



January 27, 2023

To Our Shareholders

Over the years and throughout our years of joint service on the board, we have returned often to the origin story of 1912 Pike Place, our first and still-beloved storefront in the heart of Seattle. When you step inside the front doors of this tiny space, you are transported into another world. This is a place where on either side of the well-worn wood counters, visitors and baristas converse like old friends and celebrate the craft and care that goes into every cup of Starbucks coffee. There's an enduring energy and spirit in the air that inspires us and reminds us of the extraordinary journey Starbucks has traveled over five decades.

We've grown from just four stores to nearly 36,000; from serving a few hundred customers a day to now more than 100 million customer occasions daily around the world.

At the heart of it all is the Starbucks secret sauce – our people and their ability to create magic through coffee and connection.

Reinvention

Last summer, we set off in a new direction. Together with our partners, we have co-created a Reinvention plan that touches every aspect of the *Starbucks Experience*. For our customers, we are using technology to make their visits to our stores personalized and effortless, while also freeing up store partners to focus on creating more moments of connection. We are meeting them where they are, whether that's a Cold Brew on the go from a Pick-Up store, a quiet moment with a cappuccino inside one of our cafés, or a deep-dive into coffee education with a workshop at our new Starbucks Reserve location at the Empire State Building. For our partners, we are equipping them with better tools and training and have committed more than \$1 billion in partner and store experience investments. We are bringing coffee excellence, coffee craft, and joy and a little bit of love back into being a Starbucks barista.

Over the past year, we have seen that the demand for Starbucks is greater than ever. In fiscal 2022, global revenues grew 13 percent* over the prior year to a record \$32.3 billion, driven by phenomenal 8 percent global growth in comparable store sales. Starbucks International continues to drive growth for the company, and we expect two-thirds of global retail growth over the next three years to come from our international business. As we continue to navigate the COVID pandemic and its impacts in China, we are focused on supporting our partners and leaders in the market and look forward to a bright future ahead.

Our impact at Starbucks ripples on a global scale. We take this responsibility seriously and strive to make a positive difference in the lives of the people we serve and the planet we share. We believe that every partner and every customer should have a sense of belonging at Starbucks, and should be able to be their authentic selves every day. We are dedicated to advancing racial and social equity, and we are committed to furthering that work with intention, transparency, and accountability. We are striving to be a resource-positive company, to give back more of the planet's resources than we consume. To help us get there, we have clear and ambitious sustainability targets to reduce our carbon, water, and waste footprints in half by 2030. Additionally, we are integrating sustainability throughout our Reinvention efforts, working to ensure we are considering the impacts to sustainability with each one of our strategies.

Onward

The new fiscal year also marks a new chapter with incoming ceo, Laxman Narasimhan. Since joining the company in October, he has been traveling around the world and immersing in our company and culture. Each day we have together, including time in Origin with our extended leadership team this Fall in Hacienda Alcasia, Costa Rica, we are reminded he is an extraordinary global citizen and servant leader who is embracing the vision of Starbucks in his own way.

We are both so proud of the company Starbucks is today and will be tomorrow, and profoundly grateful to the more than 400,000 Starbucks partners who are a part of this great odyssey. We would also like to extend our appreciation to the Starbucks Board of Directors for their leadership and support during this time of reinvention and renewal. We are laying the foundation for the future of a Starbucks even more true to our shared mission: To inspire and nurture the human spirit – one person, one cup and one neighborhood at a time.

With respect and gratitude,



Howard Schultz
chief executive officer



Mellody Hobson
independent chair of the board

*Growth rate is based on a 52-week basis. Please refer to Appendix A in Starbucks 2022 Proxy Statement for Reconciliation of Extra Week.

Forward-Looking Statements

Certain statements contained herein are "forward-looking statements" within the meaning of the applicable securities laws and regulations. Generally, these statements can be identified by the use of words such as "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "will," "would" and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements are based upon information available to Starbucks as of the date hereof, and Starbucks actual results or performance could differ materially from those stated or implied due to risks and uncertainties associated with its business. These risks and uncertainties include, but are not limited to, the risks detailed in the company filings with the Securities and Exchange Commission, including the "Risk Factors" section of Starbucks Annual Report on Form 10-K for the fiscal year ended October 2, 2022. We assume no obligation to update any of these forward-looking statements.