



GLOBAL
RESPONSIBILITY
REPORT

—
2015



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2015 GR REPORT: Goals & Progress Summary

The 2015 Global Responsibility Report marks the end of a chapter for Starbucks, and a new beginning.

In 2008, Starbucks was fighting for its survival. The financial crisis triggered a global recession, and sales slowed for the first time in the company's history. Tough decisions were made, stores were closed, and jobs eliminated. Commentators wondered aloud if Starbucks best days were behind us.

But in the midst of that crucible, Starbucks did not back away from our commitment to responsibility. Instead we announced a set of ambitious goals – committing that by 2015 we would improve ethical sourcing in coffee and throughout our supply chain, serve our communities and engage young people, and decrease the environmental footprint from our store operations.

Looking back, we can see the global impact that we have made in the seven years since we first put that stake in the ground. We nearly doubled our investment in alternative loan programs to \$21.3 million from \$12.5 million in 2008. We expanded our ethical sourcing program, and are on the cusp of helping make coffee the world's first ethically sourced commodity. In 2008, nearly three-quarters of Starbucks coffee was certified or verified by a third-party as ethically sourced, and Starbucks had one Farmer Support Center.

In 2015, 99% of our coffee met that criteria and we expanded our outreach to farmers around the world with seven new Farmer Support Centers in Latin America, Asia and Africa. We broke ground on our first global agronomy center to develop sustainable farming practices to share with farming communities around the world.

In the areas of environmental performance, we have implemented rigorous green building as a standard practice in new construction projects and renovations. In 2008, we had one LEED® certified store, and today, we have more than 800, including the LEED® Platinum Starbucks® Reserve Roastery and Tasting Room in Seattle. We increased our purchases of renewable energy from 20% in 2008 to 100% in 2015, and exceeded an ambitious water conservation goal, reducing consumption more than 26% over 2008 – from 24 gallons of water per square foot of retail space to fewer than 18 gallons. While some environmental targets have been more difficult to achieve than expected, we have learned from these challenges and are working to find innovative environmental solutions.

We also have learned in the power of investing in communities and young people to make meaningful change. We elevated our partners' global efforts, by creating our annual Global Month of Service, with 1,163 partner-led projects in April 2015 alone. Moreover, partners and customers have contributed more than 3 million hours of

community service over the past seven years. From 2010-2012, we consistently achieved our goal of engaging more than 50,000 young people to innovate and take action in their communities and have since pivoted our focus to create pathways to employment for young people who face systemic barriers to opportunity.

We also found new opportunities. When we saw the need for employment for post 9/11-military service members and their families, we launched a new veteran's hiring initiative. When we saw our partners (employees) struggling to earn their college degrees, we created the Starbucks College Achievement Plan with Arizona State University to offer full tuition reimbursement to eligible partners. And when we saw young people disconnected to jobs and school, we created the 100,000 Opportunities Hiring Initiative, leading a coalition of companies to offer meaningful jobs to thousands of opportunity youth.

We know we can do more. Later this year we will share a new set of aspirations that are higher than ever with a new set of 2020 goals. We will build on our efforts with partners, veterans, and opportunity youth. We will invest in farmers and their communities, and expand the global standard for green retail building and operations.

John Kelly, svp
Global Responsibility, Community and Public Policy





LEADING IN ETHICAL SOURCING

Coffee From Eastern Congo ‘A Cup of Hope’

Starbucks purchase of coffee from the Eastern Democratic Republic of Congo has helped transform lives for more than 4,500 small-holder farmers and their families. From this relatively modest investment, farmers’ incomes have more than tripled, and families have been able to send their children to school and access health care. Working with key NGO’s including Eastern Congo Initiative (ECI), USAID and Catholic Relief Services (CRS) the Congolese coffee industry is rebuilding and accessing new markets. “What this coffee means is hope,” Dario Merlo said, ECI County Director. [Find out more here.](#)



A photograph of five Starbucks employees standing in front of a store at night. From left to right: a woman in a light blue polo shirt, a woman in a black long-sleeved shirt and green Starbucks apron, a woman in a blue V-neck sweater, a woman in a black turtleneck and green Starbucks apron, and a woman in a red long-sleeved shirt. The background shows the store's interior with warm lighting and hanging lamps, and a mural on the left wall. The text 'PROMOTING SUSTAINABILITY' is overlaid in white capital letters on a dark background.

PROMOTING SUSTAINABILITY

Beyond the Coffee Grounds

For the past five years, Starbucks Japan has turned tons of spent coffee grounds into compost and feed for cows. This closed loop system takes food waste and gives it new life. “After doing a lot of research and overcoming a lot of obstacles, we are so proud that we finally recycle the coffee grounds into cattle feed and fertilizers which eventually come back to our stores as milk or vegetables in our sandwiches.” Yoshihito Nakagawa, Starbucks Supply Chain Division Manager said. [Find out more here.](#)



A photograph of two Starbucks baristas, a young man and a young woman, both wearing green aprons over white shirts. They are smiling and looking towards the camera. The background shows a Starbucks store interior with a green brick wall and menu boards.

STRENGTHENING COMMUNITIES

UK Apprenticeship

Almost half of Starbucks partners are under the age of 24, an age group facing the most significant challenges around employment. Starbucks Apprenticeships, launched in the United Kingdom in the Spring of 2012, offer young people an opportunity to learn about a retail management career and to build the transferable skills needed to further their individual goals. Starbucks celebrated its 1000th apprenticeship through this program in 2015. “The prospect of working, gaining experience, and getting paid the same as other baristas while achieving a qualification really appealed to me.” Koey Huckerby, a Starbucks apprentice at Westfield. [Find out more here.](#)



2015 GOAL CHARTS ETHICAL SOURCING

GOAL

Ensure 100% of our coffee is ethically sourced by 2015

PROGRESS

99% of our coffee was ethically sourced in 2015 through C.A.F.E. Practices, Fairtrade, or another externally audited system.



KEY LEARNINGS

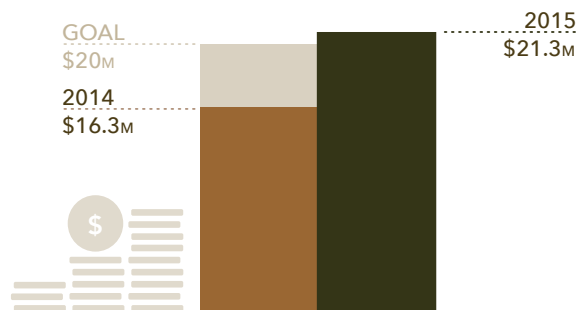
We purchase more coffee every year, and open-source agronomy training helps farmers reach Starbucks quality and sustainability standards. Our constant pursuit of the last 1% means we are broadening opportunity for farmers, while committing ourselves to improve our sourcing practices continuously.

GOAL

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

PROGRESS

We are proud to have surpassed this goal by \$1.3M and increased our investment by \$5M since 2015.



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

KEY LEARNINGS

An example of a farmer loan is tree renovation. Coffee trees don't produce forever and replacing old trees is needed to ensure a healthy crop year after year. To support this investment, farmers need access to affordable credit to assure a more resilient coffee supply chain over time



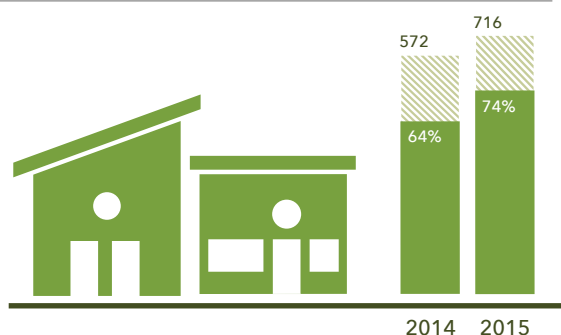
2015 GOAL CHARTS ENVIRONMENT

GOAL

PROGRESS

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

We have achieved LEED® certification in over 700 stores in 19 countries – more than any other retailer.



Percentage of total stores vs number of new company-operated stores built per year to achieve LEED® certification.

KEY LEARNINGS

We have learned that the U.S.-based LEED® certification program is still gaining traction in some international markets, and that regional conditions are sometimes in conflict with green building standards. We are pioneering an expanded set of global green building principles that are locally adaptable. As one of the first retail companies to take this building approach globally, we are continuously learning how to manage the complexities of the program throughout the entire course of building and certification.

GOAL

PROGRESS

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

An additional 1,219 stores in the U.S and Canada entered the program in 2015, bringing us to 59% of company operated stores in those markets.



U.S. and Canada company-operated stores.

KEY LEARNINGS

Starbucks typically leases stores in existing buildings, which means recycling facilities often depend on landlords, haulers, and/or municipalities. We invested to develop a highly flexible recycling program, with equipment, installation, and processes that work with all kinds of facilities and space constraints, and have campaigned hard to have our diverse waste stream accepted for recycling with landlords, haulers, and municipalities. In 2015, we have focused on new strategies to solve these issues and more deeply engage our partners in day to day management. As we look ahead, we will continue to look for ways to improve, and partner with others to expand the reach of our recycling program.

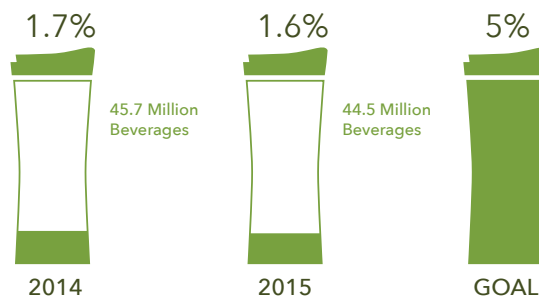
GOAL

PROGRESS

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

Despite our efforts to encourage customers to bring in their personal tumbler, we saw a slight decrease in use in 2015.

Percent of beverages served in personal tumblers



U.S., Canada, UK, France, Germany, Netherlands company-operated stores.
FY14 result re-stated due to issues with duplicated customer tumbler discount data which has since been corrected.

KEY LEARNINGS

Though promotional campaigns such as the White Cup Contest and the introduction of partner-designed artwork on our \$2 reusable cups lead to a small increase in use of reusable cups, the impact tends to be short-lived. We continue to encourage customers to use personal tumblers by offering a discount on beverages, but we believe this behavior change is ultimately up to customers.

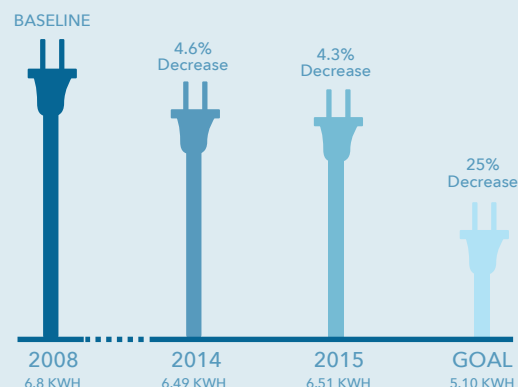


GOAL

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

PROGRESS

Despite significant changes in the size and mix of our business, by the end of 2015 we achieved a net energy reduction from our 2008 baseline.



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

KEY LEARNINGS

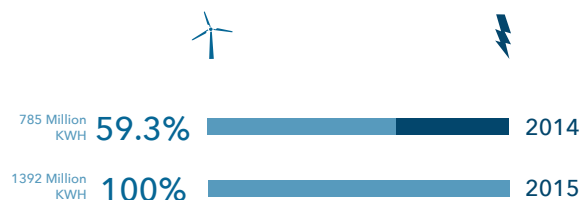
We knew this was a stretch goal, intending to drive innovation in store and equipment design. However, we did not foresee that we would also be serving far more customers per day in each store and that food would become a much bigger part of our business—with associated energy demands for refrigeration and warming. As we look to the future, we will continue to focus on efficiency as our food and beverage platforms continue to grow.

GOAL

Purchase renewable energy equivalent to 100% of the electricity used in our global company-operated stores by 2015

PROGRESS

We achieved our goal of purchasing renewable energy equivalent to 100% of energy use for our global company-operated stores, purchasing 1.392 billion kilowatt hours.



Purchases of 1325 Million kWh of US/Canadian Wind RECs and 66.8 Million kWh of renewable energy in EMEA markets

KEY LEARNINGS

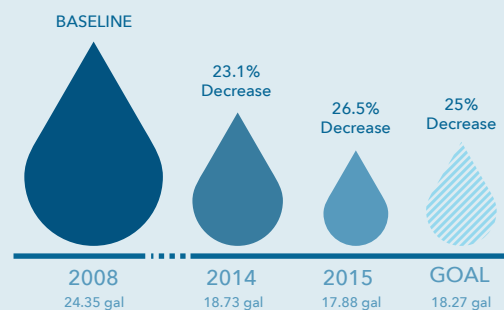
We have expanded beyond North America and have made significant progress in diversifying our renewables portfolio by adding several European markets. As we look to the future, we will be working to define regionally relevant strategies for our stores in Asia.

GOAL

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

PROGRESS

We achieved our 2015 goal with a 26.5% reduction in water use since 2008.



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

KEY LEARNINGS

We exceeded our goal to reduce water use 25% through retrofits to plumbing, water systems and enhancements to new store design. As we look to the future, we will continue to focus on strategies that can further reduce use of this precious resource.



2015 GOAL CHARTS COMMUNITY

GOAL

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

PROGRESS

Our partners and customers contributed 332,885 hours of recorded community service.



Includes all global markets regardless of ownership.

KEY LEARNINGS

Although 332,885 volunteer hours in 2015 is a major achievement, we believe our partners and customers actually volunteered far more hours than this total reflects. While we've built the habit of volunteering—anchored by our Global Month of Service in April, and now going all year round—we haven't built the habit of recording those hours on our community service website. We also note that for every partner volunteer, a customer volunteers alongside. That level of customer participation is unusual in the industry.

2015 GOAL CHARTS GOAL SUMMARY

Goal	Unit	2008	2009	2010	2011	2012	2013	2014	2015	Goal	Met	Footnotes
Ensure 100% of our coffee is ethically sourced by 2015	%	77	81	84	86	93	95	96	99	100%	✓	2008-2011 results include C.A.F.E. Practices only.
Invest in farmers and their communities by increasing farmer loans to \$20 million by 2015	\$M	12.5	14.5	14.6	14.7	15.9	11.9	16.3	21.3	\$20M	✓	Commitment is defined as being made either by public declaration of intent or signed contract.
Mobilize our partners (employees) and customers to contribute 1 million hours of community service per year by 2015	Hours	245,974	186,011	191,224	442,353	613,214	630,912	523,974	332,885	1 M		2008 results for US and CA including Youth Action Grant service hours; 2009-2014 includes all global markets regardless of ownership.
Engage a total of 50,000 young people to innovate and take action in their communities by 2015	People	N/A	20,868	53,673	50,050	54,848	N/A	N/A	N/A	50,000	✓	2010-2012 ACHIEVED; now tracking new youth leadership metrics.
Implement front-of-store recycling in our company-operated stores by 2015	%	N/A	N/A	5	18	24	39%	47%	59%	100%		2010-2015 U.S. and Canada company-operated stores.
	Stores			382	1,390	1,843	3,087	3,849	5,068			
Serve 5 percent of beverages made in our stores in personal tumblers by 2015	%	1.1%	1.4%	1.5%	1.5%	1.5%	1.8%	1.7%	1.6%	5%		2008-2011 results restated using total beverages vs. total transactions.
	#	22,090,511	26,257,492	32,650,747	34,199,507	35,754,382	46,970,869	45,744,643	44,543,016			U.S., Canada, UK, France, Germany and Netherlands company-operated stores.
Reduce energy consumption by 25% in our company-operated stores by 2015	%	0	1.7%	3.3%	7.5%	6.5%	7.1%	4.6%	4.3%	25%		Percentage change to the 2008 baseline. Average energy use per square foot/store/month U.S. and Canada company-operated stores.
	KWH	6.80	6.69	6.58	6.29	6.36	6.32	6.49	6.51	5.10		Avg electricity use per square foot/store/month U.S. and Canada company-operated stores.
Purchase renewable energy equivalent to 100% of the electricity used in our global company-operated stores by 2015	%	20	25	58	50	51	55	59	100	100%	✓	2008-2010 goal and results based on for 50% of U.S. and Canada company-operated stores.
	Million KWH	211.3	259.5	580	558	586	650	785	1392			
Reduce water consumption by 25% in our company-operated stores by 2015	%	0	-8.3%	-21.7%	-17.6%	-17.5%	-21.1%	-23.1%	-26.5%	25%	✓	Percentage change to the 2008 baseline. Average water use per square foot/store/month U.S. and Canada company-owned stores. 2009-2012 results lower by .1-.2% due to differences in rounding methodology.
	Gallons	24.35	22.36	19.09	20.11	20.08	19.22	18.73	17.88	18.27		
Build all new, company-owned stores to achieve LEED certification	%	N/A	N/A	N/A	75%	69%	65%	64%	74%	100%		Percentage of new company-owned stores built to achieve LEED® certification.



LETTER FROM MOSS ADAMS

To the Stakeholders of Starbucks
Coffee Company,

We have examined the data identified below (the Data) contained within the Starbucks Coffee Company's Global Responsibility Annual Report (the Report) for the year ended September 27, 2015. Starbucks Coffee Company's management is responsible for the Data. Our responsibility is to express an opinion on the Data listed below based on our examination:

- Ethically sourced coffee purchases and purchases as a percentage of total coffee purchases as contained in the Ethical Sourcing goal chart on pages 5 and 8 of the Report;
- Amount of commitment to investment in farmer loans and their communities as contained in the Ethical Sourcing goal chart on pages 5 and 8 of the Report.

The criteria used to evaluate the Data are contained in the respective goal charts within the Report indicated above.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and accordingly, included examining, on a test basis, evidence supporting the Data and performing such other procedures as we considered necessary in the circumstances. Those procedures are described in more detail in the paragraph below. We believe that our examination provides a reasonable basis for our opinion.

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

- Testing the effectiveness of the internal reporting system used to collect and compile information on the Data which is included in the Report;
- Performing specific procedures, on a sample basis, to validate the Data, on site at Starbucks

Coffee Trading Company buying operations in Lausanne, Switzerland and Corporate headquarters in Seattle, Washington;

- Interviewing partners (employees) responsible for data collection and reporting;
- Reviewing relevant documentation, including corporate policies, management and reporting structures;
- Performing tests, on a sample basis, of documentation and systems used to collect, analyze and compile the Data that is included in the Report, and
- Confirming certain of the Data to third party confirmations and reports.

In our opinion, the Data for the fiscal year ended September 27, 2015 is fairly presented, in all material respects, based on the criteria indicated above.

Moss Adams, LLP
Seattle, Washington
May 24, 2016



ABOUT THIS REPORT

Scope

Our report for fiscal 2015 focuses on our performance against the goals we set in 2008 in three key areas: ethical sourcing, environmental stewardship and community investments. Because these commitments are directly tied to our business, we've also included links to information and resources publicly available at starbucks.com regarding our financial, corporate governance, workplace and diversity policies, and performance. In developing this report, we've covered topics and issues that are important to Starbucks and our stakeholders based on year-round engagement with and feedback from advocates and investors, and via easily accessible customer and Starbucks partner (employee) tools such as My Starbucks Idea, Starbucks social media channels (Starbucks and Starbucks Partners Facebook, Twitter, Instagram) and our Customer Service team. These efforts are complemented by industry and trend analysis conducted by strategic advisory firm SustainAbility and Edelman public relations, along with direct conversations with the many organizations we work with. By ensuring both internal and external engagement is a critical component of how we do business, we help ensure our programs, policies, and the content of this report are material to our business and our stakeholders.

Boundaries

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

In addition, issues related to health and wellness and workplace policies are vital elements of our business and of considerable interest to key stakeholders.

While our commitments are global, our reporting – with the exception of our coffee purchases – is focused largely on Starbucks U.S. and Canada company-operated retail stores and global supply chain operations. These operations, together with our coffee purchases, currently represent the most significant segment of Starbucks social, environmental and economic impacts based on percentage of revenue and number of stores covered. Information regarding the coffee sold and served by all Starbucks brands and retail stores globally, company-operated or licensed, including Starbucks Coffee, Seattle's Best Coffee and Torrefazione Italia, is covered.

Starbucks uses the Credit360 program to manage our sustainability data for the purposes of reporting on and tracking key performance indicators, providing ongoing visibility into our operations and impacts enterprise-wide, as well as for approval and audit purposes. We continue to work to validate and improve our global reporting efforts so we can consistently and accurately report against common goals.

Reporting Year

Starbucks fiscal year 2015 (September 28, 2014 - September 27, 2015), unless otherwise noted.

Currency

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

Previous Reports

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



ABOUT THIS REPORT

Information Integrity

Starbucks management is responsible for the preparation and integrity of the information reported for fiscal 2015. 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 2015. External verification is provided by Moss Adams LLP. Read the Moss Adams Independent Assurance Report. All infographics related to our goal performance are visual representations of progress, and not to exact scale.

Forward-Looking Statements

Our reporting on global responsibility for fiscal 2015 includes forward-looking statements about the company's business and its future business plans, initiatives, goals and objectives. These forward-looking statements are based on currently available operating, financial and competitive information and are subject to a number of significant risks and uncertainties. Actual future results may differ materially depending on a variety of factors including, but not limited to, coffee, dairy and other raw material prices and availability; successful execution of the company's blueprint for growth and other strategies; cost reduction and other initiatives; fluctuations in U.S. and international economies and currencies; the impact

of competition; the effect of legal proceedings; and other risks detailed in the company's filings with the Securities and Exchange Commission, including the "Risk Factors" section of Starbucks Annual Report on Form 10-K for the fiscal year ended September 27, 2015. The company assumes no obligation to update any of these forward-looking statements.



*TO INSPIRE AND NURTURE
THE HUMAN SPIRIT –
ONE PERSON, ONE CUP AND
ONE NEIGHBORHOOD
AT A TIME.*

