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A message from Kevin Johnson: Going forward together as one Starbucks

Subhead: “You can trust that while we are on this journey together, we will always be one Starbucks, grounded in the belief that partners are the heartbeat of this company,” writes chief executive officer Kevin Johnson in a holiday message.

Partners,

As I enjoy one of my favorite coffees, Starbucks Christmas Blend, I reach out to you today to reflect and to share some thoughts about the future.

Staying true to our Mission and Values

We’ve navigated a global pandemic by staying true to our Mission and Values and by prioritizing the health and wellbeing of our partners and customers. Together, we implemented new store safety protocols, provided economic certainty to our fellow partners, invested in comprehensive COVID-19 care and benefits and gave free coffee to front line health care workers and first responders. And through it all, the hero in this story is you – our Starbucks partners – who show up in service of people and communities every day. We are all feeling stress and living with the fear of COVID, yet you bring joy to people seeking that special Starbucks Experience. You continue to be a light for each other, for our customers and for the communities we serve. And for that, I am so proud and grateful.

The world has forever changed

As we face the future, it’s clear COVID has changed everything. For example, 5 million Americans have left the workforce during the pandemic, a reality you experience daily. Global supply chain dislocations continue to impact businesses around the world, including Starbucks. Inflation is creating financial pressure on families, and the struggle for racial justice and equity continues. And now, the Omicron variant is creating more challenges in an already uncertain environment. This weighs on humanity, our society and on each of us.

Fortunately, humanity is core to Starbucks, and we take pride in challenging the status quo and leading during times of adversity. And this time will be no different. My commitment to you is that we will continue to navigate into the future together, as one Starbucks.

Together, we will overcome these challenges

We are taking action, quickly, because we know that with more customers coming back to our stores, these macro challenges have created even more pressure for our stores, and all of you. We have heard you, and we are making progress on the toughest obstacles – increasing recruiting staff across the U.S., hiring 5,000 new partners each week, investing an unprecedented \$1 billion in wages, training, and hours, deploying new equipment and technology and continuing to support leaders in markets across the country.

There is more to do as we continue to adapt to the long-term realities of COVID. This will involve reimagining our future – continuously listening to improve the partner experience and treating each

other with respect and dignity. And although we will never be perfect, together we will create our best path forward.

There is only one Starbucks

That leads me to the situation in Buffalo, where this week partners in three individual stores will decide if they want to be represented by a union.

Unlike others in our industry who operate a franchise model, we have a network of company-operated stores that work together to create a better partner experience. Why does this matter? Many of you have told me you greatly value the flexibility to work between stores, to swap and pickup shifts, giving you the opportunity to connect with partners across different stores as one community. Because of this, we feel strongly that all partners in Buffalo should have a voice in the elections, which may unfortunately not be the case. While we recognize this creates some level of uncertainty, we respect the process that is underway and, independent of any outcome in these elections, we will continue to stay true to our Mission and Values.

Optimistic for the future

As they have through our 50-year history, our Mission and Values will guide us to lead and innovate in ways that are most meaningful to our partners. In fact, the achievements and offerings we are most proud of are because of you: health care benefits, Bean Stock to give you each equity in the company, the Starbucks College Achievement Plan, mental health support through Lyra, our Third Place Policy, our parental and sick leave benefits, evolution of our dress code, some of our most innovative menu offerings and so much more.

So, what can you expect going forward? First, we will work each day to exceed the expectations of our partners as you, in turn, create that great Starbucks Experience for our customers. Second, we will always be transparent and authentic – even when we need to have tough conversations. And finally, you can trust that while we are on this journey together, we will always be one Starbucks, grounded in the belief that partners are the heartbeat of this company.

These principles will guide us, ensuring that our legacy of treating one another as partners is lived out every day, in every market, in every store.

Happy holidays, and I look forward to connecting again soon.

With gratitude,

Kevin