Starbucks Coffee Company

| Particulars About Your Organisation | | | | | | | | |
|--|---------------------|-------------------|--|--|--|--|--|--|
| Organisation Name | | | | | | | | |
| Starbucks Coffee Company | | | | | | | | |
| Corporate Website Address | | | | | | | | |
| www.Starbucks.com | | | | | | | | |
| Primary Activity or Product | | | | | | | | |
| Wholesaler and/or Retailer | | | | | | | | |
| Supply Chain Associate | | | | | | | | |
| Related Company(ies) | | | | | | | | |
| No | | | | | | | | |
| Membership | | | | | | | | |
| Membership Number | Membership Category | Membership Sector | | | | | | |
| 9-0507-14-000-00 | Associate | Organisations | | | | | | |

Retailers

Operational Profile

- 1.1 Please state what your main activities are within retailing
 - End-product manufacturer
 - Own-brand

Operations and Certification Progress

2.1 Do you have a system for calculating how much palm oil and palm oil products you use?

Yes

2.2.1 Total volume of Crude Palm Oil processed and/or traded in the year:

1761.28

2.2.2 Total volume of Palm Kernel Oil processed and/or traded in the year:

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2.2.3 Total volume of other Palm Oil Derivatives and Fractions processed and/or traded in the year:

2.2.4 Total volume of all palm oil and palm oil derived products you processed and/or traded in the year:

1761.28

2.3 Palm Oil volume used in the year in your own brand produts that is RSPO certified

| No | Description | Crude Palm Oil (Tonnes) | Palm Kernel Oil (Tonnes) | All other palm-based derivatives and fractions (Tonnes) |
|-------|---|-------------------------------|--------------------------------|--|
| 2.3.1 | Book & Claim | 12.12 | | |
| 2.3.2 | 2 Mass Balance | 319.28 | | |
| 2.3.3 | 3 Segregated | 115.00 | | |
| 2.3.4 | Identity Preserved | | | |
| 2.3.5 | 5 Total volume of palm oil used that is RSPO-certified: | 446.40 | | |

2.4 Volume of all other palm-based derivatives and fractions covered by Book & Claim

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Time-Bound Plan

3.1 Date expected to start (or year started) using RSPO-certified palm oil products - own brand

2014

3.2 Date expected to be (or already) using 100% RSPO certified palm oil products from any supply chain option - own brand

2016

Comment:

3.3 Date expected to be using 100% RSPO certified oil palm from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) - own brand products

2017

3.4 Does your company use palm oil in products you sell on behalf of other companies?

No

3.5 Do your (own brand) commitments cover your companies global use of palm oil?

Yes

3.6 Which countries that your organization operates in do the above own-brand commitments cover?

- Austria
- Brazil
- Canada
- China
- France
- Germany
- Japan
- Netherlands
- Puerto Rico
- Singapore
- Switzerland
- Thailand
- United Kingdom
- United States

3.7 What are your interim milestones towards achieving these RSPO certification commitment to your own-brands (year and progressive CSPO%) - please state annual targets/strategies

2013 – Make commitment to use only Roundtable on Sustainable Palm Oil (RSPO) certified palm oil from Mass Balance or Segregation traceability systems for Starbucks branded products in company operated stores. - Follow best practices established by major purchasers and the traceability they provide, we communicate requirement to suppliers to use RSPO certified palm oil from Mass Balance and Segregation systems. 2014 - Join RSPO Roundtable and support efforts to improve industry standards. - Starbucks in Japan becomes a company operated market in December. 2015 – Expand Palm Oil Policy to include our zero-tolerance approach to deforestation, preserving high carbon stock and peat areas. - Integration efforts with Japan begin. The Japan market accounts for 71% of Starbucks company-operated volume. They have been working to accelerate their palm oil strategy in 2015 to begin executing against it in 2016. By end of 2016 they will be completely CSPO. By end of 2017 they will be compliant with our mass-balance or better supply chain policy. 2016 - Consistent with our initial public-stated commitment, we will report on our progress toward our 100% goal through RSPO's Annual Communications of Progress reporting process. - Announce a time-bound commitment to extend our palm-oil policy beyond company owned stores as part of Starbucks Global Responsibility 2020 Goals.

3.8 Does your company have a Time-Bound Plan for the use of palm oil in the products you sell on behalf of other companies?

No

Trademark Related

4.1 Do you use or plan to use the RSPO Trademark on your own brand products?

| End-product manufacturer |
|---|
| Ingredient manufacturer |
| Food Goods |
| □ Home & Personal Care Goods |
| Own-brand |
| \square Manufacturing on behalf of other third party brands |
| Biofuels |
| ☐ Adhesives |
| Manufacturer of candles |
| Trade Association |
| C Other: |
| |

We are planning to use the RSPO logo online.

Actions for Next Reporting Period

5.1 Outline actions that you will take in the coming year to promote CSPO use along the supply chain

Excepting the Japan volume, 88% of our palm oil usage is CSPO. We will continue to drive to our goal of 100% CSPO in company operated markets, expecting all countries with the exception of Japan to complete their transition in 2016 and for Japan to reach full compliance by 2018 - recognizing that they were not part of our company owned markets when the original commitment and communication to suppliers was made. We are also in the process of working with our licensed and joint venture partners to encourage them to adopt this same commitment. We are committed to sourcing deforestation free, peat free, and exploitation free palm oil. This approach is consistent with our Coffee and Farmer Equity (C.A.F.E.) and Cocoa Practices programs. In addition we are moving toward a stronger focus on preserving high carbon stock and remaining peat areas and managing existing plantations on peat according to best practices. As members of the RSPO we are committed to working with other members and industry stakeholders to increase sustainable production practices and support innovation.

Reasons for Non-Disclosure of Information

6.1 If you have not disclosed any of the above information, please indicate the reasons why

Application of Principles & Criteria for all members sectors

7.1 Do you have (a) policy/ies, that are in line with RSPO P&C such as:

Water, land, energy and carbon footprints
Uploaded file: R-Policies-to-PNC-waterland.pdf
Ethical conduct and human rights
Uploaded file: R-Policies-to-PNC-ethicalconducthr.pdf
Labour rights
Uploaded file: R-Policies-to-PNC-laborrights.pdf

Stakeholder engagement

Uploaded file: R-Policies-to-PNC-stakeholderengagement.pdf

□ None of the above

7.2 What steps will/has your organization taken to support these policies?

Please see http://www.starbucks.com/responsibility/global-report

Commitments to CSPO uptake

8 As you don"t source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions: Do you have plans to?

Yes

Please specify:

See 5.1

8.1 Do you have plans to immediately cover the differences/gap using Book & Claim?

No

Concession Map

GHG Emissions

10.1 Are you currently assessing the GHG emissions from your operations?

Yes

10.2 Do you publicly report the GHG emissions of your operations?

Yes

Please upload related report: Related report: URL: https://www.cdp.net/en-US/Results/Pages/responses.aspx

Supply Chain Associate

Operational Profile

1.1. What are the main activities of your organisation?

1.2. Activities undertaken to promote sustainable palm oil, the RSPO and/or members in the reporting period

1.3. Do you have any collaborations with the industry players/private sector to support them in the market transformation towards CSPO?

If yes, please give details:

If not, please explain why:

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1.4. Did members of your staff participate in RSPO working groups/taskforces in the reporting period?

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1.5. What percentage of your organization's overall activities focus on palm oil?

1.6. How is your work on palm oil funded?

Actions for Next Reporting Period

2.1. Outline actions that will be taken in the coming year to promote sustainable palm oil.

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Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

- Starbucks is not a direct purchaser of palm oil and we use a diminimous amount in each market. - All palm oil is purchased by our suppliers who bake, assemble or otherwise make products on our behalf. - Rather than centralized recipes and control, we have a focus on market relevance, driven by local decision-making. - Until we finish developing a global ingredient tracking system our reporting is time consuming and manual. - We must individually communicate with and educate a vast, diverse and globally dispersed group of companies to ensure compliance with our palm oil policy. - Given our decentralized structure, reporting is more manual than we would like, but we anticipate improving our process year over year. - Incorporating licensee partners into our palm oil policy and reporting is part of some broader business strategies we are evaluating together that go beyond this one ingredient.

2 How would you qualify RSPO standards as compared to other parallel standards?

| Cost Effective: | | |
|-----------------------|--|--|
| Yes | | |
| Robust: | | |
| Yes | | |
| Simpler to Comply to: | | |

Yes

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

We have worked closely with Conservation International, World Wildlife Fund and other key stakeholders to understand developments in palm oil certification and how we can improve our own supply chain performance, work with individuals to drive change and influence others. By continuing to work with like-minded organizations to drive change at an industry level we can make the greatest impact to protect the environment and ensure human rights. With the adoption of the deforestation policy we are working with internal and external stakeholders to educate on the issues and highlight our ability to impact change. In addition, we have been reaching out to our joint-venture and licensee business partners to understand their current usage of palm oil and policies around certification. We are looking to extend our policy beyond company-operated stores and need to baseline before we finalize our strategy.

4 Other information on palm oil (sustainability reports, policies, other public information)

http://www.starbucks.com/responsibility http://www.starbucks.com/responsibility/learn-more/policies