

GLOBAL RESPONSIBILITY REPORT

2014

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



STARBUCKS DESIGNERS REUSED OLD SHIPPING CONTAINERS TO CREATE THIS LEED-CERTIFIED STORE IN TUKWILA, WASHINGTON. SIMILAR STORES HAVE OPENED IN CHICAGO, ILLINOIS AND DENVER, COLORADO.

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

A year ago, I posed this question at our annual shareholders meeting. This report includes some answers to that question.

We have always believed building a great, enduring company requires being performance-driven through the lens of humanity. I am proud that Starbucks not only achieved another year of record financial performance in 2014, but we did so while doing more for our people and the communities we serve than at any time in our history. By staying true to our mission, values and guiding principles, I believe we've proven it is possible to build a world-class company with a conscience.

Over the next few years, our efforts will increasingly focus in three areas where we think we can have the biggest impact – building a future with farmers, pioneering green retail on a global scale, and creating pathways to opportunity for young people. With your input, we want to set ambitious goals, some of which we may not achieve. But I strongly believe that today, more than ever, companies such as Starbucks must lead, using their platforms and resources to create opportunities for their people, as well as for the communities they serve.

We believe this is our role and responsibility.



Howard Schultz



A WOMAN PICKING COFFEE CHERRIES IN RWANDA

ETHICAL SOURCING

*Investing in Coffee Farmers
and their Communities*

“When we started working with Starbucks in 1998, they certified 30 or 40 million pounds of coffee. Today, almost 400 million pounds—or approximately 96% of Starbucks purchases—are grown sustainably, in a way that protects nature and improves farmers’ livelihoods. That’s extraordinary, and it is fundamentally changing the industry.”

*Dr. M. Sanjayan,
Executive Vice President, Senior Scientist,
Conservation International*



At Starbucks, we know our success as a company is linked to the success of the thousands of farmers who grow our coffee.

Over the past 15 years, we have pioneered a new approach to ethical sourcing with an aim to both ensure a long-term supply of high quality coffee for our customers and positively impact the lives and livelihoods of coffee farmers and their communities. Our holistic model includes: responsible purchasing practices; farmer support; economic, social and environmental standards for suppliers; industry collaboration; and community development programs.

Our Journey to 100% Ethically Sourced

In 1999, when Starbucks was a company of just over 2,000 stores in a handful of countries, we recognized the need to do more to ensure the long-term supply of the high-quality coffee on which our business depends. We turned to [Conservation International](#) (CI) to help us promote environmentally responsible growing methods.

Addressing the environmental impact of coffee farming was only one piece of the puzzle. We needed a holistic approach to sourcing that also ensured fair pay and working conditions, economic transparency and sound resource management. In 2001, CI helped Starbucks develop broad quality, social, environmental and economic guidelines for the sustainable production of high-quality coffee.

Starbucks launched Coffee and Farmer Equity ([C.A.F.E. Practices](#)) in 2004 – one of the coffee industry’s first sets of comprehensive sustainability standards, verified by third-party experts. In our first year, Starbucks purchased 43 million pounds of green coffee under the program, representing 14.5% of our total green coffee purchases. Early on, we decided to “open source” our program, encouraging others in the industry to join us. We also continued to work with Fairtrade and other organizations to purchase certified coffee that helps protect the environment and the livelihoods of farmers in coffee-growing regions.

Starbucks ethical sourcing program continued to grow, and in 2008 we set a goal that by 2015, 100% of Starbucks coffee would be ethically sourced through C.A.F.E. Practices, Fairtrade, or another externally audited system. In 2014, 96% (400+million pounds) of our coffee met this standard, with 95.5% C.A.F.E. Practices, 8.6% Fairtrade, and 1% organic (some coffees receive multiple verifications or certifications).

Over the past decade, C.A.F.E. Practices has helped positively impact millions of workers, and improved the long-term environmental and social conditions on thousands of participating farms around the world. In our journey to 100% ethically sourced, we plan to work to continue to improve sustainability across our industry.





Building a Resilient Supply Chain through Partnerships

Climate change represents significant immediate and long-term risks to coffee farmers around the world, and Starbucks is looking at its potential impacts with organizations such as CI. As a result of this work, Starbucks has incorporated agricultural methods into C.A.F.E. Practices that help reduce emissions, improve carbon storage through shade and conservation areas, and proactively manage climate risks from pests and disease.

In addition, we are evolving our work with CI to ensure farmers benefit from sound conservation practices either through access to forest carbon markets or other payment for environmental services.

Collaborating with Coffee Farmers through Open Source Agronomy

For the thousands of farmers who grow Starbucks coffee around the world, nothing can match the power of making a personal connection.

As Starbucks began to expand C.A.F.E. Practices ten years ago, we needed agronomists and quality experts in the field to help the program take root. We started with a small team in 2004 at Starbucks first Farmer Support Center in San José, Costa Rica. Over the next decade, Starbucks worked with cooperatives and farmers to help them improve coffee quality and farm productivity, and reduce production costs, while striving to raise living standards. Today, Starbucks operates six Farmer Support Centers in key growing regions around the world including: Rwanda, Tanzania, Ethiopia, Colombia and China as well as a satellite office in Guatemala. We look forward to opening our first Farmer Support Center in Indonesia in the near future.

Starbucks has also gained valuable hands-on experience with the purchase of its first farm in 2013, not far from the first Farmer Support Center. [Hacienda Alsacia](#) is not only a fully operational coffee farm, it is also an agronomy research and development center that will help us continue to develop sustainable farming practices we can share with farming communities around the world.

In 2014, we released a limited-time offering of coffee that demonstrates the benefits of our approach. [Starbucks Reserve® Costa Rica Geisha La Ines](#), was a special coffee that resulted from a six-year collaboration between our agronomy team and a local cooperative to grow a coffee varietal that is more disease resistant and has exceptional quality.

The technical support Starbucks provides is not limited to farmers whose coffee we buy, but is available to all who are interested in improving quality and best agricultural practices. An innovative pilot launched



in 2014 with the [Grameen Foundation](#) in Colombia will allow us to monitor and evaluate individual farm progress against our standards. Farmer leaders are being trained on the program so they can educate fellow farmers, jointly develop farm management plans and track progress using tablet computers.

Creating Impact through Farmer Loans and Community Investments

Coffee is grown primarily in countries with developing economies, and Starbucks green coffee pricing model aims to foster price stability and mutually beneficial relationships with suppliers, while paying the prices premium quality coffee commands.¹

Providing access to credit at reasonable terms is another important component of our farmer support model. By investing in farmer loans, we are helping cooperatives manage risk and strengthen their businesses.

Starbucks investment in farmer loans with Root Capital has grown from \$150,000 in 2000 to \$12 million today, including a [\\$3 million investment in 2014](#). Our contributions through Root Capital and other loan partners grew to \$16.3 million in 2014, and we are optimistic we will reach our goal of \$20 million in total investment in 2015.

The health and stability of coffee communities impacts farmers and their ability to both be productive and raise sustainable crops. In 2014, Starbucks made a series of origin community grants, funded by sales of our Ethos® Water brand, to support critical infrastructure improvements and agricultural diversification projects. For example, in Tanzania, we're working with Heifer International to help smallholder coffee farmers by introducing dairy cattle, and improving access to clean water, sanitation facilities, and renewable energy.



¹ Starbucks paid an average price of \$1.72 per pound in 2014. This does not represent the coffee impact in the fiscal 2014 consolidated statement of earnings due to timing of when coffee is purchased (amount referenced above) versus when it is used (amount reflected in the consolidated statement of earnings).



LIVING WALL AT THE WALT DISNEY WORLD RESORT STARBUCKS -
STARBUCKS 500TH LEED®-CERTIFIED STORE

ENVIRONMENT

Leading in Green Retail

“Every time you order a Starbucks, you cast a vote for the powerful impact the retail environment can have on our efforts to mitigate climate change and improve the quality of life for all of us.”

*Rick Fedrizzi,
CEO and Founding Chairman,
U.S. Green Building Council*



As a company that relies on agricultural products, Starbucks has long been aware that the planet is our most important business partner.

We are committed to addressing climate change by minimizing our environmental footprint and creating meaningful and sustained change. This work includes our approach to green retail: building more energy efficient stores and facilities; conserving energy and water; investing in renewable energy; and exploring new solutions for recycling and making our cups sustainable.

While some of the ambitious environmental goals Starbucks set in 2008 are within reach, we have discovered unexpected challenges with others. This doesn't mean we should aim lower. We believe in the importance of setting aspirational targets rather than settling for less ambitious targets, as well as learning from our experience to inform next steps.

Surpassing 500 LEED®-Certified Stores

Starbucks has been an industry leader in green building for more than a decade, opening its first LEED®-certified store in Hillsboro, Oregon in 2005. Today, we continue to incorporate environmental building strategies across our store portfolio.

Since 2008, Starbucks has worked to build all new company-operated stores globally to LEED standards. In 2014, Starbucks opened our 500th LEED-certified store – more than any other retailer in the world. LEED has been successfully implemented in many markets where we operate, including 19 different countries. In the Americas, 98% of company-operated new stores were built to LEED standards in 2014. Globally, the percentage stands at 64%. Starbucks has experienced some technical challenges in international markets where the U.S.-based LEED certification program is still gaining traction. We are working with the [U.S. Green Building Council](#) to increase adoption of these standards.

Nearing Our Water Conservation Goal

In 2008 Starbucks set a goal to reduce our water use in company-operated stores 25% by 2015. We approached that goal in 2014 with a savings of more than 23% over baseline levels. We are continuing to make strides in water conservation by implementing water-saving solutions in new stores and water filtration retrofits in existing ones. LEED-certified stores have contributed to this progress by saving an average of 25,000 more gallons of water annually. Starbucks is actively collaborating with municipalities in water-stressed areas around the world to find additional ways to help reduce water consumption.

Recognizing the Energy Impacts of our Evolving Business

When Starbucks set an energy conservation goal of 25% in 2008, we knew it was ambitious. Over the past six years, we have incorporated energy conservation measures into our green



LEED-CERTIFIED STORE IN LANGSUAN, BANGKOK

construction strategy, such as using natural lighting where possible and installing energy-efficient light fixtures and appliances in both new and existing stores. The company recently completed the installation of new Energy Management Systems in approximately 4,000 stores to optimize heating and cooling and enable us to identify additional opportunities in the future.

Despite these efforts, energy performance has only improved a net total of 4.6% over our baseline levels, as energy requirements to support our expanded food platform offset gains from ongoing conservation measures. Even with the significant change in our business and associated increase in energy needs, we still project a net energy reduction by the end of 2015 versus our baseline and will continue to explore ways to reduce energy use going forward.

Investing in Renewable Energy

In addition to reducing water and energy consumption, Starbucks is focused on advancing renewable energy sources through purchasing practices. For almost a decade, Starbucks has been one of the U.S. Environmental Protection Agency's top purchasers of renewable energy in the United States, buying more than half a billion kilowatt hours of wind energy over the past year alone. In 2014, Starbucks purchased renewable energy equivalent to more than 59% of the electricity used in our global company-operated stores.

Although we have applied renewable energy purchases to our total global energy footprint, the renewable energy credits purchased were primarily designed to spur development of the U.S. renewable energy market. We are working with our international partners to identify regionally relevant solutions. Currently, we are on track to purchase renewable energy equivalent to 100% of the energy used in our U.S. and Canadian company-operated stores by the end of 2015.

Breaking Down Barriers to Recycling

Providing front-of-store recycling is an important part of Starbucks effort to develop comprehensive recycling solutions. In 2014 we added customer-facing recycling to more than 760 stores, bringing our total to 3,849, or 47% of our company-operated locations in the U.S. and Canada.

By the end of 2015 we expect to complete the rollout of our recycling program across the U.S. and Canada. Unfortunately, this does not mean we can provide recycling in every store. We continue to face challenges with stores located in municipalities that don't provide commercial recycling and with landlords who do not provide access to recycling services. We will continue to work across the industry to find innovative ways to reduce landfill waste and explore alternative solutions.

Raising Awareness of Reusable Cups

Reusable cups are an important component of Starbucks overall waste reduction strategy. For 30 years, we've rewarded customers with a discount when they bring in a personal tumbler. It is our goal to serve 5% of the beverages made in stores in tumblers and mugs brought in by our customers, and in 2014 our customers did that 47.6 million times, up from 46.9 million in 2013.

We have found that bringing a mug or tumbler to a Starbucks store requires a change in personal behavior, and have seen only gradual improvements in tumbler use year-over-year.



Customer tumbler use briefly spiked up to 2.5% for a short time during the launch of the \$1 reusable cup (£1 in the UK) and other special promotions such as the [White Cup Contest](#), but consumer adoption remained flat to 2013's overall level at 1.8%. We will continue to look for ways to encourage our customers to make the switch to reusable cups.

Looking Beyond our Stores

While our store operations account for the majority of our direct environmental footprint, we are also working to incorporate environmental design into our manufacturing facilities. This includes roasting plants, coffee processing facilities, and our Evolution Fresh juicery. We are excited that in 2014 Starbucks Roasting Plant and Distribution Center in York, Pennsylvania was certified for [100% Landfill Diversion](#) by Underwriters Laboratories.



Starbucks \$1 reusable cup



PARTNERS IN THE 23RD & JACKSON STORE IN SEATTLE

COMMUNITY

*Creating Pathways
to Opportunity*

“The partnership with Starbucks has been so much more than we imagined. They go way beyond; they roll up their sleeves and get the work done with us.”

Beatrice Garza,
President & CEO, AAMA



Participants in the Starbucks Apprenticeship Programme in the UK

Starbucks has always been a place that has brought people together. Our mission: to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time.

As a major employer - with 150,000 partners (employees) in the U.S. and more than 300,000 worldwide who wear the green apron - attracting and retaining the best people is critical to our business. Almost 73 million youth worldwide are looking for work, yet employers struggle to fill jobs due to a lack of qualified candidates. Something is broken. There's clearly more need than any one company or industry can address, but Starbucks is increasingly focused on how we can leverage our business and our scale to start to respond to the crisis – one young person at a time.

Building the Workforce of the Future

Our efforts to help build the workforce of the future start with our own people. In 2014 we introduced the [Starbucks College Achievement Plan](#) - an innovative education benefit to help Starbucks partners complete their degrees online through Arizona State University. We have also hired nearly 2,000 new partners over the past year as a direct result of Starbucks multi-year strategy to hire [10,000 veterans and military spouses](#) by 2018. We view both initiatives as key components of our strategy to attract partners who share Starbucks mission and values.

Investing in Lifelong Opportunity

Too many young people face systemic barriers to opportunity due to lack of education and/or skills needed to enter the workforce. This group is often referred to as “opportunity youth.”

In 2014 we awarded more than 100 grants through the Starbucks Youth Leadership program to local organizations in 14 countries. Although the programs and organizations vary around the world, the impact for youth is significant.

In the United States, Starbucks and the [Schultz Family Foundation](#) have supported a barista training program in Seattle for opportunity youth through [YouthCare](#) and [FareStart](#) for the past decade. In 2014 we expanded the program nationally, working with [YouthBuild USA](#) to create the [Customer Service Retail Excellence Training Program](#), which helps students develop customer service skills based on the training Starbucks store partners receive.





In Canada, Starbucks supports workplace programs in [Calgary, Toronto, and Vancouver](#), that combine in-class core life skills and employability training with real-life on-the-job work placement experience.

And in China, Starbucks is furthering our relationship with China's [Soong Ching Ling Foundation](#) with a youth leadership development program to help students build their skills and access mentorships with Starbucks senior leaders.

As Starbucks continues to refine its focus on supporting lifelong opportunity, our grants program will shift to programs supporting opportunity youth to help address needs in their communities. For more information, please visit the [Opportunity for Youth](#) page on our website.

Collaborating through Community Stores

[Starbucks Community Stores](#) program

supports local non-profit organizations in their efforts to provide the training and education that can eradicate the cycle of poverty for this generation of young people. Since opening our first Community Store in 2011, Starbucks has opened eight stores and raised over \$900,000 toward local non-profits focused on providing opportunities to young people in those communities.

The Community Stores model creates a reliable stream of resources for the non-profit organization, raises awareness of their work, and creates a space for community dialogue and engagement. In 2014, Starbucks added its second international location, in [Seoul, Korea](#) as well as two [Military Community Stores](#) to support transitioning veterans in the United States in Lakewood, Washington and San Antonio, Texas.

Promoting Global Service with Impact

Coming together in service represents a fundamental act of citizenship. In 2014,

Starbucks worked with nonprofit organizations to bring our partners, customers, and community leaders together to contribute more than 520,000 hours of volunteer service around the world. During Starbucks fourth annual [Global Month of Service](#) in April, nearly 60,000 volunteers contributed over 232,000 hours in more than 30 countries. Altogether, the projects benefitted an estimated 1.4 million people with a value of \$5.2 million for our communities.

Although the total number of hours in 2014 decreased slightly over the previous year, we've also seen some encouraging trends. For every one hour contributed by a Starbucks partner, nearly two hours came from a customer. Our partners' ability to bring their customers along on the journey to improve communities is one way we believe we are able to have a bigger impact.



Starbucks Foundation and Corporate Giving

[The Starbucks Foundation](#) is a separate 501(c)(3) charitable organization that receives funding primarily from Starbucks Corporation and private donations. The Starbucks Foundation gave \$13.1 million in 2014, making 144 grants to nonprofit organizations. Grants included \$3.37 million for Starbucks Youth Leadership Grants and \$4.2 million in [social development grants in coffee-growing communities](#).

In 2014 Starbucks Corporation gave \$11.4 million in cash, including \$1.9 million to the Starbucks Foundation, and \$38.8 million in in-kind contributions. Corporate giving included funding for community-building programs – including a \$2 million donation from the sale of [Teavana® Oprah Chai Tea](#) to the Oprah Winfrey Leadership Academy Foundation, and our partnership with [\(RED\)™](#) through which Starbucks and our customers have generated more than \$12 million since 2008 for the Global Fund to help eradicate HIV/AIDS in Africa.

Diversity and Inclusion

As a global company with a diverse customer base and an ever-changing workforce, diversity and inclusion is not just a business priority, it's a necessity. A key element of our long-term growth strategy is creating a workforce that reflects the communities we serve around the world.

To achieve this, we are working to create opportunities to attract, develop, retain and engage our future workforce. We are focused on how we continue to evolve our diversity and inclusion strategy, to meet the challenges of our increasingly global business. From providing a platform for open conversation about inclusion, race, and other differences, to offering training focused on unconscious bias and elevating our [partner networks](#), we not only want, we need partners to be actively engaged in our efforts.

Currently, about 40% of our U.S. partners are minorities; 65% are women. Of our vice presidents, 48% are women and 15% are minorities. Among our top leaders – defined as senior vice president or higher – 18% are minorities and 29% are women.

We know there are tremendous opportunities to engage diverse job candidates and partners, particularly through key company initiatives such as the Starbucks College Achievement Plan and the UK Apprenticeship Program. As part of this work, we are continuing to build and foster [partnerships](#) with diverse professional organizations, nonprofit organizations, businesses, civic leaders and individuals as key resources and connections to talent and the communities we serve.

As we continue to build our global footprint in the marketplace, diversity and inclusion will continue to be our strength, and a critical component of how we do business.





WHAT'S NEXT

It's clear to us that Starbucks has its greatest potential for impact when the company works with farmers, partners, customers, and like-minded organizations to move our industry forward. Looking ahead to where Starbucks wants to be in five years, we believe we can continue to move our sourcing model toward greater sustainability, find new ways to minimize our environmental footprint, and create new opportunities for young people as we build our workforce of the future.

Building a Future with Farmers

As Starbucks continues its journey to 100% ethically sourced coffee, we believe it is possible to make coffee the world's first sustainable commodity. We are also applying what we have learned to other areas of Starbucks business such as [tea](#), [cocoa](#), and [manufactured goods](#).

Pioneering Sustainable Solutions

Using our scale to innovate and test green practices, we are now challenging ourselves to harness what we've learned to continue to drive positive change both within our own stores and across the entire industry. We will also continue to mitigate the risks to economic, social and environmental stability and advocate for climate legislation through [Business for Innovative Climate and Energy Policy \(BICEP\)](#) and others.

Creating Pathways to Opportunity

We believe taking a comprehensive approach to creating pathways to opportunity offers Starbucks a way to contribute to the neighborhoods in which we do business, while supporting the young people who will be our future workforce. As a key next step, we have committed to hire 10,000 opportunity youth by 2018.

By collaborating with passionate and knowledgeable organizations across every sector, we will identify and implement innovative solutions to challenges at local, national, and international levels.

As we near the end of our 2015 objectives, Starbucks looks ahead to a new chapter setting goals for 2020. Over the next year, Starbucks looks forward to engaging stakeholders around the world as we determine how best to deliver on our responsibility as a for-profit public company.

Please feel free to share your feedback with us at globalresponsibility@starbucks.com.



GOAL

Ensure 100% of our coffee is ethically sourced by 2015

PROGRESS

96% of our coffee was ethically sourced in 2014 through C.A.F.E. Practices, Fairtrade, or another externally audited system.



Includes green coffee purchases for all Starbucks brands.

KEY LEARNINGS

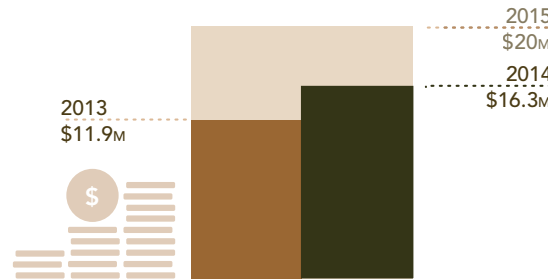
Taking a comprehensive approach – including external verification, on the ground farmer support and farmer loans – has been instrumental in moving us toward our 100% goal.

GOAL

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

PROGRESS

Increased our investment to \$16.3 million, a 27% increase over 2013.



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

KEY LEARNINGS

Access to affordable credit for coffee cooperatives and farmers can increase productivity and quality and helps create sustainable livelihoods for small-scale farmers.

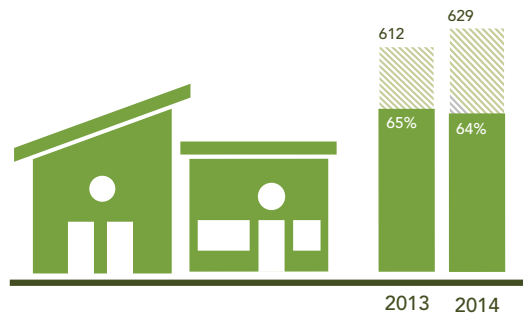
2014 GOAL CHARTS ENVIRONMENT

GOAL

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

PROGRESS

We have achieved LEED® certification in over 500 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

Green building strategies have been incorporated into both new and existing stores, including international stores. We continue to experience challenges in some of our high growth markets where LEED® is still gaining traction and are working to address this issue.

GOAL

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

PROGRESS

An additional 763 stores in the U.S and Canada entered the program in 2014, bringing us to 47% of company operated stores in those markets.



U.S. and Canada company-operated stores.

KEY LEARNINGS

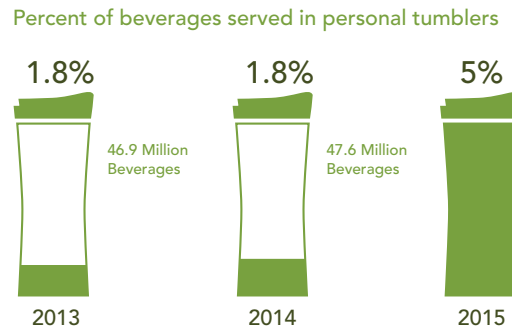
Although we will have rolled recycling out to all US & Canada markets by end of 2015, we continue to face challenges. We did not anticipate barriers to execution including landlord alignment, space constraints and limitations of municipal infrastructure. We will continue to look for ways to improve performance and leverage learnings internationally.

GOAL

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

PROGRESS

Personal tumbler use increased by over 640,000 beverages in 2014 but remained flat as a percentage of total beverages served.



U.S., Canada, UK, France, Germany, Netherlands company-operated stores.

KEY LEARNINGS

Our customer personal tumbler use peaked at a monthly average of 2.5% with the \$1 reusable cup introduction and promotions. While interest increases with innovation such as the White Cup Contest, consumer demand and behavior change remains low. We will continue to work to leverage success and increase awareness.

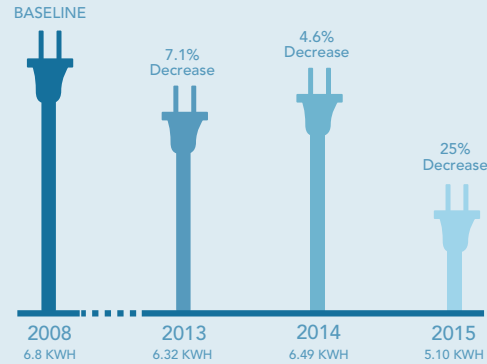


GOAL

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

PROGRESS

Our energy performance declined slightly in 2014, as energy requirements to support our expanded food platform offset gains from ongoing conservation measures.



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

KEY LEARNINGS

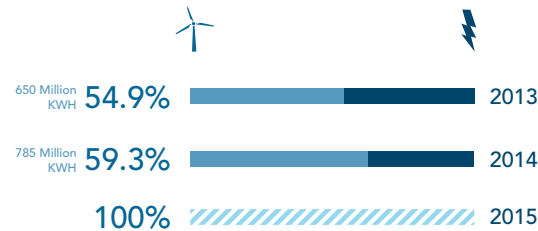
When we set this aspirational goal, we did not foresee the transformation in our food business, which has increased energy use in our stores. Despite this significant change in our business and associated increase in energy needs, we still project a net energy reduction at the end of 2015 from our baseline.

GOAL

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

PROGRESS

We purchased renewable energy equivalent to more than 59% of the electricity used in our global company-operated stores -- and 74% of that used in the US and Canada.



KEY LEARNINGS

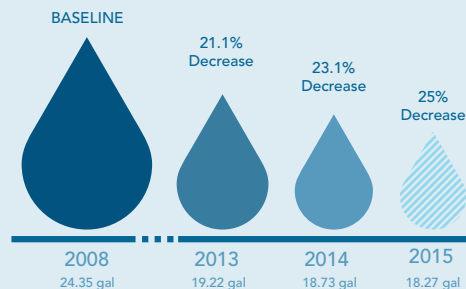
Although we have applied our renewable energy purchases to our total global energy footprint, they are primarily designed to spur development of the US renewable energy market. We are working with our international partners to develop regionally relevant solutions.

GOAL

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

PROGRESS

Water consumption decreased 2% over the prior year, bringing us to a total decrease of 23% 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

Although key water savings equipment has been identified, it takes time to retrofit our store portfolio and start generating results. We currently plan for 500 more water filtration retrofits, which should help us toward our 25% reduction goal.



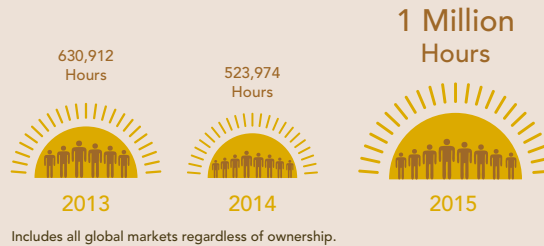
2014 GOAL CHARTS COMMUNITY

GOAL

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

PROGRESS

We continued to provide over half a million community service hours in 2014.



KEY LEARNINGS

Although pleased with our total number of hours, we believe our partners and customers volunteered more hours than this total reflects. We've updated our community service website and will continue to address other obstacles to reporting hours. We are exploring ways to convey a more holistic story of impact from our community service and social investments.

2014 GOAL CHARTS GOAL SUMMARY

Goal	Unit	2008	2009	2010	2011	2012	2013	2014	Goal	Footnotes
Ensure 100% of our coffee is ethically sourced by 2015	%	77	81	84	86	93	95	96	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	\$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	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	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%	100%	2010-2013 U.S. and Canada company-operated stores
	Stores			382	1,390	1,843	3,087	3,849		
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%	1.8%	5%	2008-2011 results restated using total beverages vs. total transactions.
	#	22,090,511	26,257,492	32,650,747	34,199,507	35,754,382	46,970,869	47,611,577		
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%	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		
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%	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		
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%	25%	Percentage change to the 2008 baseline. Average water use per square foot/store/month U.S. and Canada company-operated stores. 2009-2012 results low by .1-.2% due to differences in rounding methodology.
	Gallons	24.35	22.36	19.09	20.11	20.08	19.22	18.73		
Build all new, company-owned stores to achieve LEED certification	%	N/A	N/A	N/A	75%	69%	65%	64%	100%	Percentage of new company-owned stores built to achieve LEED® certification.

Scope

Our report for fiscal 2014 focuses on our performance against the goals we set in 2008 in three key areas: ethical sourcing, environmental stewardship and community investments. 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 because these commitments are directly tied to our business.

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 with which we work. 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 on our performance.

Reporting Year

Starbucks fiscal year 2014 (September 30, 2013-September 28, 2014), 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 on our website at www.starbucks.com/responsibility/global-report.

Information Integrity

Starbucks management is responsible for the preparation and integrity of the information reported for fiscal 2014. 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 2014. External verification is provided by [Moss Adams LLP](#). 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 2014 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 28, 2014. 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.*

