

# G L O B A L I M P A C T R E P O R T

*environmental,  
social and  
governance  
priorities*

STARBUCKS



**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 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**  
**Waste**  
**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 Topics

TERM	DEFINITION
<b>Climate strategy and resilience</b>	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.
<b>Environmentally-responsible sourcing practices</b>	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.
<b>Greenhouse gas emissions and energy efficiency</b>	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.
<b>Packaging</b>	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.
<b>Waste</b>	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.
<b>Water stewardship</b>	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
<b>Community support and engagement</b>	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.
<b>Diversity, equity and inclusion</b>	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.
<b>Human rights within Starbucks operations</b>	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.
<b>Human rights within Starbucks supply chain</b>	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.
<b>Nutrition and transparency</b>	Assessing products for health and nutrition impacts, providing customers with information about products in an understandable format.

## Social Topics

TERM	DEFINITION
<b>Partner (employee) attraction, development and culture</b>	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
<b>Partner (OHS), community and customer safety</b>	Keeping partners, customers and community members healthy and safe and ensuring compliance with regulations as well as conformance with company policies.
<b>Partner relations</b>	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.
<b>Product quality and safety</b>	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
<b>Corporate governance</b>	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.
<b>Cybersecurity and data privacy</b>	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.
<b>Ethics and compliance</b>	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.
<b>Research, development and innovation</b>	Remaining competitive in the marketplace through innovative products and technologies, automation, plant-based substitutes, traceability, etc.
<b>Transparency and stakeholder communication</b>	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.

