

STARBUCKS DIVERSITY

Honoring Our Origins
Enriched by Our Blends



DIVERSITY

Starbucks actively creates and promotes an environment that is inclusive of all people and their individual differences.



**“Diversity helps us make better decisions.
It is a part of our value system.”**

**– Orin Smith,
Starbucks president and ceo**

HONORING OUR ORIGINS ENRICHED BY OUR BLENDS

DIVERSITY IS WHO WE ARE

At Starbucks, diversity is a way of life. It is the core of our culture and a foundation for the way we conduct business. Our goal is to attract and retain a workforce that reflects the world, to develop policies and practices that fully utilize the human potential and to create hopes, fulfill dreams and build equity in our partners, neighborhoods and communities.

Starbucks Mission Statement:

Establish Starbucks as the premier purveyor of the finest coffee in the world while maintaining our uncompromising principles as we grow.

Supporting the Mission Statement are six guiding principles that Starbucks uses to measure the appropriateness of all business decisions. The first two Starbucks guiding principles underscore the company's commitment to all people and to diversity.

- 1. Provide a great work environment and treat each other with respect and dignity.**
- 2. Embrace diversity as an essential component in the way we do business.**

"Embracing diversity is not only the right thing to do socially or ethically, it's good for business," says Orin Smith, Starbucks president and ceo. "As the world becomes more and more complex, having a diverse work team helps us be more adaptive as a company. This is especially critical because we are expanding internationally. Diversity helps us make better decisions. It is definitely a part of our value system."

Honoring Our Origins, Enriched by Our Blends

Our Origins. Coffees and teas that come from one country or location are called "single-origin." From whatever region of the world they come, they are an important part of our quality offerings. Each has its own unique flavor, aroma and growing conditions. Each appeals to a segment of our customers. As with these products, our partners (employees) come from unique regions of the globe — each offering a perspective, experience and skill set developed by their surroundings.

Our Blends. Unique combinations of coffees, teas or other ingredients enrich our opportunity to serve our customers unique interests and needs. Blends are woven together, forming a tapestry of texture and taste. Blends have taken us to new heights — with our products, of course, but also with the partners we hire, the customers we serve and the communities where we live and thrive. It is the unique blending of backgrounds, histories, locations and experiences that make us great.

Diversity at Work

- More than 60 percent* of our total workforce is comprised of minorities and/or women.
- More than 35 percent* of Starbucks officers (VP level and higher) are minorities and/or women.
- We hire and retain partners with a variety of disabilities into a diverse pool of jobs.
- We proactively seek out supplier relationships with women-owned, minority-owned and socially-disadvantaged businesses.
- We actively recruit from job fairs focused on minorities, women and people with disabilities.
- Our customer-friendly products and services include kosher coffee, TTY lines for hearing-impaired customers and ADA accessible facilities.
- Starbucks provides hearing relay services as well as language translations for partners with special needs when seeking benefit information.

*Based on available data from Starbucks partners who voluntarily disclose race and gender, as of June 1, 2002.

Diversity Learning. Diversity education and recognition are priorities at Starbucks. Our Diversity Learning Journey workshops are offered to partners to assist with understanding each partner's role in creating a healthy work environment supportive of the diverse experiences and needs of partners and customers. Through eight interactive modules, Starbucks partners are encouraged to learn, share and grow. Topics include Defining Diversity, Exploring Our Origins, Understanding Others' Cultures, and Addressing Assumptions and Stereotypes.

Building Community. Starbucks is proud to be a good neighbor and active contributor in the communities where our partners and customers live, work and play. Giving back to our communities is the way we do business. Starbucks partners everywhere are involved in community-building programs. At Starbucks, we encourage and reward volunteerism and participation in neighborhood clean-ups and leadership activities. We provide support to organizations such as the AIDS Foundation, the Urban League and the President's Committee on Employment of People with Disabilities, just to name a few.

The Starbucks Foundation. Inspired by his childhood experiences and those of other inner city children, Starbucks chairman and chief global strategist Howard Schultz established the Starbucks Foundation in 1997. The foundation is dedicated to creating hope, discovery and opportunity through literacy. Offering financial support and opportunity grants to local community literacy organizations, Jumpstart and the Language of Hope young writers program, the Starbucks Foundation contributes positively to our communities, environment and youth.

Urban Coffee Opportunities. Created in 1998, Urban Coffee Opportunities (UCO) is a unique partnership of Starbucks and Earvin "Magic" Johnson's company Johnson Development Corporation (JDC). Combining the retail strength of Starbucks Coffee Company with JDC's knowledge of underserved communities in key metropolitan areas, UCO brings retail vitality and economic opportunity to underserved neighborhoods. The presence of a Starbucks store can be a catalyst for other business development in a community, as well as an inviting place to work and enjoy conversation and coffee. Currently there are more than 30 UCO locations across North America with more new stores opening every year.



Supporting Diversity through Partner Benefits and Savings

Our guiding principle, *to embrace diversity as an essential component in the way we do business*, is an important element of our benefits and savings programs for Starbucks partners.

Partner Benefits. Our various benefit programs support the choices an eligible partner makes based on individual needs, personal preferences and financial goals. Diversity support includes:

- Multiple medical plan options from which partners may choose based on their individual health coverage needs.
- Participation in comprehensive medical, dental and vision coverage for part-time partners.
- Optional same-sex or opposite-sex domestic partner coverage in health and life insurance.
- Working Solutions, a service that assists partners with identifying and accessing resources and child/family services and with obtaining information on a wide variety of topics including aging, estate planning, debt management and financial services.
- Financial assistance to adopt a child.

Partner Savings. The provisions within our savings plan and services support the choices an eligible partner makes based on individual needs, personal preferences and financial goals. Diversity support includes:

- A choice of eight investment funds from which partners may invest based on individual financial goals, short- and long-term needs, tolerance for investment risk and social consciousness.
- Investment options include a socially conscious investment fund for partners choosing to invest in companies that produce life-supportive goods and services. Companies engaged in weapons-related products or engaged in the liquor, tobacco and gambling industries are excluded from the fund's portfolio.
- Flexibility to access the Future Roast 401(k) Savings Plan through loans and withdrawals for individual financial needs, from purchasing a home to meeting health care needs to planning for retirement.
- Offering Working Solutions as a resource to help partners with identifying and accessing resources and child/family services. Working Solutions can assist with obtaining information on a wide variety of topics, including debt management, selecting a financial advisor and estate planning.

Each of these aspects of our benefits and savings programs support the diverse interests and needs of our partners.

For more information about Starbucks Coffee Company and our career opportunities, visit our Web site at www.starbucks.com.

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