



**STARBUCKS STATEMENT ON UK MODERN SLAVERY ACT OF 2015  
(FOR FISCAL YEAR 2020)**

The Modern Slavery Act of 2015 came into effect on 29 October 2015 and requires those entities conducting business in the UK, supplying goods and services, and having annual turnover of £36 million or more to disclose information regarding the efforts they have taken to address slavery and human trafficking from their supply chains during the previous financial year.

**Our Business and Values**

Starbucks currently has over 32,000 stores in 83 countries, which includes a mix of company-owned stores and roasteries, joint ventures, and licensed stores. We offer a range of products that customers enjoy in our cafes, at home, and on the go – including coffee, handcrafted beverages, merchandise, fresh food, and consumer goods.

We have always believed Starbucks can – and should – have a positive impact on the communities we serve. One person, one cup and one neighborhood at a time. It is our vision that together we will elevate our partners, customers, suppliers and neighbors to create positive change. Aligned with our People Positive, Planet Positive, Profit Positive agenda, we focus in four areas where our commitment and scale can make the biggest impact:

- Making coffee the world's first sustainable agricultural product by doing our part to improve the lives of 1 million people in coffee communities around the world.
- Building and operating the world's largest green retail business, minimizing our environmental footprint and inspiring others to do the same.
- Investing in pathways to opportunity through education, training and employment.
- Strengthening communities by welcoming all and creating impact on issues that matter.

Starbucks has a long history of promoting Ethical Sourcing of its products, which are produced in countries all over the world, and we have devoted considerable resources over the last several years to mapping our supply chain for greater transparency and developing and implementing appropriate ethical standards applicable to our many suppliers and those involved in the production, processing and manufacturing of all the products we sell. In FY20, Starbucks published a significant update to our

*Global Human Rights Statement* to outline our company's commitment and expectations of our employees, supply chain and business partners to uphold human rights, including freedom from forced labor, throughout our global operations.

#### **Supply Chain and Due Diligence**

Starbucks will not make use of any form of forced or compulsory labor at any time for any purpose. These commitments are detailed in our Ethical Sourcing programs, listed below. Starbucks certifies that its Ethical Sourcing programs include zero tolerance provisions prohibiting the use of forced, bonded, indentured or involuntary convict labor. Our Ethical Sourcing programs consist of: C.A.F.E. Practices (Coffee and Farmer Equity Practices) concerning the sourcing of coffee; *The Ethical Tea Partnership Global Standards* concerning the sourcing of tea; *Cocoa Practices* concerning the sourcing of cocoa; and our *Manufactured Goods and Services Standards* which govern the acquisition of manufactured products.

Starbucks works with *SCS Global Services*, an independent third party, which assists us in maintaining both C.A.F.E Practices and COCOA Practices and in retaining third party verifiers to evaluate supplier performance against these Practices. Similarly, we partner with the *Ethical Tea Partnership (ETP)* to ensure our tea products are produced with sustainable practices and under safe, transparent and humane working conditions.

Starbucks has an ongoing goal to purchase 100% of the coffee, cocoa, and tea we sell in accordance with our Ethical Sourcing programs, and in FY20, 100% of our cocoa, 99.7% of our tea, and 98.6% of our coffee was verified as ethically sourced based on these criteria. Although we are constantly striving for 100%, the last 1-2% is where some of our most important work happens – bringing on new farmers and cooperatives and working closely with them to meet the high standards we expect from all our suppliers.

Additionally, Starbucks continues to work closely with suppliers of manufactured products used or sold in Starbucks stores to ensure that the manufactured goods ethical sourcing standards are followed. Commitment to continuous improvement is the cornerstone of this program, and factory assessments have been a key part of our strategy since 2006. Starbucks also continues to collaborate with others in our industry to address ethical sourcing best practices in our shared supply bases.

#### **Training**

Starbucks *Standards of Business Conduct* highlights our commitment to ethical business practices, and all employees (referred to as “partners”) are required to take regular training on

our Standards. Additionally, partners who have responsibility for purchasing products sold in our stores receive training on our Ethical Sourcing programs described above.

**Effectiveness**

Starbucks continues to survey and evaluate its supply chain with regard to human trafficking and forced labor. If it is determined that a supplier is operating outside of Starbucks policies, Starbucks or its third-party representative and the supplier will develop and implement a corrective action plan including a mutually agreed upon schedule for resolution of all issues. Any failure thereafter to meet a corrective action plan commitment is considered a material breach of Starbucks agreement with the supplier and may result in cancellation of any current orders and/or termination of Starbucks contractual relationship with the supplier. Gross violations or illegal activities are cause for outright and immediate termination of the contractual and business relationship.

Starbucks is committed to continuous improvement and review our programs and policies on an ongoing basis to ensure all actions are consistent with industry norms and to make possible additions or amendments where needed to address the specific topics described in the law.

Starbucks responsible business practices can be found at [www.starbucks.com/responsibility](http://www.starbucks.com/responsibility) which discloses at length and in detail our various Ethical Sourcing programs and policies. It is Starbucks intention to make its customers, as well as other interested consumers, aware of all that we do to ensure that, among other things, our supply chain is free of forced or trafficked labor.

**This statement is made pursuant to Section 54 of the Modern Slavery Act of 2015 and constitutes Starbucks slavery and human trafficking statement for the previous fiscal year (FY20).**

Signed,



Duncan Moir  
president, Europe, Middle East and Africa  
Starbucks  
August 2021