics shared in collaboration and learning sessions. The partner surveys leverage a census approach, with all U.S. and Canada companyoperated partners invited to participate and paid time for retail partners, including hourly partners, to complete the survey. The feedback from these surveys is used to inform the overall partner experience and create opportunities for partners to grow.

PARTNER ENGAGEMENT SURVEYS	FY23	
% partners completed the Partner Experience Survey		
U.S. store partners	65%	
Canada store partners	53%	
North America non-store partners	92%	

## BETTER



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## Talent Attraction, Development & Training

Our training and educational resources are designed to demonstrate Starbucks as one of the very best employers in the global retail industry. We are proud to attract, hire, develop and retain partners who are passionate about furthering our mission, vision and values.

To ensure that our partners can thrive at work, we provide extensive training programs including on the job training hours that support partners from the moment they join our team.

For example, the Barista First 30 program is a 41.5-hour training program that partners complete in the first 30 days of employment. This training covers all the foundations of being a Starbucks partner, from mission and culture to the skills needed to serve customers in our stores. Continuous learning opportunities include 90- and 180-day check-ins that empower partners to succeed.

## Another big, recent investment is the return of our Coffee Master program for retail partners in North America.

In the last year, more than 10,000 partners have earned the coveted Black Aprons, which signifies their deep passion and knowledge for coffee, and their completion of the Starbucks Coffee Academy course. Coffee Masters in North America who meet all eligibility requirements can apply for an Origin Experience trip in Costa Rica. Other Origin Experience opportunities include Rwanda and Indonesia. During these trips, partners can fully immerse in the story of coffee "at the first ten feet" on the farms.

We focus on providing our partners with the training, experiences, resources and autonomy that they need to succeed, and we are proud that in FY23, 69% of U.S. retail leadership positions were filled by partners advancing in their careers within Starbucks.

TRAINING AND DEVELOPMENT	FY23
# training hours for baristas ("Barista First 30") (hours per barista)	41.5
% U.S. retail leadership roles filled from internal partners	69%

## **Inclusion, Diversity & Equity**

We pride ourselves in living our mission and values with a <u>clear approach</u>: real inclusion and belonging requires intent and is not defined only by metrics.

We're on a journey to create environments globally where everyone is welcome and feels a sense of belonging. Our culture has been built on the efforts of a long line of partners who dared to make Starbucks a different kind of company. Through their commitment to their communities and one another, partners have demonstrated anything is possible when we nurture the limitless possibilities of human connection. We continue to make improvements and changes that are necessary to ensure Starbucks remains a diverse, inclusive, equitable and accessible company.

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In the U.S., our goal is to achieve racial and ethnic diversity of at least 30 percent at all corporate levels and at least 40 percent at all retail and manufacturing roles by 2025. We also aim to achieve at least 50 percent women working across all corporate levels, 55 percent women working across all retail roles and 30 percent women working in manufacturing roles.

We are proud of the positive strides we've made but know we cannot lose momentum and must move faster to accelerate the changes necessary for Starbucks to remain a company where everyone belongs.

REPRESENTATION IN RETAIL ROLES (U.S.)	FY23	
Role	POC	Women
regional vice president	38%	52%
regional director	37%	51%
district manager	36%	60%
store manager	42%	68%
shift supervisor	48%	71%
barista	54%	73%

**Goal:** At least 40% People of Color (POC) representation and 55% women in all retail roles (regional vice president, regional director, district manager, store manager, shift supervisor, barista) by 2025

REPRESENTATION IN ENTERPRISE ROLES (U.S.)	FY23	
Role	POC	Women
senior vice president+	33%	47%
vice president	33%	58%
director	29%	60%
manager	32%	55%
individual contributor	41%	56%

**Goal:** At least 30% POC representation and 50% women for all enterprise roles (senior vice president+, vice president, director, manager, individual contributor) by 2025

REPRESENTATION IN MANUFACTURING ROLES (U.S.)	FY23	
Role	POC	Women
director	14%	14%
manager	28%	27%
individual contributor	47%	33%

**Goal:** At least 40% POC representation and 30% women in all manufacturing roles (director, manager, individual contributor) by 2025

REPRESENTATION ON BOARD OF DIRECTORS	JANUARY 2024
% board members identifying as POC	55%
% board members identifying as female	27%

# TWENTY

STARBUCKS

Our
ENVIRONMENTAL
promise

GIVE MORE THAN WE TAKE





### OUR ENVIRONMENTAL PROMISE

At Starbucks, we promise to *give more than we take* from the planet. Our comprehensive approach is built on our commitment to build a *more sustainable, equitable and resilient future* for coffee, farmers, communities and our planet. Across our company, we are testing and scaling innovative solutions to support partners, farmers and communities in the face of global climate change.



Our work to fulfill our promise includes driving key investments to help farmers adapt to climate change impacts and conserving or replenishing water. Our global footprint requires a global approach that leverages the expertise and experiences of our partners, farmers, customers and stakeholders. It's why we continue our decades—long work with industry experts, leveraging their insights to create and propel scalable solutions across our global operations, like in our efforts to support the long—term health of the dairy industry. It's why we are continuously working towards our bold promise to our planet in collaboration with suppliers, non—profit organizations, industry partners, government, farmers and customers. And it's why we take the lead of our partners who carry forward our promise to the planet every day in our stores by helping to make every single Starbucks store more sustainable by addressing our climate, water and waste footprints.

To support ongoing collaboration across sectors, Starbucks is a founding member of Transform to Net Zero, established in FY2O. The initiative works 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.

These efforts showcase our decades-long commitment to find solutions to mitigate the impacts of climate change and ensure a sustainable future of coffee for all.

### **2030** Goals

Our vision for the future is to become resource positive. From storing more carbon than we emit, to reducing and conserving more freshwater than we use and eliminating waste, we set targets to cut our climate, water and waste footprints in half by 2030, compared to a FY19 baseline.

#### Our goals:



Climate: 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/Packaging: 50% reduction in waste sent to landfill from stores and direct operations; customer packaging to be 100% reusable, recyclable or compostable.

As part of our work to refine and update our 2030 goals in FY23, we added specific targets for packaging, including updating 100% of Starbucks customer packaging to be reusable, recyclable or compostable.

#### We set ambitious goals because we're committed to creating a more sustainable and resilient future for the planet and the communities we serve.

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.

#### PROGRESS TOWARD 2030 CLIMATE, WATER AND WASTE/PACKAGING GOALS

Climate	Water	Waste/Packaging	
8% increase in total emissions compared with FY19 baseline	9% decrease in total water withdrawal compared with FY19 baseline	13% increase in waste sent to landfill compared with FY19 baseline	14% of customer packaging is reusable, recyclable or compostable
(20% decrease in emissions per \$ of revenue* compared with FY19 baseline)	(33% decrease in water withdrawal per \$ of revenue** compared with FY19 baseline)	(16% decrease in waste sent to landfill per \$ of revenue*** compared with FY19 baseline)	

During the same time period (FY19 to FY23), Starbucks total net

## Sustainable Future of Coffee

A healthy supply of coffee requires a healthy planet, but climate change is making it increasingly difficult for farmers to grow high-quality coffee. To help ensure the sustainable future of coffee, we are focusing on reducing our carbon footprint and conserving water at "the first ten feet" - starting on coffee farms. We do this by equipping farmers with precision agronomy tools that help reduce carbon and greenhouse gas emissions. We are also promoting and distributing climateresistant coffee tree varietals, while protecting and restoring at-risk forests in key coffee landscapes. See Our Farmer Promise for more information about this work.





<sup>\*\*</sup>Calculated as water withdrawal per \$ of consolidated net revenues, expressed as the percentage change from FY19 to FY23.



<sup>\*\*\*</sup>Calculated as waste sent to landfill per \$ of consolidated net revenues, expressed as the percentage change from FY19 to FY23.

<sup>\*\*\*\*</sup>Source: Starbucks 2023 10-K, Starbucks 2019 10-K.

Give more than we take



## Cups & Packaging

Starbucks is on a mission to lead the charge in reducing single-use packaging, and we're taking bold steps, leveraging our test-and-learn approach to redefine convenience for our customers. Our vision is clear: we aim to empower our customers to make environmentally conscious choices during every Starbucks visit around the world, whether they're enjoying their coffee in the café, zooming through the drivethru or using mobile order and pay.

Making it easier for customers to use reusable cups is one of the ways Starbucks plans to reduce single-use cup waste in our stores.

We're working towards a future where every Starbucks customer can order and enjoy a beverage served in a <u>reusable cup</u> — either one they bring or one we provide. Starting in 2024, customers in all Starbucks stores across the U.S. and Canada will be able to use their personal reusable cup wherever they order, including in café, drive-thru or mobile order and pay.

Inspired and informed by partners around the world, Starbucks has also conducted reusable cup tests in more than 25 markets around the world with more planned in the year ahead. In FY23, Starbucks tested a 100 percent reusable and returnable cup model in 12 stores in California. This program provides customers with a store-issued returnable cup to enjoy their drink wherever they wish, then return the cup to a kiosk at participating Starbucks locations. The cup will be professionally washed and sanitized, ready to be used again.

#### In addition to testing and implementing models for reusable cups, we are making progress to improve the sustainability of our single-use cups.

In FY23, we launched a new hot cup in the U.S. that includes 30 percent post-consumer recycled fiber. Less paper is used to make the cup, and less plastic is used to line it. From recycling to reusables, our sustainability journey has been driven by bold aspirations and a comprehensive approach. We've set an ambitious goal for our customer facing packaging to be 100% reusable, recyclable or compostable; sourced from 50% recycled materials; and made using 50% less virgin fossil fuel derived sources by 2030.

Our ambitions, business and goals for reducing waste are global. To bring about sustainable change for our planet, we have joined the <u>Business Coalition for a Global Plastics Treaty</u>. The Coalition, led by World Wildlife Fund (WWF) and the Ellen MacArthur Foundation, is supporting the development and negotiations of a United Nations Global Plastics Treaty to accelerate progress around the world.

PROGRESS TOWARD SUSTAINABLE PACKAGING	FY23
% of customer packaging that is reusable, recyclable or compostable	14%
% of customer packaging made from recycled or renewable materials	24%
% change in virgin fossil fuel derived materials in customer packaging from FY19 baseline	11%
% post-consumer (PCR) fiber in hot cups (U.S.)*	30%

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\*In FY23, we launched a new hot cup in the U.S. that includes 30 percent post-consumer recycled fiber and will continue to roll out this hot cup across U.S. stores.

#### **Greener Stores**

A Starbucks store is certified as a "Greener Store" when it meets robust standards, as verified by a third-party auditor, across eight environmental impact areas: water stewardship, partner engagement, energy efficiency, waste diversion, renewable energy, responsible materials and sites and communities. The standards were developed in partnership with World Wildlife Fund (WWF) and SCS Global Services. In FY23, we certified 6,091 Greener Stores. We are proud to announce significant international expansion of our Greener Store program in 2023, with the aim to have 10,000 Greener Stores across our global business in 2025.

The inaugural global Greener Stores of the Year is awarded across our six regions to celebrate stores exceeding in innovation and environmental impact. The 2023 regional winners will be announced in the Spring of 2024.

## Our promise to support our planet goes beyond our own business.

That's why we launched the <u>Greener Store Practitioner</u> course on the <u>Starbucks Global Academy</u> to make the Greener Stores program accessible to retailers and the general public around the world. The course features educational content on sustainability that is broadly applicable and shares the fundamental structure of Greener Stores. Starbucks will translate the course into multiple languages through 2024 and is committed to sharing insights through the Starbucks Global Academy platform as we continue to scale the program globally.



## Renewable electricity projects at our Greener Stores represent just one way we are working to support the growth of green energy.

We work to spur development of new renewable electricity and energy storage facilities through direct investment and long-term contracts that ensure project financing. We also purchase renewable energy certificates from new and existing facilities. For example, in October 2023, Starbucks announced a partnership with NineDot Energy in New York City in support of the state's goal to deploy 1,500 megawatts of battery storage by 2025. The projects will deliver cleaner air to the city's communities by displacing generation from peaking power plants. In FY23, Starbucks also expanded its roster of onsite solar and hosted electric vehicle charging stations that provide familiar, reliable, clean and safe places to recharge for our customers and their battery-powered vehicles.

PROGRESS OF GREENER STORES PROGRAM	FY23
# Greener Stores certified in North America	5,488
# Greener Stores certified in international regions	603
# total Greener Stores certified globally	6,091
Goal: Build and operate 10,000 Greener Stores globally by 2025.	

PROGRESS ON RENEWABLE ELECTRICITY USE*	FY23
% renewable electricity use globally (company-operated facilities globally)	77%

FISCAL 2023

# our FARMER promise

ENSURE THE FUTURE OF COFFEE FOR ALL



REPORT



## OUR FARMER PROMISE

We work with more than 450,000 farms that grow the highest quality Arabica coffee in the world. Our promise to farmers is that we will always work to ensure a sustainable future of coffee for all, underscoring the decades—long commitment that we've made to coffee farmers and farming communities.

# GLOBAL

# IMPACT

As we move to become a <u>truly global company</u>, we have a unique opportunity to enhance lives by promoting ethical and sustainable practices globally. Driven by our industry-leading Coffee and Farmer Equity Practices (C.A.F.E. Practices) verification program, with over 450,000 participating farms, we help support farmers and their families and ensure that our supply chain promotes sustainable and transparent growing practices.

Coffee farmers and farming communities are already feeling the impacts of climate change and our warming planet. We are proud to invest in regenerative agriculture, reforestation, forest conservation and water replenishment to support a healthy coffee future. With that in mind, Starbucks is focused on helping farmers get the financing they need to support their businesses and families in rapidly changing conditions. We also provide coffee trees that can help farmers adapt to the impacts of climate change and increase their productivity over the longterm. We are also working to conserve and restore the forests that are critically important to agriculture systems.

At our best, we promise to ensure a sustainable future of coffee for all through a comprehensive approach that centers and respects our farming communities and the planet we share.

REPORT

## **Ethical Sourcing of Coffee**

We are proud to have developed one of the coffee industry's first set of ethical sourcing standards in 2004 in collaboration with Conservation International. <u>C.A.F.E. Practices</u> is a verification program that measures farms against economic, social and environmental criteria, all designed to promote transparent, profitable and sustainable growing practices while also protecting the well-being of coffee farmers, their families and their communities. C.A.F.E. Practices helps Starbucks work with farmers to create a long-term supply of high-quality coffee while positively impacting the lives of coffee farmers and their communities.

ETHICAL SOURCING OF COFFEE	FY23
% Starbucks coffee ethically sourced and verified through C.A.F.E Practices	99.7%



## **Global Farmer Support**

Starbucks future is directly linked to the livelihoods of farmers, their families and their communities, so we take seriously our responsibility to care for the people who are part of the coffee journey.

Starbucks operates ten Farmer Support Centers in coffee-producing countries around the world. Our agronomists work with farmers to learn and implement the latest findings and best practices in agronomy, quality and social responsibility. Through the Farmer Support Centers, farmers gain access to updated water conservation methods, new varietals of disease-resistant coffee trees and advanced soil management techniques, including promotion of coffee shade canopy. Working one-on-one with farmers in the field, supporting co-ops and suppliers, Starbucks agronomists build upon traditional growing methods to help the next generation of farmers improve the quality, productivity and profitability of their crops while supporting the implementation of C.A.F.E. Practices across Starbucks coffee supply chain globally.

Since first offering financing in 2000, the Starbucks Global Farmer Fund has supported the business financing needs of farmers to help ensure a sustainable, long-term source of coffee. Farmers often cannot access traditional business loans because of excessive interest rates and stringent minimum qualifications. The loans offered through our Global Farmer Fund enable farmers to plant new trees, enhance their infrastructure and bolster their financial stability in the face of changes in climate and markets. Our goal is to supply \$100 million in farmer loans by the end of 2025.

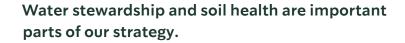


FARMER SUPPORT CENTERS	FY23
# Farmer Support Centers	10
# people trained with advanced agronomy techniques	>56,000
# Model Farms (cumulative as of FYE)	>120

GLOBAL FARMER FUND	FY23
\$ loans deployed from the Global Farmer Fund since inception (as of FYE) (\$ millions)	80.8
\$ loans deployed from the Global Farmer Fund since FY18 (as of FYE) (\$ millions)	65.8

## Sustainable Future of Coffee

By 2030, Starbucks is aiming to achieve carbon–neutral green coffee and conserve water usage in green coffee processing by 50%. Our work in FY23 focused on refining the methods we use to calculate the carbon and water footprint of green coffee. This foundational work is crucial for accurately tracking our progress in the years ahead.



To achieve this, we are supporting the transition to sustainable eco-wet mills to separate the fruit of the coffee cherry from the coffee bean while conserving water and increasing efficiency for farmers. We are also working alongside farmers to gain deeper knowledge about soil nutrition requirements by promoting soil sample analysis and tailoring recommendations about soil nutritional needs. These efforts have the potential to reduce on-farm carbon emissions and increase the productivity of crops.

## Climate-resistant coffee trees are a critical part of our effort to help farmers adapt to climate change.

Since making the commitment to distribute 100 million coffee trees by 2025, Starbucks has now distributed more than 80 million of the next generation of climate-resistant coffee trees in El Salvador, Guatemala and Mexico. Additionally, in Colombia, we provide coffee seedlings to farmers and have delivered more than 53 million seedlings as of FY23.

## Protecting and restoring forests addresses a serious threat to coffee farms and communities around the world.

In FY23, Starbucks continued its efforts to protect and restore forests that are impacted by land-use change and deforestation. These agroforestry efforts will help remove carbon and support a carbon neutral pathway while also benefiting freshwater ecosystems and coffee communities.

Sustainable agricultural practices include preserving and enhancing biodiversity. To further advance our transparency, we will conduct a material biodiversity impact assessment with respect to our coffee supply chain, to be completed by the end of our 2025 fiscal year and performed in accordance with the Taskforce on Nature-related Financial Disclosures framework.

SUSTAINABLE AGRICULTURE	FY23		
# soil samples processed (cumulative as of FYE)	>30,800		
<b>Goal:</b> Achieve Carbon-Neutral Green Coffee by 2030.			
# eco-wet mills contracted (cumulative as of FYE)	<1,500		
<b>Goal:</b> Conserve water usage in green coffee processing by 50% by 2030.			

## 2023 GLOBAL IMPACT REPORT



## COMMUNITY

*p*rom*i*se

CONTRIBUTE POSITIVELY

(MPRORT)



PROGRESS UPDATE



Since the beginning, Starbucks has been about more than coffee. We are a people company, driven by our belief in the *limitless power of human connection*. That's why we have made a promise to contribute positively to every community we serve, through our 38,000 stores across 86 markets around the world.



Our new mission to nurture human connection recognizes that connecting with each other is a fundamental human need. Study after study indicates high rates of loneliness as a public health concern, and there's a desperate need for togetherness. This promise comes to life in our communities through our partners who know their neighborhoods best, and our customers who bring their knowledge and ideas as community members.

We support every partner to take action as a champion in their communities, from serving and giving to learning and advocating – recognizing that our partners are local community leaders who contribute positively and meaningfully to thousands of communities around the world. We remain committed to addressing food insecurity and hunger. We build purpose–defined stores that reflect the communities we serve and help uplift communities through unique programming and in–store features. We support small businesses by increasing access to capital and working with diverse suppliers across our supply chain. And we invest in The Starbucks Foundation to drive impact around the world.

## Our Stores in the Community

Community Stores sit at the heart of our mission to nurture the limitless possibilities of human connection. These stores are purpose-defined to better support our partners, our customers and our communities in ways that meaningfully drive lasting connection. To enhance the well-being of all who connect within our stores, our goal is to reach 1,000 Starbucks Community Stores globally by 2030.

## Community Stores provide economic opportunity, empower farmers, youth and women as well as create relevant community programming.

For example, our Military Family Stores aim to uplift the everyday for active military personnel, Veterans, their families and surrounding communities. These stores are located on or near major military bases and help provide a sense of connection and support for military families who are often far from their loved ones.

In Starbucks Signing Stores, we work to ensure that our efforts to uplift the everyday and the Starbucks Experience are inclusive for our partners and customers. These stores are run by store partners who are proficient in sign language and provide a space for the Deaf and hard of hearing community to connect and celebrate Deaf culture through sign language.

In India and Saudi Arabia, female-led stores are a part of our ongoing work to provide opportunities for women. These stores reaffirm the company's ongoing commitment to promoting an inclusive and diverse workforce by empowering women leaders.

## Community Champions & Giving Match

Our partners are Community Champions who bring our Community Promise to life in and around our stores. Through civic engagement, volunteerism, community events, donations and more, Starbucks partners work in big and small ways to make a positive impact for people and the planet. The Starbucks Community Champion courses on the Starbucks Global Academy help anyone interested in making a difference in their communities develop an action plan for good.

## We aim to multiply the positive contributions our partners make in their communities.

One way we do this is through the Starbucks Giving Match program in the U.S. and Canada, which amplifies eligible financial donations and volunteer time partners make to community organizations. All active Starbucks full- and part-time partners can request up to \$1,000 in matching funds per fiscal year, using any combination of volunteer hours and financial donations to qualified nonprofit organizations.

OUR STORES IN THE COMMUNITY	OPENED IN FY23	TOTAL OPEN AS OF FY23
# Community Stores (U.S.)	11	39
# Community Stores (international markets)	16	35
# Military Family Stores (U.S.)	17	130
# Signing Stores (globally)	4	20

## Food Waste Reduction & Hunger Relief

Starbucks is committed to reducing food waste within its operations and supporting hunger relief in communities.

Starbucks FoodShare food donation program was launched in the U.S. in 2016 and Canada in 2019, in partnership with Feeding America\*, Second Harvest Canada and other hunger-relief organizations. As part of our promises to give more than we take and contribute positively to the communities we serve, we divert food from waste streams and donate it to help alleviate hunger. We also work around the world to support innovations in food waste reduction and scalable sustainable solutions that increase equitable access to nutritious food in high need and underserved communities.



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Contribute positively

## **Economic Opportunity**

We are working to advance economic opportunity in our communities by working with a diverse range of suppliers across our business, increasing access to capital for small business owners and elevating public-private partnerships that address economic disparities.

Since 1998, Starbucks has created an environment where diverse suppliers have equal opportunity to compete for our business.

Our sourcing teams engage with a diverse set of suppliers who share our commitment to advancing ethical sourcing and social and environmental standards. The <u>Starbucks Supplier Diversity and Inclusion program</u> drives inclusion of qualified businesses with a focus on suppliers of all sizes and categories, including small businesses.

In 2021, Starbucks invested \$100 million to launch the <u>Community Resilience Fund</u> to advance racial equity and environmental resilience in neighborhoods with historically limited access to capital. As of FY23, we have contributed over \$40 million to the fund. We are working with Community Development Financial Institutions (CDFIs) and other mission-driven financial institutions because of their deep experience serving underserved communities. The Fund provides access to long-term loans intended to support small businesses and neighborhood projects, including those addressing the inequitable impacts of climate change.

In 2022, Starbucks continued to leverage the power of public-private partnerships and joined the <u>Economic Opportunity</u> <u>Coalition</u> to address economic disparities and accelerate economic opportunity in historically marginalized communities by developing and collaborating on new services, programs and products that will support deploying resources where they are most needed.

### The Starbucks Foundation

Established in 1997, The Starbucks Foundation is a distinct Section 501(c)(3) charitable organization under U.S. law and receives funding primarily from Starbucks Corporation.

The Starbucks Foundation's mission is to strengthen humanity by transforming lives across the world, with a focus on enabling community resiliency and prosperity, and uplifting communities affected by disaster. Through this work, the Foundation supports domestic and international nonprofit organizations that deliver impact to coffee growing regions, in Starbucks local hometown of Seattle and in neighborhoods around the world where Starbucks partners live and work.

In coffee-, tea- and cocoa-growing communities, Foundation grants address critical needs such as access to water, sanitation and hygiene and economic opportunities.



The Neighborhood Grants and Global Community Impact Grants programs accelerate hyper-local impact by inviting Starbucks partners across North America and Starbucks international business partners to nominate locally-relevant charities for grants, while inspiring additional support through local connections, volunteerism and co-investment. Youth grants support underrecognized youth by investing in programs focused on diversity, equity and inclusion; mentorship and career readiness opportunities; and addressing the current state of social and emotional health in young people. And when disaster strikes, from the earthquake in Türkiye to wildfires in Maui, The Starbucks Foundation supports immediate relief and longer-term recovery needs while also investing in resiliency efforts to ensure communities are prepared in advance of the next storm. Learn more about The Starbucks Foundation's work.

THE STARBUCKS FOUNDATION	FY23
\$ total grants awarded (\$ millions)	24

STARBUCKS FIS

# Our CUSTOMER promise

UPLIFT THE EVERYDAY







OUR **CUSTOMER** PROMISE

From the original third place to the newest Starbucks stores, we're all about *connecting and meeting our customers where they are*. Our promise to our customers is to uplift the everyday, providing a superior coffee and customer experience every time they visit us.

We celebrate our customers by offering a variety of drinks and food choices that are as unique as every customer we meet. Our global stores serve menus that reflect and respect the people we serve and their beverage traditions. We are building inclusive and accessible design elements in our stores that help every customer enjoy their Starbucks experience. And we are witnesses to countless moments of kindness through the windows of more than 38,000 stores around the world. We share these moments to uplift the everyday, and to help build a kinder, braver world.

# PROGRESS

2023

# UPDATE (MPRORI REPORT

## Uplifting the Every Day Through Kindness

We aim to not only celebrate coffee, but also to foster positive connections in our communities. We have the privilege to see our partners, customers and communities connect over everyday moments of kindness in ways both big and small. To help communities recognize kindness that is all around them, while also reinforcing Starbucks commitment to creating a culture of belonging where everyone is welcome, Starbucks invited customers and partners to uplift the everyday through stickers, cards and kind notes in store and via an augmented reality experience.

### Third Place

Our mission and promises come to life in our stores, a third place where everyone is welcome, feels a sense of belonging and where we can uplift one another over coffee.

Our priority is to create environments in our stores that are safe, welcoming and kind for our partners and customers. Through the <u>Third Place Policy</u>, we ask everyone in our stores to treat others with respect and dignity, free of bias and discrimination. As a company, we routinely review the partner and customer experience in our stores, to ensure the store is thriving, partners are feeling supported, and that we are meeting customer and community needs.

## Inclusive & Accessible Design

Starbucks is committed to developing, testing and scaling inclusive design standards and experiences with and for people who have lived experience with disability. We are working to expand this effort across our store portfolio, starting in the U.S. and then globally, with the goal of ensuring that physical and digital Starbucks environments will meet an elevated standard of accessibility by 2030.

Because we are in the business of fostering human connection, we are regularly creating more ways for customers and partners to communicate both visually and audibly, while also offering more tools to help customers and partners navigate our physical store environments.

For example, since 2021 Starbucks has offered the Aira service free of charge to our customers who are blind or have low vision. Customers can use the app to connect with trained visual interpreters who provide visual information about their surroundings. Starbucks also offers multiple formats of the menu including large-print and Braille menus in all stores in the U.S. and Canada.



# TWENTY

OUT

SHAREHOLDER

promise

GENERATE LONG-TERM RETURNS



STARBUCKS



Our six promises guide our work at every level of the company. It is our partner promise to help bridge to a better future; for our customers, we promise to uplift the everyday; for our farmers, we promise to ensure the future of coffee for all; for our community, we promise to contribute positively; for our environment, we promise to give more than we take.

GLOBAL IMPACT REPOR

In doing all these things, we generate long-term returns for our shareholders. Each of the six new promises is interrelated and interchangeable, ensuring mutual success for all.

## **Corporate Governance**

Our Environmental and Social Impact goals are closely tied to our company's overall strategy. Our Board of Directors assesses our impact agenda as part of their broader review and oversight of our business and strategy. In November 2023, we announced the formation of a new Environmental, Partner and Community Impact Board Committee (Impact Committee). The Impact Committee will support the Board in fulfilling its oversight responsibilities required to respond to shifting regulations and standards, and drive accountability across the environmental, partner, community impact, farmer and customer promises. The Impact Committee also has oversight of internal and external reporting tools and assessments, including the annual publication of this report, and initiatives to strengthen partner engagement and revitalize partner culture. In conjunction with the Board and its other committees, the Impact Committee will oversee certain applicable risks. More information about Corporate Governance on environmental and social topics is available online and in our Proxy Statement.

In FY23, we continued implementing our executive compensation programs, which were updated in 2021 to emphasize our focus on environmental sustainability and building diverse teams. To align with our goal of giving back more to the planet, the FY23 annual bonus program allocated 7.5 percent of the overall bonus payout for senior vice presidents and above to results that indicate we are fulfilling our promise to the planet. Another 7.5 percent was tied to creating an inclusive environment across our company, emphasizing the importance of diversity in our workforce for our global success.

## **Stakeholder Engagement**

In FY23, we engaged in a comprehensive third-party evaluation to identify and prioritize key environmental, social and governance topics most important to the company and external stakeholder groups. This process aimed to guide Starbucks in focusing our strategy to advance our mission, promises and values. To do this, we conducted surveys and interviews across global stakeholder groups to assess the importance of environmental, social and governance topics for Starbucks.

Rooted in our commitment to transparency, we are sharing our <u>environmental</u>, <u>social and governance</u> priorities publicly with our stakeholders.

Understanding and addressing these key issues are integral to meeting the expectations of our stakeholders and ensuring alignment between our business performance and environmental, social and governance impacts. While there is work being done across all topics, these results will help inform our program strategies and ESG reporting priorities going forward.

## **Global Human Rights**

For decades, Starbucks has committed to respecting and protecting human rights. In 2004, Starbucks joined the <u>U.N.</u>

<u>Global Compact</u> — the world's largest corporate sustainability initiative that commits signatories to implement sustainability principles and support U.N. goals. We also remain committed to the U.N. Guiding Principles on Business and Human Rights; OECD Guidelines for Multinational Enterprises; International Bill of Rights; ILO Core Labor Standards; Women's Empowerment Principles; Children's Rights and Business Principles; and Framework Principles on Human Rights and the Environment. In 2020, Starbucks released our <u>Global Human</u> <u>Rights Statement</u>, which informs the decisions we make that impact our relationships with each other, our customers, our business partners and our communities.

In FY23, Starbucks completed an independent, third-party Human Rights Impact Assessment. Starbucks engaged Article One, a specialized strategy and management consultancy with expertise in human rights, responsible innovation, and sustainability, to conduct the Human Rights Impact Assessment of Starbucks policies, procedures and initiatives related to human rights. The results of that assessment are available <a href="here">here</a>. This assessment represents the next step in our journey to identify and assess salient human rights risks and make key investments to support our partners, farmers, communities and the environment. As we have in the past, we look forward to continuing to update our stakeholders on our human rights journey and human rights due diligence program in the years to come.

## **Working Directly with our Partners**

Starbucks is actively collaborating with all partners to fulfill our Partner Promise to build a bridge to a better future.

As a company, we respect our partners' right to organize, freely associate, engage in lawful union activities and bargain collectively without fear of reprisal or retaliation. Importantly, we are committed to engaging in good faith collective bargaining for each store where a union has been appropriately certified — and have shared our aim to reach ratified contracts for union-represented stores in 2024.

As part of our commitment to our partners, all managers are provided training to help deepen their understanding of labor issues, National Labor Relations Act (NLRA) requirements and the rights of our partners to engage in protected activities—and are supported by a nationwide labor relations team established in 2022 to reinforce best–practices and ensure our adherence to company policies and compliance with applicable labor and employment laws.

As of the end of FY23, 343 U.S. stores had certified union representation. To provide timely and accurate information and resources on labor activities, we launched the one.starbucks.com website, which is designed to assist anyone seeking up-to-date information and resources related to labor initiatives. In FY23, Starbucks Board of Directors retained an independent third-party expert to complete an assessment of its adherence to the principles of Freedom of Association and the Right to Collective Bargaining. The assessment found that Starbucks has shown consistent progress since organizing began, and that strategic investments in a stronger governance process, more on-the-ground support, a dedicated labor relations team and more bespoke management training have had a tangible impact on the Company's adherence to commitments made. The full results of the assessment are available here.



## Ethics & Compliance

Starbucks <u>Ethics & Compliance</u> program aligns with our mission and values by fostering an environment dedicated to ethical leadership and business conducted with integrity. We created our Ethics & Compliance program to ensure it is a trusted resource for partners.

## Our training and communications approach begins with onboarding new partners tailored to their role and level.

Quarterly training for all partners covers various Ethics & Compliance topics and risk areas, such as Anti-Harassment, Anti-Discrimination, Insider Trading and Conflicts of Interest. In FY23, we launched more than 60,000 online courses to our corporate partners in 20 countries, which included ten different risk areas. All corporate partners receive training annually on our Standards of Business Conduct and Harassment Prevention. As part of retail onboarding, all partners discuss and review the Standards of Business Conduct and Speaking Up resources in a one-on-one meeting with their manager. Upon hire, all new retail management partners also receive Anti-Harassment training, which must be completed in the first 30 days. Retail managers in the U.S. and Canada receive annual online renewal training of riskrelevant topics and in 2023 achieved a 99% completion rate on a custom Harassment Prevention course. We also newly launched training to partners in our Farmer Support Centers in seven different countries.

Starbucks <u>Global Anti-Bribery Standard</u> and related policies and procedures provide critical guidelines regarding doing business with third parties, government officials, and stateowned/controlled companies, and set forth clear expectations regarding bribery and corruption. We reinforce this through regular partner communications, and last year we provided online training to partners globally.

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, company policies or Mission and Values. An independent third party manages our Ethics & Compliance Helpline and Webline, both of which allow partners and others to ask questions and voice concerns 24 hours a day, seven days a week, with interpreters available. Reports may be made anonymously and are treated in a confidential manner. We are committed to providing safe, confidential and accessible channels to all individuals connected to Starbucks, while maintaining a strict Anti-Retaliation Policy in compliance with our Global Human Rights Statement.

## Starbucks captures concerns raised and assigns cases to be investigated by or with the oversight of an Ethics & Compliance investigator.

The Ethics & Compliance investigations team strives to bring cases to closure within 45 to 60 days, based on complexity. In FY23, Ethics & Compliance completed investigations of 4,731 inquiries and concerns received primarily through our Helpline and Webline. Of the investigations completed, 45 percent were substantiated as a violation of standard or policy. When an investigation is complete, Ethics & Compliance shares findings with the individual(s) who reported the concern. Depending on the findings of the investigation and the severity of any substantiated wrongdoing, there are a number of possible outcomes to an investigation, including coaching, retraining, written documentation or separation from employment.

Ethics & Compliance topics are regularly reinforced through leadership messages, our online community and other crossfunctional channels. Regular reports are made to the Audit and Compliance Committee of the Board of Directors, including formal sessions multiple times each year.





STARBUCKS

# GLOBAL

## progress report data tables

FISCAL 2023

# IMPACT

## REPORT

## Benefits

COMPENSATION	FY23	FY22		
Average hourly wage for U.S. hourly partners (\$/hour)	17.42	17.00		
% U.S. hourly partners earned above minimum wage	100%	100%		
STARBUCKS COLLEGE ACHIEVEMENT PLAN				
# partners graduated with <u>college degree</u> (during FY)	<2,300	>2,100		
Goal: Graduate 25,000 Starbucks partners from Arizona State University (ASU) by the end of 2025.				
# partners graduated with college degree (since program inception, as of FYE)	<11,400	>9,100		
# partners participating (as of FYE)	>23,400	>23,000		

## Training & Development

TALENT ATTRACTION, DEVELOPMENT & TRAINING	FY23	FY22
Total number of baristas hired in the U.S.	<105,600	>160,000
% of U.S. retail leadership roles filled from internal partners	69%	60%
Total employee turnover (U.S. and Canada)	58%	65%
# training hours for baristas (Barista First 30) (hours per barista)	41.5	42
# partners selected to travel to Hacienda Alsacia for Origin Experience	>900	800
STARBUCKS GLOBAL ACADEMY		
Coffee Masters		
# enrollments	<7,000	<2,500
# course completions (earned the Black Apron) (during FY)	<6,800	<1,500
# course completions (earned the Black Apron) (since inception, as of FYE)	<10,100	>4,500

TARBUCKS GLOBAL ACADEMY   CONTINUED	FY23	FY22
ommunity Champion		
# course enrollments	<1,600	_
# course completions	<400	_
reener Apron		
# course enrollments	>15,300	>15,000
# course completions	<9,200	<9,900
tarbucks Coffee Academy		
# course enrollments	<153,500	<150,000
# course completions	>94,900	>96,900
hird Place Development Series		
# course enrollments	2,600	<3,000
# course completions	<500	>300
o Be Welcoming		
Goal: 100,000 total enrollees in To Be Welcoming to cultive quity awareness.	rate inclusion, diversity and	I
# course enrollments	<36,700	>21,000
We exceeded our goal of enrolling 100,000 cumulative learn to offering the course to partners, customers and community Global Academy.		
# course completions	>25,600	>12,000
% enrollees who are partners	61%	81%

## **Partner Engagement**

PARTNER ENGAGEMENT SURVEYS	FY23	FY22
% partners completed the Partner Experience Survey		
U.S. store partners	65%	43%
Canada store partners	53%	54%
North America non-store partners	92%	86%
PARTNER NETWORKS		
# Partner Networks (globally)	32	26
# Partner Networks (U.S.)	13	12
Active regional chapters (U.S.)	116	114
CIVIC ENGAGEMENT RESOURCES		
# partners using civic education resources (via Starbucks <u>FuelOurDemocracy.com</u> site)	<23,000	>17,000

## Inclusion, Diversity & Equity

FY23	FY22	
Representation of women in retail roles (U.S.)		
t, regional directo	or,	
52%	63%	
51%	50%	
60%	61%	
68%	68%	
71%	71%	
73%	73%	
	52% 51% 60% 68%	

#### Representation of POC in retail roles (U.S.)

Goal: At least 40% People of Color (POC) representation in all retail roles (regional vice president, regional director, district manager, store manager, shift supervisor, barista) by 2025.		
regional vice president	38%	31%
regional director	37%	32%
district manager	36%	33%
store manager	42%	39%
shift supervisor	48%	47%
barista	54%	53%

Our commitments to achieving diverse representation in our retail, manufacturing and corporate roles and equity in pay across race and gender in the U.S. and globally in company-operated markets reinforce our promises to build bridges and create environments where all are welcome. There is still more to be done, and we are committed to taking further actions toward tangible and lasting change.

<sup>\*</sup>Use our <u>interactive tool</u> to view additional demographic data of Starbucks partners.

### OUR **PARTNER** PROMISE

**STARBUCKS**°

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Bridge to a better future

IAL & SOCIAL EQUITY GOALS & REPRESENTATION   CONTINUED	FY23	FY22
resentation of women in enterprise roles (U.S.)		
Goal: At least 50% women for all enterprise roles (senior vice preside director, manager, individual contributor) by 2025.	ent+, vice pres	ident,
senior vice president+	47%	57%
vice president	58%	55%
director	60%	59%
manager	55%	55%
individual contributor	56%	55%
resentation of POC in enterprise roles (U.S.)		
resentation of POC in enterprise roles (U.S.)  Goal: At least 30% POC representation for all enterprise roles (senior president, director, manager, individual contributor) by 2025.	r vice presiden	t+, vice
Goal: At least 30% POC representation for all enterprise roles (senio	or vice presiden 33%	<b>t+, vice</b> 27%
Goal: At least 30% POC representation for all enterprise roles (senio president, director, manager, individual contributor) by 2025.		
Goal: At least 30% POC representation for all enterprise roles (senior president, director, manager, individual contributor) by 2025.  senior vice president+	33%	27%
Goal: At least 30% POC representation for all enterprise roles (senior president, director, manager, individual contributor) by 2025.  senior vice president+  vice president	33%	27%

Our commitments to achieving diverse representation in our retail, manufacturing and corporate roles and
equity in pay across race and gender in the U.S. and globally in company-operated markets reinforce our
promises to build bridges and create environments where all are welcome. There is still more to be done,
and we are committed to taking further actions toward tangible and lasting change.

RACIAL & SOCIAL EQUITY GOALS & REPRESENTATION   CONTINUED	FY23	FY22
Representation of women in manufacturing roles (U.S.)		
Goal: At least 30% women in all manufacturing roles (director, manaby 2025.	ager, individual	contributor)
director	14%	14%
manager	27%	29%
individual contributor	33%	33%
Representation of POC in manufacturing roles (U.S.)		
Goal: At least 40% POC representation in all manufacturing roles (di contributor) by 2025.	irector, manage	er, individual
director	14%	29%
manager	28%	30%
individual contributor	47%	43%
Our commitments to achieving diverse representation in our retail, manufa equity in pay across race and gender in the U.S. and globally in company-o promises to build bridges and create environments where all are welcome. and we are committed to taking further actions toward tangible and lasting	perated market There is still mo	s reinforce our
Representation of age in total workforce — retail (U.S.)		
under 30	82%	82%
30-50	16%	15%
above 50	2%	3%
Representation of age in total workforce — enterprise (U.S.)		
under 30	9%	18%
	700/	610/
30-50	70%	61%

Japan, Switzerland and Austria.

### OUR PARTNER PROMISE

**STARBUCKS**°

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Bridge to a better future

RACIAL & SOCIAL EQUITY GOALS & REPRESENTATION   CONTINUED	FY23	FY22
Representation of age in total workforce — manufacturing (U.S.)		
under 30	17%	17%
30-50	57%	52%
above 50	26%	32%
% board members identifying as POC	55%	38%
% board members identifying as female	27%	25%
GLOBAL EQUITY IN PAY		
Goal: 100% gender and racial pay equity in the U.S.*		
% gender pay equity in the U.S. (for similar work)	100%	100%
% racial pay equity in the U.S. (for similar work)	100%	100%
% gender median pay ratio in the U.S.	96%	100%
% racial median pay ratio in the U.S.	100%	100%
Goal: 100% gender equity in pay globally for company-operated markets.		
% gender pay equity in global company-operated markets (for similar work)	_	_

SUPPORTING LGBTQIA2+ PARTNERS		
Representation of U.S. workforce self-identifying as LGBTQIA2+		
retail %	37%	36%
enterprise %	18%	22%
manufacturing %	12%	11%
Score on the <u>Human Rights Campaign Corporate Equality Index</u>	100%	100%

In FY23, in our global company-operated markets, we have achieved gender equity in pay in Canada,

*Pay metrics can fluctuate throughout the fiscal year. Our pay equity strategies go beyond compliance. Read more about how Starbu	Jcks
is addressing the gender pay gap <u>here</u> .	

DISABILITY INCLUSION	FY23	FY22		
Score on the <u>Disability Equality Index</u>	100%	100%		
Representation of U.S. workforce self-identifying with disability				
retail %	14%	14%		
enterprise %	11%	11%		
manufacturing %	11%	13%		
REFUGEE SUPPORT				
Goal: Hire 10,000 refugees globally by 2022.				
# Refugees hired in U.S., Canada and EMEA (during FY)	<1,100	>1,100		
# Refugees hired in U.S., Canada and EMEA (cumulative as of FYE)	>5,500	>4,000		

While we did not meet our goal of hiring 10,000 refugees globally, we remain committed to the refugee community and staying transparent with partners, customers and stakeholders on our progress. Our support goes beyond employment opportunities to include funding to support humanitarian assistance, resources and services that help refugees find safety and rebuild their lives.

### VETERANS & MILITARY FAMILIES

#### Goal: Hire 5,000 Veterans and military spouses annually in the U.S.

# Veterans and military spouses hired

>2,800 <4,600

Our intentional hiring commitments are intended to welcome new partners across Starbucks roles from communities that may experience barriers to employment. While we did not meet our goal of hiring 5,000 Veterans and military spouses in FY23, we continued our support of military and Veteran communities through our donations to nonprofit organizations that serve these communities, and our Military Family Stores. We strive to meet our hiring commitments by fostering deep connections to the military and Veteran communities.

## OUR ENVIRONMENTAL PROMISE Give more than we take

**STARBUCKS**°

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### **2030 Goals**

(	CLIMATE	FY23	FY22		
	Goal: 50% absolute reduction in scope 1, 2 and 3 greenhouse (GHG) emissions representing all of Starbucks direct operations and value chain by 2030.				
	% change in total emissions from FY19 baseline	8%	9%		

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.

#### WATER

Goal: 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 by 2030.

% change in total water withdrawal from FY19 baseline	-9%	-9%	
\$ to support new and ongoing water stewardship projects (\$ millions)	>1.1	<2	

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. In 2022, Starbucks began a water replenishment program, funding eight projects in eight global priority watersheds.

#### WASTE

Goal: 50% reduction in waste sent to landfill from stores and direct operations compared with FY19 baseline by 2030.

% change in waste sent to landfill from FY19 baseline 13% 5%

See page 47 for detailed environmental progress.

To meet our ambitious 2030 goals, 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.

### **Cups & Packaging**

REDUCING PACKAGING WASTE	FY23	FY22		
Goal: 20% recycled content in our hot cups by 2022.				
% post-consumer (PCR) fiber in hot cups (U.S.)	30%	10%		
We exceeded this goal in FY23 with the launch of a more sustainable hot cup in the U.S. that uses 30% post-consumer recycled fiber and less plastic in the liner.				
Goal: Double the use of reusable cups from 2016–2022.				
% beverages sold in <u>reusable cups</u> (global company-operated stores)	2%	>1%		
Goal: Starbucks customer packaging will be sourced from 50% recycled materials	terials by 20	30.		
% of customer packaging made from recycled or renewable materials	24%	23%		
Goal: 100% of Starbucks customer packaging will be reusable, recyclable, or compostable by 2030.				
% of customer packaging that is reusable, recyclable or compostable	14%	12%		
Goal: 50% reduction in virgin fossil fuel derived sources for customer packaging from FY19 baseline by 2030.				
% change in virgin fossil fuel derived materials in customer packaging from FY19 baseline	11%	10%		

% change in virgin plastic packaging materials from FY19 baseline

### OUR ENVIRONMENTAL PROMISE

**STARBUCKS**°

Give more than we take 2023 Global Impact Report 40

PLASTICS — ELLEN MACARTHUR FOUNDATION GLOBAL COMMITMENT	FY23	FY22		
Goal: Take action to help eliminate problematic or unnecessary plastic packaging by 2025.				
Reducing plastic packaging	_	_		
We have deployed several initiatives to reduce our waste footprint as part of the Ellen MacArthur Foundation Global commitment. Building on Starbucks elimination of traditional plastic straws across retail stores globally in FY21, Starbucks completed the roll-out of straws made from polyhydroxyalkanoate (PHA), a non-fossil fuel derived plastic that is home compostable, in the U.S. in FY22. In Canada, Starbucks rolled out wood cutlery and paper straws in FY22 and continued research and development to bring new products to market in FY23-25.				
Goal: Take action to move from single-use towards reuse models where re	levant by 202	!5.		
Moving from single-use towards <u>reuse models</u>	_	_		
Goal: Take action for 100% of plastic packaging to be reusable, recyclable	or compostab	ole by 2025.		
% of plastic packaging reusable, recyclable or compostable	27%	22%		
Goal: Use 10% recycled content across all plastic packaging by 2025.				
% post-consumer recycled content used in plastic packaging	4%	4%		
Goal: 20% reduction of virgin plastic packaging by 2025 (compared to FY19).				

3%

-1%

### **Greener Stores**

GREENER STORES	FY23	FY22
Goal: Build and operate 10,000 Greener Stores globally by 2025.		
# Greener Stores certified in North America	5,488	3,508
# Greener Stores certified in international regions	603	4
# total <u>Greener Stores certified globally</u>	6,091	3,512
RENEWABLE ELECTRICITY USE*		
Goal: 100% renewable electricity for global operations by 2020.		
% renewable electricity use globally (company-operated facilities globally)	77%	71%
% U.S. company-owned facilities powered by renewable electricity	100%	100%
% Canada company-owned facilities powered by renewable electricity	100%	100%
% EMEA company-owned stores powered by renewable electricity	100%	100%
% Japan company-owned facilities powered by renewable electricity	100%	_

<sup>\*</sup>In previous years, we reported this metric as "renewable energy". We've updated to "renewable electricity" to clarify its original scope.

### Coffee

FARMER SUPPORT CENTERS	FY23	FY22
# Farmer Support Centers	10	10
# people trained with advanced agronomy techniques	>56,000	>31,000
# Model Farms (cumulative as of FYE)	>120	>70
CLIMATE-RESISTANT COFFEE TREES		
Goal: Provide 100 million trees to farmers by 2025.		
# climate-resistant coffee trees distributed globally (millions)	<11.1	<10
# seedlings provided for farmers (millions) (cumulative as of FYE)	>53	<33.6*
CHILDCARE CENTERS FOR FARMING FAMILIES		
# new childcare centers opened (during FY)	5**	5
GLOBAL FARMER FUND		
Goal: Supply \$100 million in farmer loans by the end of 2025.		
\$ loans deployed from the Global Farmer Fund (cumulative as of FYE) (\$ millions)	80.8	80.8
\$ loans deployed from the Global Farmer Fund (since FY18) (as of FYE) (\$ millions)	65.8	65.8
SUPPLIER LISTS		
List of coffee suppliers		
List of tea suppliers		
List of cocoa suppliers		
To advance our transparency, for the first time, Starbucks has published its clists. The lists represent suppliers that supplied to Starbucks during FY23.	coffee, tea and co	ocoa supplier

DIGITAL TRACEABILITY	FY23	FY22		
# bags of coffee traced using online <u>traceability tool</u>	<211,000	>43,000		
# unique visitors accessing online traceability tool	<102,000	>122,000		
ETHICAL SOURCING OF COFFEE				
Goal: Committed to source and verify 100% of Starbucks coffee ethically through C.A.F.E. Practices.				
% Starbucks coffee ethically sourced and verified through C.A.F.E. Practices	99.7%	98.2%		
Average # farms participating in <u>C.A.F.E. Practices</u>	>450,000	>400,000		
CARBON REDUCTION IN GREEN COFFEE				
Goal: Achieve carbon-neutral green coffee by 2030.				
# soil samples processed (cumulative as of FYE)	>30,800	<14,700		

We continue to refine the methodology we use to calculate the carbon and water footprint of green coffee. This work is critical to our goals and connects directly with industry efforts to reduce carbon and water use in coffee processing.

# WATER CONSERVATION IN GREEN COFFEE Goal: Conserve water usage in green coffee processing by 50% by 2030. # eco-wet mills contracted (cumulative as of FYE) <1,500 >1,300

We continue to refine the methodology we use to calculate the carbon and water footprint of green coffee. This work is critical to our goals and connects directly with industry efforts to reduce carbon and water use in coffee processing.

FOREST CONSERVATION & RESTORATION		
Hectares of forests protected	<1,300	1,000
Hectares of forests restored	>300	>200
# native trees distributed by Global Farmer Support Centers	>156,200	38,000

<sup>\*</sup>FY22 value has been restated.

<sup>\*\*</sup>FY23 value represents new centers operating during FY23.

### Other Goods & Services

RESPONSIBLE SOURCING FOR TEA	FY23	FY22
Goal: Committed to 100% responsibly sourced tea.		
% tea sourced by the global tea sourcing team that is Rainforest Alliance certified	99.7%	99.7%

As our sustainability journey continues, 99.7% of Tea (Camelia Sinensis) sourced by our global tea sourcing team was from Rainforest Alliance Certified tea gardens, while investing directly in projects in tea communities that support gender empowerment, water, sanitation and hygiene (WASH), youth education and environmental sustainability.

RESPONSIBLE SOURCING FOR COCOA		
Goal: Committed to responsibly sourced cocoa.		
Total weight of Rainforest Alliance certified and segregated cocoa beans sourced directly from Cargill and indirectly through OFI (metric tons)	21,790	12,000*

We are proud to increase the amount of responsibly sourced cocoa in our supply chain in FY23. We remain committed to supporting resilient livelihoods for cocoa producers and their families, and collectively working towards eliminating the risks of child labor and cocoa-driven deforestation.

Read more about Starbucks cocoa sustainability efforts here.

RESPONSIBLE SOURCING FOR MANUFACTURED GOODS & SERVICES		
# factory assessments conducted	400	>300
# factories in program	<1,500	_
% transparency into factories assessed	95%	97%
# factory workers	<121,300	>87,000
SUSTAINABLE DAIRY		
\$ invested in U.S. Dairy Net Zero Initiative (during FY) (\$ millions)	2	2
\$ invested in U.S. Dairy Net Zero Initiative (cumulative as of FYE) (\$ millions)	6	4
Starbucks is committed to invest \$10 million in the <u>U.S. Dairy Net Zero Initiative</u> .		

ANIMAL WELFARE	FY23	FY22
Goal: 100% cage-free eggs and egg products in company-operated store	s globally.	
% cage-free eggs (U.S. and Canada company-operated stores, inclusive of branded products supplied to licensee business partners)	100%	100%
% cage-free eggs (EMEA and U.K. company-operated stores)	99.9%	99.9%

In Asia markets where Starbucks operates, such as China and Japan, cage-free egg production is limited and supply is not yet widely available. Starbucks remains committed to increasing cage-free egg supply in all company-operated stores globally, in partnership with industry stakeholders.

Goal: Serve only poultry raised without the routine use of medically important antibiotics in all company-operated U.S. stores by 2020.

% poultry raised without routine-use of medically important antibiotics (U.S. company-operated stores) 99.9% 100%

Goal: We anticipate meeting our stated goal of 100% group-housed pork by 2024 for Starbucks-branded products in the U.S. and Canada, including those supplied to our licensee business partners in the U.S. and Canada. Starbucks is phasing out the excessive use of gestation stalls for the sows (mother pig) in our supply chain by 2030.

% pork defined as "group housed" (U.S. and Canada company-operated stores, inclusive of branded products supplied to licensee business partners)

76%
22%

We are committed to making progress in service of our animal welfare-friendly practices and aspirations and will continually reevaluate our sow housing commitment with key stakeholders in support of our 2030 goal.

Goal: We are committed to improving conditions for broiler chickens and are working with our suppliers, licensees, and others in the industry to help ensure that by 2024 the chicken we buy for our U.S. stores is produced in alignment with Global Animal Partnership (GAP) standards as assessed by a third-party auditor.

Broiler chickens — — —

We are actively reviewing our broiler chicken commitment to identify the best path forward for implementation within our supply chain.

<sup>\*</sup>Reported value for FY22 includes volumes sourced directly from Cargill.

## The Starbucks Foundation

OVERALL GRANTS	FY23	FY22
\$ total grants awarded (\$ millions)	24	17.5
ORIGIN GRANTS		
Goal: Empower 1 million women and girls in coffee, tea and cocoa growing co	ommunities b	y 2030.
# women and girls in origin communities positively impacted (cumulative as of FYE)	>474,000	<340,000
\$ grants awarded in support of <u>women and girls in origin communities</u> (\$ millions)	<7	<3
# countries reached by <u>origin grants</u>	9	7
NEIGHBORHOOD GRANTS		
Goal: Award 25,000 hyperlocal grants to support nonprofits by 2030 throug <u>Grants</u> and Global Community Impact Grants portfolios.	gh the <u>Neighbo</u>	orhood
# hyperlocal grants made to nonprofits nominated by Starbucks partners (cumulative as of FYE)	>10,000	>6,000
\$ hyperlocal grants awarded to nonprofits nominated by Starbucks partners (\$ millions)	>5.1	4.5
# nominations by Starbucks partners	>39,000	>29,000
YOUTH GRANTS		
# youth impacted (cumulative as of FYE)	<700,000	>375,000
\$ grants awarded to U.S. organizations serving youth nationally (\$ millions)	3	1.2

GLOBAL COMMUNITY IMPACT GRANTS	FY23	FY22		
Goal: Award 25,000 hyperlocal grants to support nonprofits by 2030 through the Neighborhood Grants and Global Community Impact Grants portfolios.				
# hyperlocal grants made to nonprofits (cumulative as of FYE)	<190	<90		
\$ grants awarded to impact communities that we serve outside of the U.S. and Canada (\$ millions)	>3.9*	>3.2		
# international markets reached	46	42		
DISASTER PHILANTHROPY				
\$ grants awarded to promote resilience and uplift communities impacted by disaster (\$ millions)	4.6	<3.8		
OTHER GIVING				
\$ donations to support refugees (\$ millions)	>1.1	>1.3		
These donations reflect support for refugee communities which are included in the overall grant total.				
\$ donations to support LGBTQIA2+ communities	>700,000	>700,00		
These donations reflect support for LGBTQIA2+ communities which are included in the overall grant total.				

<sup>\*</sup>This value includes donations from licensee business partners amounting to \$900,000.

## Company Programs for Community Support

COMMUNITY STORES	FY23	FY22
Goal: Open 100 U.S. Community Stores by 2025.		
# Community Stores in the U.S. opened in FY	11	7
# Community Stores in the U.S. opened cumulatively as of FYE	39	28
# Community Stores in International Markets opened in FY	16	8
# Community Stores in International Markets opened cumulatively as of FYE	35	19
MILITARY FAMILY STORES		
Goal: Open 250 Military Family Stores by 2025 with 100 of these new stores	on military b	ases (U.S.).
# Military Family Stores opened in FY	17	33
# Military Family Stores opened cumulatively as of FYE	130*	111
SIGNING STORES		
# <u>Signing Stores</u> globally opened cumulatively as of FYE	20	16
FOOD WASTE REDUCTION & HUNGER RELIEF		
Goal: Reduce food waste by 50% by 2030.		
% company-operated stores in the U.S. with FoodShare food donation program available	100%	100%
% company-operated stores in <u>Canada with FoodShare</u> food donation program available	100%	100%
weight of food diverted from waste streams in the U.S. (millions lbs)	9.4	<13
# meals donated in the U.S. (millions) (1.2 lbs = 1 meal)	7.8	<11

*Iwo additional stores open	ed prior to FY23, tha	t were not previously	y accounted for,	have now been captured	in count.
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FOOD WASTE REDUCTION & HUNGER RELIEF   CONTINUED	FY23	FY22
weight of food diverted from waste streams in Canada (millions lbs)	>1.3	>1
# meals donated in Canada (millions) (1 lb = 1 meal)	>1.3	>1
Goal: Reinvest \$100M into hunger relief efforts by 2030.		
\$ invested in hunger relief efforts in FY (\$ millions)	>11.6	>10
\$ invested in hunger relief efforts cumulatively since FY16 (as of FYE) (\$ millions)	<72.6	>60.9
COMMUNITY RESILIENCE FUND		
Goal: Invest \$100 million in 12 cities by 2025.		
\$ invested in the Community Resilience Fund (cumulative as of FYE) (\$ millions)	40	21
OUTREACH WORKER PROGRAM		
# cities (cumulative as of FYE)	8	8
# customer engagements	<15,800	>12,000
# referrals to stabilizing programs	>2,600	>1,800

COMMUNITY CHAMPIONS PROGRAM	FY23	FY22
# partners engaged as Community Champions (U.S. and Canada)*	<17,000	<17,000
# community events participated in (U.S. and Canada)	<5,400	<4,000
# partner volunteer hours (U.S. and Canada)	>153,800	>71,000
# partners engaged as Community Champions (international)	>21,300	>26,000
# community events participated in (international)	<600	>1,000
# partner volunteer hours (international)	<253,700	>72,000
GIVING MATCH PROGRAM		
\$ donated by Starbucks to nonprofit organizations through the <u>Giving Match</u> program (\$ millions)	>1.8	<1.5
SUPPLIER DIVERSITY & INCLUSION		
Goal: \$1.5 billion in Tier 1 diverse supplier spend by 2030.		
\$ spend with <u>Tier 1 diverse suppliers</u> during FY (\$ billions)	>1	0.9
\$ spend with Tier 1 diverse suppliers – cumulative since 2000, as of FYE (\$ billions)	>10	<9
# jobs supported by supplier diversity program during FY	>8,600	>7,200
\$ labor income: total direct, indirect and induced economic impact from supplier diversity program (\$ billions)	<1.8	>1.5
Goal: Allocate 15% of paid media investment to minority-owned and targeted media companies.		
% of paid media investment with minority-owned and targeted media companies	22%	18%

<sup>\*</sup>In the U.S. and Canada, engaging as a Community Champion is defined as taking action by participating in a community event, volunteering time or making a personal financial donation to a nonprofit.

## OUR SHAREHOLDER PROMISE Generate long-term returns

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### COMPANY POLICIES & RESOURCES

For additional company policies and resources, please visit the ESG Reporting Hub.

ETHICS & COMPLIANCE	FY23	FY22
% completion of Harrassment Prevention training by retail management (U.S. and Canada)	99%	96%
# completed investigations of inquiries and concerns	>4,700	_
% investigations substantiated as a violation of standard or policy	45%	_
WORKING DIRECTLY WITH OUR PARTNERS		
# union represented stores (U.S.)	343	232

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# IMPACT



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environmental footprint data tables

FISCAL 2023

Annual update of environmental 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, FY22, and FY23. Methodological updates and data improvements reflected in the FY23 metrics were applied to the FY19 and FY22 results, which will differ from the data previously reported.

ENERGY CONSUMPTION (MWh)	FY19	FY22	FY23
Total Energy Consumption, direct operations <sup>4</sup>	2,528,246	2,590,598	2,695,583
Total purchased electricity, direct operations	1,938,962	1,993,936	2,095,815
Percent renewable	71%	71%	77%
Total fuel consumed, direct operations <sup>5</sup>	589,284	596,662	599,768
GREENHOUSE GAS EMISSIONS (MTCO <sub>2</sub> e) <sup>6,7</sup>	FY19	FY22	FY23
Scope 1 <sup>8</sup>	376,745	404,148	401,722
Scope 2			
market-based	324,451	294,242	285,989
location-based	806,148	789,425	835,477
sub-total scope 1 + 2 market-based emissions	701,196	698,390	687,711

The scope of these 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 included improved data quality and availability, changes to emissions and water factors, and other methodological changes.

<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>In gigajoules, total energy consumption in FY23 equals 7,544,934 GJ, and total fuel consumed in FY23 equals 2,159,164 GJ.

<sup>5</sup>Fuel types consumed include natural gas, stationary diesel and gasoline, propane, aviation fuel, and mobile vehicle fuel.

<sup>6</sup>Starbucks calculates greenhouse gas emissions in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (The GHG Protocol) and uses global warming potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4); Some Scope 3 GHG emission factor sources utilize IPCC Fifth Assessment Report (AR5) GWP values. More detailed climate-related disclosures are available in Starbucks CDP Report.

<sup>7</sup>FY23 data have been third-party verified by Burns and McDonnell; Their report is available on page 62.

<sup>8</sup>Global refrigerant emissions exclude emissions associated with global offices and nonretail facilities outside the United States and Canada.

GREENHOUSE GAS EMISSIONS (MTCO <sub>2</sub> e) <sup>6,7</sup>   CONTINUED	FY19	FY22	FY23
Scope 3 <sup>9</sup>			
1 – Purchased goods and services <sup>10,11</sup>	7,630,113	7,830,633	7,580,045
2 – Capital goods	144,036	168,238	188,855
3 – Fuel- and energy-related activities	176,953	175,861	195,153
4 – Upstream transportation and distribution	640,946	683,336	659,692
5 – Waste generated in operations	262,850	275,811	299,098
6 – Business travel <sup>12</sup>	29,343	13,292	26,566
7 – Employee commuting	615,170	707,180	579,557
8 – Upstream leased assets <sup>13</sup>	Not relevant		
9 – Downstream transportation and distribution	293,096	510,801	542,480
10 – Processing of sold products	167,793	162,823	175,815
11 – Use of sold products	59,772	57,817	46,075
12 - End-of-life treatment of sold products	175,345	167,255	170,090
13 – Downstream leased assets <sup>14</sup>	Not relevant		
14 – Franchises	2,355,277	2,928,468	3,084,939
15 - Investments	213,820	304,167	343,722
subtotal scope 3 emissions	12,764,514	13,985,681	13,892,085
otal emissions (scope 1 + 2 market-based + 3)	13,465,710	14,684,071	14,579,796
Percent of total GHG emissions from fluid dairy purchases <sup>15</sup>	18%	16%	18%
Percent of total GHG emissions from green coffee purchases <sup>16</sup>	15%	13%	11%
Percent change in total emissions from FY19 baseline			8%

<sup>9</sup>Scope 3 emissions utilitize Scope 2 location-based emissions values.

<sup>10</sup>Category 1 emissions include land use change (LUC) emissions for purchases of coffee, tea, cocoa, dairy, food, and other beverage ingredients.

"Category 1 emissions include the emissions from the goods and services purchased by Starbucks Corporation; Purchases made by licensees for key commodities are included in category 14 as recommended by the GHG Protocol.

<sup>12</sup>Category 6 emissions increased between FY22 and FY23 as global business travel began to rebound to pre-pandemic levels.

<sup>13</sup>Starbucks upstream leased assets are considered de minimis.

<sup>14</sup>Starbucks downstream leased assets are considered de minimis.

<sup>15</sup>Total GHG emissions from fluid dairy purchases are inclusive of fluid dairy categorized in scope 3 category 1 and category 14, and include estimated LUC GHG emissions associated with these purchases.

<sup>16</sup>Total GHG emissions from green coffee purchases are inclusive of estimated LUC GHG emissions associated with these purchases included in scope 3 category 1.

WATER WITHDRAWALS (MEGALITERS) <sup>7</sup>	FY19	FY22	FY23
Total water withdrawal	5,634,337	5,113,174	5,132,983
Direct operations <sup>17, 18</sup>	22,853	23,818	24,021
Percent water withdrawn from high-risk basins <sup>19</sup>	Not calculated	29%	30%
Indirect: licensed stores <sup>17</sup>	17,525	22,245	24,484
Percent water withdrawn from high-risk basins <sup>19</sup>	Not calculated	45%	46%
Indirect: packaging and agricultural commodities purchased <sup>20, 21</sup>	5,593,958	5,067,111	5,084,478
Percent change in total water withdrawal from FY19 baseline			-9%
OPERATIONAL WASTE (THOUSAND METRIC TONS)7, 22	FY19	FY22	FY23
Total weight of non-hazardous operational waste	1,163	1,236	1,367
Direct operations generated <sup>23</sup>	845	916	1,018
Percent organic	52%	53%	52%
Percent diverted <sup>24</sup>	28%	29%	31%
Indirect: generated in licensed stores <sup>25</sup>	318	320	349
Percent organic	56%	57%	58%
Percent diverted <sup>24</sup>	20%	21%	22%
Percent total non-hazardous operational waste, diverted <sup>24</sup>	26%	27%	28%

- <sup>17</sup>Water withdrawal from stores is calculated using both primary data and estimations; Where primary data are not available, water withdrawal is estimated by applying an average water withdrawal factor derived from withdrawal at U.S. and Canada company-owned stores.
- 18Starbucks 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>19</sup>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 our global water risk assessment.
- <sup>20</sup>Water withdrawal from packaging and agricultural commodities is estimated using country-level or regional water scarcity data from the World Food Lifecycle Database (WFLDB). Reporting of this category aligns with our GHG inventory, scope 3, category 1.
- <sup>21</sup>Water withdrawals for green coffee are based on direct water withdrawals and water consumption factors from WFLDB.
- <sup>22</sup>We are not reporting on waste discarded by customers out of our stores and instead have expanded our reporting of packaging materials.
- <sup>23</sup>Reporting of this category aligns with the GHG inventory, scope 3, category 5.
- <sup>24</sup>We measure waste diverted away from landfill or incineration as waste materials recycled, remarketed, composted, donated, or sold to be processed into animal feed.
- <sup>25</sup>Licensed store non-hazardous waste generation is estimated based on companyowned store information; This does not include construction and demolition waste or electronic waste; Reporting of this category aligns with the GHG inventory, scope 3, category 14.

PACKAGING MATERIALS (THOUSAND METRIC TONS)26	FY19	FY22	FY23
Total weight of packaging material	319	330	345
Percent of packaging made from recycled or renewable materials	25%	29%	28%
Percent of materials recyclable, compostable or reusable	48%	47%	49%
Direct: total weight of packaging materials purchased by Starbucks Corporation <sup>27</sup>	208	220	226
Indirect: total weight of packaging materials purchased by licensees for Starbucks retail operations <sup>28</sup>	110	109	119
Total weight of plastic packaging materials <sup>29</sup>	125	130	137
Total weight of virgin plastic packaging materials	118	117	122
Percent change in virgin plastic packaging materials from FY19 baseline			3%
Percent of plastic packaging that is reusable, recyclable or compostable <sup>30</sup>	30%	22%	27%
Percent of post-consumer recycled content used in plastic packaging	3%	4%	4%
Total weight of customer packaging <sup>31</sup>	145	167	172
Total weight of customer packaging – paper	70	77	78
Total weight of customer packaging – plastic	75	89	92
Total weight of customer packaging – other <sup>32</sup>	0	1	1
Percent of customer packaging that is reuseable, recyclable, or compostable	10%	12%	14%
Percent of customer packaging made from recycled or renewable materials	19%	23%	24%
Percent change in virgin fossil fuel derived materials in customer packaging from FY19 baseline <sup>33</sup>			11%

- <sup>26</sup>Data represent packaging materials used in our direct operations and licensed stores and all other packaging materials purchased by Starbucks Corporation. 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>27</sup>Reporting of this category aligns with packaging materials reported in the GHG inventory under scope 3, category 1.
- <sup>28</sup>Reporting of this category aligns with packaging materials reported in the GHG inventory under scope 3, category 14.
- <sup>29</sup>FY19 and FY22 inventories have been recalculated to align with methodology changes and data quality improvements made as part of the FY23 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 metrics in our 2023 reporting to these organizations.
- <sup>30</sup>In assessing the recyclability of our portfolio, Starbucks has aligned with the New Plastics Economy 2022 Recycling Rate Survey results.
- <sup>31</sup>Customer packaging is packaging designed to accompany a customer transaction.
- <sup>32</sup>In reporting for this category, "other" material includes aluminum, steel, glass, textile, and wood.
- <sup>33</sup>Starbucks defines virgin plastic packaging material as any plastic material that is neither biobased nor made with recycled content.

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# REPORT

## human rights data tables

### **STARBUCKS**°

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### Coffee

human rights data tables

Starbucks ethical sourcing program for coffee, C.A.F.E. Practices, requires each supply chain to undergo reverification regularly. Today the program represents more than 450,000 farms around the world. A nonconformity as reported in this table is a breach of any one of Starbucks zero tolerance indicators. Multiple nonconformities could be identified in a single location. The number of participating entities change year to year, which may impact the number of reported nonconformities on an annual basis. For each zero tolerance non-conformity brought to our attention through C.A.F.E. Practices, we require swift action by our suppliers and our onthe-ground, third-party partners to pursue corrective actions, including, where appropriate, providing remedy for the impacted individuals. Due to the seasonal nature of coffee production, some zero tolerance indicators may only be closed during the harvest period when the majority of temporary workers are present and therefore fully closing these indicators may require waiting until the next coffee harvest. In the event a zero tolerance indicator cannot be resolved in a timely and comprehensive manner, a supply chain will be considered Non Compliant and not eligible for C.A.F.E. Practices approval until resolution is possible.

ZERO-TOLERANCE INDICATOR	FY23	FY22
# Nonconformities related to wage practices	89	89
# Nonconformities related to traceability requirements	42	68
# Nonconformities related to child labor	59	54
# Nonconformities related to labor intermediaries	4	13
# Nonconformities related to transparency requirements	2	1
# Nonconformities related to banned pesticides	56	23
# Nonconformities related to forced labor, abuse, or unethical recruitment practices	5	13
# Nonconformities related to deforestation	12	7
Total # nonconformities	269	268
% of FY22 nonconformities that have been remediated or closed by the end of the fiscal year	88%	30%*
*The FY22 remediation % has been restated to align with fiscal year dates.		
% of FY23 noncomformities that have been remediated or closed by the end of the fiscal year	34%	_

## human rights data tables

### **Manufactured Goods & Services**

Our ethical sourcing program includes our standards for manufactured goods and services, including beverages, food, merchandise, equipment, furniture and logistics providers. Our program includes on–site factory assessments to identify potential or actual violations. Commitment to continuous improvement is the cornerstone of our program and we work with our suppliers to remediate identified violations.

ZERO-TOLERANCE INDICATOR	FY23	FY22
# Nonconformities related to wage practices	20	21
# Nonconformities related to transparency requirements	6	6
# Nonconformities related to access denial into facilities for audits and inspections	2	1
# Nonconformities related to health and safety, including direct and immediate endangerment	0	0
# Nonconformities related to environmental impact	2	0
# Nonconformities related to forced labor	1	6
# Nonconformities related to child labor	5	1
# Nonconformities related to abuse and harassment	0	0
Total # nonconformities	36	35
% of FY22 nonconformities that have been remediated or closed by the end of the fiscal year	80%	26%*
*The FY22 remediation % has been restated to align with fiscal year dates.		
% of FY23 noncomformities that have been remediated or closed by the end of the fiscal year	42%	_

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## IMPACT

REPORI

environmental, social and governance priorities

STARBUCKS



## environmental, social and governance priorities

In FY23, we engaged in a comprehensive thirdparty evaluation to identify and prioritize key environmental, social and governance topics most important to the company and external stakeholder groups.

This process aimed to guide Starbucks in focusing our strategy to advance <u>our mission</u>, <u>promises and values</u>.

To do this, we conducted surveys and interviews across global stakeholder groups to understand the importance of environmental, social and governance topics for Starbucks.

The assessment was conducted in addition to Starbucks Enterprise Risk Management (ERM) program. While stakeholders' viewpoints on the relative importance of environmental, social and governance issues may be informed in part by risks for Starbucks to manage, the purpose of this assessment is to identify priority topics on which Starbucks should focus.

While Starbucks believes that the environmental, social and governance issues described in this Impact Report are important, we currently do not believe that such issues are material to our financial results and results of operations, except to the extent referenced in our Annual Report on Form 10–K and subsequent 10–Q filings. This Impact Report also contains human capital measures or objectives that may be different from or are in addition to the human capital measures or objectives that Starbucks is required to disclose in its Annual Report on Form 10–K. For a discussion on human capital measures or objectives that Starbucks focuses on in managing its business, please see the "Human Capital Management" section in our most recent Annual Report on Form 10–K.

Understanding and addressing these key issues are integral to meeting the expectations of our stakeholders and ensuring alignment between our business performance and environmental, social and governance impacts.

While there is work being done across all topics, these results will help inform our program strategies and reporting priorities going forward.

## **Our Priorities**

Climate strategy and resilience Environmentally-responsible sourcing practices Greenhouse gas emissions and energy efficiency Packaging



Water stewardship



Community support and engagement
Diversity, equity and inclusion
Human rights within Starbucks operations
Human rights within Starbucks supply chain
Nutrition and transparency
Partner attraction, development and culture
Partners (OHS), community and customer safety
Partner relations
Product quality and safety



Corporate governance
Cybersecurity and data privacy
Ethics and compliance
Research, development and innovation
Transparency and stakeholder communication



## environmental, social and governance priorities

## **Environmental Topics**

TERM	DEFINITION
Climate strategy and resilience	Forecasting and adapting to physical transition risks and opportunities posed by climate change (such as disruptions to supply chain, physical risk, price of carbon and natural resource availability) and to help ensure a sustainable future for coffee.
Environmentally-responsible sourcing practices	Engaging with suppliers, including coffee farmers we source from, to manage planetary impacts within the supply chain, including: coffee, fairly produced materials (consider including specific topics – e.g., cocoa, timber), reforestation, regenerative agriculture, waste reduction, and carbon footprint.
Greenhouse gas emissions and energy efficiency	Managing energy efficiency throughout the value chain through processes and operations and utilizing renewable energy; managing, measuring and reducing greenhouse gas emissions across production, operations, facilities and supply chains.
Packaging	Improving the sustainability of packaging by transitioning to packaging that is reusable, recyclable, compostable, or contains recycled content. This also includes partnering with suppliers and industry organizations to develop innovative solutions to reduce or eliminate single-use packaging and improve end-of-life treatment and adapt to local packaging and circularity regulations.
Waste	Managing the waste generated as a result of our operations, and use of products, maximizing the recycling and reuse of materials, and reducing food waste in our operations.
Water stewardship	Water stewardship is a set of practices – to be used by businesses, utilities, communities, and others – that promotes and fosters the sustainable and equitable management of freshwater resources. Water stewardship practices range from water use efficiency at an organization's own operations, to engagement with suppliers, to long-term multi-stakeholder river basin projects, and beyond (UN CEO Water Mandate).

## **Social Topics**

TERM	DEFINITION
Community support and engagement	Fostering relationships and promoting social vitality in communities by investing in community-based initiatives such as corporate giving and community service. Managing relations and engaging with communities that are impacted economically, socially and/or environmentally by our operations in an effort to provide benefits to local communities, including minority groups.
Diversity, equity and inclusion	Attract and retain a diverse workforce and create an inclusive workplace culture to foster a sense of value and belonging for all partners, including those who have been historically excluded or underrepresented (on the basis of race/ethnicity, gender & gender identify, LGBTQIA2+, Veteran status, disability status, socioeconomic background, and other diverse identities and lived experiences). Ensure fair and equitable opportunities for all partners to reach their full potential throughout their career journey (hiring, development, placement, pay, promotion, etc.) Leverage a range of backgrounds, perspectives, and skills to enhance creativity, innovation, and problem solving.
Human rights within Starbucks operations	Supporting compliance with labor laws in our global operations, owned operations, and licensed stores, including with respect to human rights (e.g. anti-slavery, no child labor, anti-trafficking), fair labor practices, traceability, fair purchase practices and diverse sourcing.
Human rights within Starbucks supply chain	Assessing and managing human rights issues throughout our supply chain, including coffee farms we source from and our manufactured goods supply chain. Work with supply chain partners to adhere to our standards for supply chain including respect for human rights (e.g. anti-slavery, no child labor, anti-trafficking), fair labor practices, traceability, fair purchase practices and diverse sourcing.
Nutrition and transparency	Assessing products for health and nutrition impacts, providing customers with information about products in an understandable format.

## environmental, social and governance priorities

## **Social Topics**

TERM	DEFINITION
Partner (employee) attraction, development and culture	Attracting and retaining a wide range of talent. This includes providing benefits, training and education opportunities, and career opportunities to partners and enabling programs that incentivize greater employee wellbeing
Partner (OHS), community and customer safety	Keeping partners, customers and community members healthy and safe and ensuring compliance with regulations as well as conformance with company policies.
Partner relations	Managing relations between Starbucks and its workers through fair labor practices that are in compliance with local, regional and national laws that govern fair pay, working conditions and freedom of association/collective bargaining by consulting and collaborating with relevant internal and external stakeholders, and minimizing workflow disruptions related to issues such as labor unrest or poor job satisfaction.
Product quality and safety	Ensuring the food we serve has been handled in accordance with food safety regulations and industry standards and meets our quality standards. Includes continuously improving food safety management systems in our operations, and consistently employing safe-food practices in preparing food in stores.

## **Governance Topics**

TERM	DEFINITION
Corporate governance	Providing strong risk management structure and environmental, social and governance oversight that enables fair and effective governance – including over global markets, licensees, and business partnerships – appropriate oversight, transparency, fair executive compensation, and clear accountability.
Cybersecurity and data privacy	Safeguarding against cyber-attacks, operational disruptions, data breaches of customer and employee data and security threats. Managing and protecting personal and financial data by identifying and proactively addressing vulnerabilities in information systems that could pose a data breach risk and ensuring appropriate safeguards are in place.
Ethics and compliance	Operating with integrity and complying with relevant regulations and the highest standards of ethical and lawful conduct with effective management systems. Developed, documented and implemented policies and procedures that prohibit bribery and other forms of corruption by employees and contractors.
Research, development and innovation	Remaining competitive in the marketplace through innovative products and technologies, automation, plant-based substitutes, traceability, etc.
Transparency and stakeholder communication	Engaging with stakeholders through sharing open information on our business practices, work in sustainability, our progress against our ambitious environmental, social and governance goals, and our commitment to the communities we serve.

### **ABOUT** THIS REPORT

### Scope

This report provides an overview of our environmental and social impact strategies and annual progress during fiscal year 2023 (FY23). While this report is not an exhaustive summary of our efforts, it helps demonstrate the integration between our business and our promises to our most important stakeholders: partners (employees), the environment, farmers, communities, customers, and shareholders. This report also includes data tables that reflect our progress against our goals.

We've 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 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, nongovernmental organizations (NGOs) and investors.

### **Reporting Year**

Starbucks fiscal year 2023 or "FY23" is October 3, 2022 through October 1, 2023, unless otherwise noted.

### **Currency**

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

### **Previous Reports**

Starbucks has produced an annual impact report since 2001. Previous annual reports and additional resources are available on our website.

### Information Integrity

Starbucks management is responsible for the preparation and integrity of the information reported for FY23. 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.

### Stay Up-to-Date

 $\label{thm:problem} \textit{Visit}\ \underline{\textit{stories.starbucks.com}}\ \textit{for the latest company information}.$ 



### **ABOUT** THIS REPORT

### **Forward-Looking Statements**

Our reporting on global responsibility for FY23 includes "forward-looking" statements within the meaning of 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. By their nature, forward-looking statements involve risks, uncertainties, and other factors (many beyond our control) that could cause our actual results to differ materially from our historical experience or from our current expectations or projections. Our forward-looking statements, and the risks and uncertainties related thereto, include, but are not limited to, those described under the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of our most recently filed 10-K and 10-Q and in other filings with the SEC, as well as:

- our ability to preserve, grow, and leverage our brands, including the risk of negative responses by consumers (such as boycotts or negative publicity campaigns) or governmental actors (such as retaliatory legislative treatment) who object to certain actions taken or not taken by the Company, which responses could adversely affect our brand value;
- the acceptance of the Company's products and changes in consumer preferences, consumption, or spending behavior and our ability to anticipate or react to them; shifts in demographic or health and wellness trends; or unfavorable consumer reaction to new products, platforms, reformulations, or other innovations:
- our anticipated operating expenses, including our anticipated total capital expenditures;

- the costs associated with, and the successful execution and effects of, our
  existing and any future business opportunities, expansions, initiatives,
  strategies, investments, and plans, including our Triple Shot Reinvention with
  Two Pumps Plan ("Reinvention");
- the impacts of partner investments and changes in the availability and cost of labor including any union organizing efforts and our responses to such efforts;
- the ability of our business partners, suppliers, and third-party providers to fulfill their responsibilities and commitments;
- higher costs, lower quality, or unavailability of coffee, dairy, energy, water, raw materials, or product ingredients;
- the impact of significant increases in logistics costs;
- a worsening in the terms and conditions upon which we engage with our manufacturers and source suppliers, whether resulting from broader local or global conditions, or dynamics specific to our relationships with such parties;
- unfavorable global or regional economic conditions and related economic slowdowns or recessions, low consumer confidence, high unemployment, weak credit or capital markets, budget deficits, burdensome government debt, austerity measures, higher interest rates, higher taxes, political instability, higher inflation, or deflation;
- inherent risks of operating a global business including geopolitical instability;
- failure to attract or retain key executive or partner talent or successfully transition executives:
- the potential negative effects of incidents involving food or beverage-borne illnesses, tampering, adulteration, contamination, or mislabeling;
- negative publicity related to our Company, products, brands, marketing, executive leadership, partners, Board of Directors, founder, operations, business performance, or prospects;
- potential negative effects of a material breach, failure, or corruption of our information technology systems or those of our direct and indirect business partners, suppliers, or third-party providers, or failure to comply with personal data protection laws;
- our environmental, social, and governance ("ESG") efforts and any reaction related thereto, such as the rise in opposition to ESG and inclusion and diversity efforts;

- risks associated with acquisitions, dispositions, business partnerships, or investments – such as acquisition integration, termination difficulties or costs, or impairment in recorded value;
- the impact of foreign currency translation, particularly a stronger U.S. dollar;
- the impact of substantial competition from new entrants, consolidations by competitors, and other competitive activities, such as pricing actions (including price reductions, promotions, discounting, couponing, or free goods), marketing, category expansion, product introductions, or entry or expansion in our geographic markets;
- the impact of changes in U.S. tax law and related guidance and regulations that may be implemented, including on tax rates;
- the impact of health epidemics, pandemics, or other public health events
  on our business and financial results, and the risk of negative economic
  impacts and related regulatory measures or voluntary actions that may be
  put in place, including restrictions on business operations or social distancing
  requirements, and the duration and efficacy of such restrictions;
- failure to comply with anti-corruption laws, trade sanctions, and restrictions or similar laws or regulations; and
- the impact of significant legal disputes and proceedings, or government investigations.

In addition, many of the foregoing risks and uncertainties are, or could be, exacerbated by any worsening of the global business and economic environment. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. You should not place undue reliance on the forward-looking statements, which speak only as of the date of this report. We are under no obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise.

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STARBUCK



# GLOBAL

# MPACT

## REPORT

external verification assurance letters

### Memorandum



Date: January 30, 2024

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

From: Emily Robbins – Burns & McDonnell

Subject: Verification Report for FY2023 Greenhouse Gas Inventory, Water Withdrawals

Inventory, and Operational Waste Inventory

Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell) was retained by Starbucks Corporation (Starbucks) to verify and provide a third-party assessment of the 2023 Greenhouse Gas (GHG) Emissions Inventory, Water Withdrawals Inventory, and Operational Waste Inventory for Fiscal Year (FY) 2023. The purpose of assessment was to verify that the FY 2023 GHG Emissions Inventory, Water Withdrawals Inventory, and Operational Waste Inventory represents a reasonable and accurate account of Starbuck's GHG emissions, water withdrawals and operational waste.

### **Inventory Summary**

Verified values for Starbucks' FY 2023 GHG, Water Withdrawals, and Operational Waste Inventories are shown below in Table 1.

**Table 1: Verified Inventory Summary** 

Metric	Total
Total GHG Emissions (Scope 1 + Scope 2 Market-based +	14,579,796 metric tonnes
Scope 3)	CO2e
Total Water Withdrawal (from direct operations, licensed	5,132,983 megaliters
stores, and agricultural and packaging commodities purchased	
by Starbucks)	
Total Weight of Non-Hazardous Operational Waste	1,366,813 metric tonnes

### **Greenhouse Gas Emissions Inventory**

Burns & McDonnell reviewed Scope 1, Scope 2, and Scope 3 GHG emissions as presented in the "FY23 SBUX Scopes 1 & 2 and Operational Water Inventory 05JAN2024.xlsx", "FY23 SBUX Scopes 1 & 2 and Operational Water Inventory 24JAN2024.xlsx", "FY23 SBUX Scope 3 and Indirect Water Inventory\_05JAN24.xlsx", and "FY23 SBUX Scope 3 and Indirect Water Inventory\_24JAN24.xlsx" excel workbooks for the fiscal period October 3, 2022 through October 1, 2023. The GHG emissions data included in the emissions inventory that were subject to review consisted of the following for each Scope:

### Scope 1: Direct GHG Emissions

- Fuel combustion (retail and non-retail facilities, roasting)
- Process emissions from roasting
- Refrigerant losses from stationary equipment

## Memorandum (continued)



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- Process emissions of nitrous oxide (whipped cream chargers)
- Corporate jet fuel use
- Plant vehicle fuel use

### **Scope 2: Indirect GHG Emissions**

- Purchased electricity usage (market based and location based)
- District heating and cooling

### Scope 3: Corporate Value Chain

- 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 9 Downstream Transportation and Distribution
- Category 10 Processing of Sold Products
- 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) Fourth Assessment Report.

The GHG inventory assurance review was conducted in accordance with the ISO 14064-3 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 2023. The verified values for Scope 1, 2 and 3 are shown in Table 1.

### **Water Withdrawals Inventory**

In order to complete this moderate assurance of Starbucks' FY 2023 Water Withdrawals Inventory, Burns & McDonnell utilized the AA1000AS Quality Assurance Standard and obtained, analyzed and verified data related to water withdrawals as described below. Data were reviewed as presented in "FY23 SBUX Scopes 1 & 2 and Operational Water Inventory 05JAN2024.xlsx", "FY23 SBUX Scopes 1 & 2 and Operational Water Inventory

## Memorandum (continued)



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24JAN2024.xlsx", "FY23 SBUX Scope 3 and Indirect Water Inventory\_05JAN24.xlsx", and "FY23 SBUX Scope 3 and Indirect Water Inventory\_24JAN24.xlsx" excel workbooks for the fiscal period October 3, 2022 through October 1, 2023. This review 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 FY 2023 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 FY 2023 Water Withdrawals Inventory.
- An examination of Starbucks' 2023 Water Withdrawals Inventory report and electronic workbook spreadsheets utilized to calculate water withdrawals.

### **Operational Waste Inventory**

In order to complete this moderate assurance of Starbucks' FY 2023 Operational Waste Inventory, Burns & McDonnell utilized the AA1000AS Quality Assurance Standard and obtained, analyzed and verified data related to operational waste as described below. Data were reviewed as presented in "FY19 - FY23 SBUX Global Operational Waste Inventory 17JAN2024.xlsx". This review included:

- 1. A review of Starbuck's operations and facility activities for the purposes of verifying the operational waste inventory.
- 2. A qualitative review evaluating operational waste potentially omitted from the FY 2023 Operational Waste Inventory and the impact on the overall inventory accuracy.
- 3. A review of the processes and procedures utilized to gather data for and develop the FY 2023 Operational Waste Inventory.
- 4. An examination of Starbucks' 2023 Operational Waste Inventory report and electronic workbook spreadsheets utilized to calculate operational waste for FY 2023.
- 5. Burns & McDonnell generally assumed that raw source data provided were accurate.

### Statement of Independence

This verification and third-party assessment was performed with no conflicts of interest in relation to providing the assurance of the FY 2023 Greenhouse Gas Inventory, Water Withdrawals Inventory, and Operational Waste Inventory for Starbucks.



### **Report of Independent Accountants**

To the Stakeholders of Starbucks Coffee Company

We have examined the data identified below (the Data) contained within Starbucks Coffee Company's Impact Report (the Report) for the fiscal year ended October 1, 2023. Starbucks Coffee Company's management is responsible for presenting the Data for the fiscal year ended October 1, 2023 in accordance with the criteria contained in the respective sections of the Report indicated below (the Criteria). Our responsibility is to express an opinion on the Data based on our examination:

- 99.7% ethically sourced coffee purchases as contained in the Ethical Sourcing Performance (C.A.F.E Practices) section on page 19 of the Report;
- 99.7% ethically sourced tea purchases as contained in the **Responsible Sourcing for Tea** section on page 42 of the Report;
- 21,790 metric tons of segregated cocoa beans purchased directly from Cargill and indirectly through OFI as contained in the **Responsible Sourcing for Cocoa** section on page 42 of the Report;
- Investment in farmer loans since FY18 of \$65.8 million as contained in the Global Farmer Fund section on page 19 of the Report.

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.

We are required to be independent of Starbucks Coffee Company and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, the Data for the fiscal year ended October 1, 2023, is presented in accordance with the Criteria, in all material respects.

Seattle, Washington February 13, 2024

