

# **Starbucks Supplier Code of Conduct**

### **PURPOSE AND SCOPE**

Starbucks believes that conducting business responsibly and ethically benefits society, including our partners (which is how we refer to our employees), customers, farmers and other suppliers, shareholders, and community members. This Starbucks Supplier Code of Conduct ("Supplier Code") sets out our expectations for suppliers, farmers, vendors, contractors, consultants, agents, distributors, and other providers of goods and services who do business with Starbucks (collectively "Suppliers") in the areas of ethical business conduct, anti-corruption, responsible sourcing, human and labor rights, health and safety, and environmental protection.

This Supplier Code sets forth expectations, requirements, policies, procedures, guidelines, operational standards, and codes of conduct applicable to Suppliers. All Suppliers are expected to follow this Supplier Code as a condition of doing business with Starbucks. Starbucks may amend, update, or revise the Supplier Code in its sole discretion at any time. This Supplier Code does not create any rights for any person or entity other than Starbucks and its affiliated entities.

This Supplier Code is in addition to, and not in lieu of, the provisions of any other legal agreement or contract between a Supplier and Starbucks or between their respective affiliates. Suppliers are solely responsible for ensuring that all persons within their supply chain, including their own suppliers, vendors, contractors, consultants, agents, third-party labor agencies, and other subcontractors (collectively "Subcontractors") comply with this Supplier Code and any other of Supplier's contractual obligations.

In addition to this Supplier Code, Suppliers must comply with other supporting standards, guidelines, and policies set forth in the Appendix to this Supplier Code.

#### **SUPPLIER EXPECTATIONS**

**Compliance with Local Laws and International Regulations**Suppliers are required to abide by all Applicable Laws (as defined below). Where Applicable Law differs from this Supplier Code, we expect suppliers to comply with the more stringent requirements. As used in this Supplier Code, "Applicable Law" means any law, rule, regulation, regulatory interpretation, order, injunction, notice, approval, judgment, or settlement of any national, federal, state, provincial, or local government or governmental department, agency, court, board, or the like that applies to Supplier or its assets or business.

# **Responsible Sourcing Practices**

In addition to compliance with all Applicable Laws, Suppliers must adhere to all Starbucks responsible sourcing program requirements and commitments, including C.A.F.E. Practices, Ethical Sourcing Standards for Goods and Services, and other commodity-specific commitments such as Sustainable Dairy, Sustainable Palm Oil, Responsible Mineral Sourcing and Animal Welfare, where applicable to the goods or services of the supplier (please see Appendix to this Supplier Code of Conduct).

# **Transparency**

When requested to do so, and subject to Applicable Laws, Suppliers must provide transparency into their operations, policies, and processes and provide relevant records to Starbucks or its designated third party. Suppliers must disclose conditions that may conflict with Starbucks standards and policies or Applicable Laws in facilities and on farms that produce, store, or handle Starbucks products and ingredients or provide services to Starbucks. It is the responsibility of the Suppliers to ensure that their Subcontractors either disclose such conditions to the Supplier or directly to Starbucks.

### **Supply Chain Management Systems**

Suppliers must establish management systems to continually monitor their due diligence processes related to this Supplier Code, including the establishment of regular review of policies and practices and a process to identify the legal compliance, environmental, health and safety, and labor and human rights risks of their operations.

### **Grievance Mechanism and Remedy**

We expect Suppliers to establish and maintain effective grievance mechanisms and complaints procedures applicable both to themselves and their Subcontractors to receive and respond to concerns relating to the topics discussed in this Supplier Code and provide access to remedy consistent with the United Nations Guiding Principles on Business and Human Rights.

### **Communications of Expectations**

We expect Suppliers to communicate Starbucks expectations and provide all necessary materials and support to Subcontractors to ensure compliance with this Supplier Code.

### **Training**

We expect our Suppliers to ensure that their employees and Subcontractors receive sufficient training on compliance with the requirements and expectations of this Supplier Code, and their corresponding rights.

### **BUSINESS INTEGRITY AND ETHICAL CONDUCT**

# **Anti-Bribery and Anti-Corruption**

Suppliers must not engage in any form of bribery or corruption. Specifically, Suppliers must not directly or indirectly give or accept anything of value or make payments, promises, or offers that would improperly impact, or could be perceived to improperly impact, business transactions with government officials or individuals in the private or commercial sector. Consistent with these principles, suppliers acting on behalf of Starbucks must comply with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, all other Applicable Laws relating to anticorruption, and the Starbucks Global Anti-Bribery Policy.

### **Sanctions and Trade Compliance**

Suppliers must comply with all Applicable Laws relating to customs and trade, including those governing both imports and exports. Suppliers must ensure that all information and documentation required for international shipments, imports, and exports is true, accurate, and complete. This includes any statement, claim, or certification of origin relating to goods supplied to Starbucks. Suppliers must not engage directly or indirectly in any transaction prohibited by any law administered by the U.S. Treasury Department Office of Foreign Assets Control ("OFAC") or by any other Applicable Law related to economic or trade sanctions.

### **Facility and Supply Chain Security**

Suppliers must maintain security at all facilities and implement supply chain security procedures related to product safety and prevention of non-manifested cargo into shipments (e.g., illicit drugs, explosives, biohazards). We work with our Suppliers to strengthen the global supply chain to achieve the minimum-security criteria as outlined in the U.S. Customs Trade Partnership Against Terrorism ("CTPAT") program. Additional information is available at cbp.gov.

#### **Protection of Data and Information**

Suppliers must at all times comply with all Applicable Laws, relating to data protection, privacy, and confidentiality of personal data. Suppliers must ensure the security of their information technology, including all systems, hardware, software, and supporting infrastructure. This

obligation includes safeguarding all data relating to their work as a Supplier and securing and protecting access to all stored or archived data relating to their work as a Supplier.

### **Maintaining Books and Records**

Suppliers must maintain and preserve books, accounts, and records in reasonable detail to accurately and fairly reflect all transactions relating to work as a Supplier and to verify compliance with this Supplier Code and all Applicable Laws. Subject to Applicable Law, such books and records must be made available to Starbucks upon request.

# **Fair competition**

Suppliers' business dealings should always be fair, legal, and honest. Suppliers must not engage in any price fixing, bid rigging, market allocation, predatory pricing, or other illegal competition practices. Further, Suppliers must not exchange current, recent, or future pricing information with competitors in violation of Applicable Laws relating to antitrust or competition.

### **Anti-harassment**

Suppliers must not tolerate any harassment based on sex, race, color, national origin, religion, sexual orientation, gender identity, physical disability, mental disability, age, veteran status, marital status, or any other characteristic protected by Applicable Law. Suppliers must not use or permit corporal punishment or any other form of physical or psychological coercion, including verbal abuse, threats, intimidation, or sexual harassment. Suppliers must maintain a workplace where all workers are treated with dignity and respect, free of all harassment in all forms, including unwelcome verbal, visual, physical, sexual, or any other type of conduct that creates an intimidating, offensive, abusive, or hostile work environment.

# **Conflicts of Interest**

Suppliers must avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest in their dealings with Starbucks. This includes a conflict between Starbucks interests and (i) the personal or company interests of the supplier, or (ii) the interests of the suppliers' directors, officers, employees, agents, representatives, and affiliates, or their families, respective close relatives, associates, or other close relationships. Suppliers must refrain from offering gifts or excessive hospitality to Starbucks partners or designated representatives that might influence, or be perceived to influence, decision making. Suppliers acknowledge Starbucks Gifts & Entertainment Standard, contained within the <a href="Starbucks Starbucks Conduct">Starbucks Starbucks Conduct</a>, and will adhere to such standard when providing business courtesies to Starbucks partners.

# **Continuous Improvement**

We expect our Suppliers to demonstrate a commitment to continuous improvement and engage in improvement processes around business integrity and standards of ethical conduct. If required by Applicable Law, suppliers are to conduct human rights and environmental due diligence to identify, prioritize, and address their most salient risks.

#### LABOR AND HUMAN RIGHTS

Starbucks respects the human rights of individuals and communities impacted by our operations and products and extends these expectations to Suppliers throughout our global supply chain. Starbucks commitment to labor and human rights is informed by certain international instruments, such as the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

### **Forced Labor and Human Trafficking**

Suppliers must not use any forced or involuntary labor, including through Subcontractors. This includes the use of slave labor, bonded labor, indentured labor, or prison labor.

#### **Child Labor**

Suppliers are prohibited from utilizing Child Labor. "Child Labor" refers to any type of work that is likely to jeopardize the health, safety or morals of young persons as determined by Applicable Law or that interferes with compulsory schooling.

Suppliers must not directly or indirectly employ individuals under the applicable legal minimum age of employment in the jurisdiction in which they are working and must ensure that any employment of younger workers does not interfere with compulsory education requirements in such jurisdiction. If a Supplier is doing business in a jurisdiction where there is either no established minimum legal age of employment, or where Applicable Law allows for employment of individuals under the age of 15, then Suppliers may only employ such individuals if the work to be performed is in accordance with the provisions of International Labor Organization ("ILO") Convention 138 applicable to work by persons under the age of 15.

#### **Responsible Recruitment**

No worker, including migrant or agency-recruited workers, should be required to pay a fee to secure employment. Suppliers are responsible for paying all recruitment fees and related costs incurred, unless allowable by Applicable Law, in the recruitment process irrespective of the manner, timing, or location of where they are charged or collected. Prior to obtaining their written consent, workers should be fully informed about the terms and conditions of their employment, as well as the Applicable Laws related to laws in the place of work.

### **Migrant Workers**

Suppliers must follow all Applicable Laws and act in strict accordance with relevant international legal agreements between the sending and receiving countries when hiring workers directly or indirectly through third party contract or temporary labor agencies.

### Wages, Benefits and Working Hours

We expect our Suppliers to comply with all Applicable Laws relating to hours, overtime, rest periods, compensation, benefits, and access to records. We expect our Suppliers to pay their workers, including trainees, at least the cash equivalent of the minimum legal wage.

# **Freedom of Association and Collective Bargaining**

We expect our Suppliers to respect the principles of freedom of association and the right to collective bargaining consistent with applicable national law and practice. Our expectations are informed by the ILO Declaration on Fundamental Principles and Rights at Work.

# **Safe and Healthy Working Conditions**

We expect our Suppliers to provide workers with a safe and healthy work environment and comply with Applicable Laws relating to working conditions, including workplaces and living quarters used to house workers.

# **Equality and Non-Discrimination**

We expect our Suppliers to treat workers with respect and dignity, such that there be equal employment opportunities for workers and no discrimination. We expect terms and conditions of employment to be based on each individual's ability to do the job, not on personal characteristics or beliefs, the basis of race, color, national origin, gender identity, sexual orientation, religion, disability, age, parental status, pregnancy, or other factors prohibited by Applicable Law.

### **Indigenous Peoples and Communities**

We expect our Suppliers to comply with Applicable Laws regarding Indigenous Peoples and local communities (IPLCS).

#### **ENVIRONMENTAL STEWARDSHIP**

Suppliers must ensure compliance with all Applicable Laws relating to the environment. We expect Suppliers to utilize sustainable materials and manufacturing methods to conserve natural resources and prevent waste and pollution. Suppliers should pursue efforts to reduce their environmental impact in areas relevant to their business and value chain, such as greenhouse gas emissions, energy, water, deforestation, waste, and packaging. Starbucks expects Suppliers to set targets and implement action plans for measuring, managing, and disclosing the environmental impacts of their business. Suppliers are expected to share information regarding these efforts with Starbucks if requested.

#### **COMPLIANCE AND CORRECTIVE ACTION**

Starbucks reserves the right to verify compliance with this Supplier Code. Suppliers must allow both announced and unannounced inspection of their records, facilities, and operations. Verification may be conducted by Starbucks or a third party designated by or otherwise acceptable to Starbucks and may include inspections, employee interviews, and a review of records, books, and business practices. Supplier must have a process for timely correction of any nonconformities or violations identified by an internal or external audit, assessment,

inspection, investigation, or review. Failure to comply with the Supplier Code, failure to comply with verification activities, or failure to work with Starbucks or a third party to correct non-complying situations, are grounds for cancellation of open orders, discontinued use of non-complying sites, or termination of our business relationship.

#### **APPENDIX**

# Starbucks Policies and Guidance Referenced in this Supplier Code

- Starbucks Ethical Sourcing Standards for Goods and Services
- Starbucks Coffee and Farmer Equity (C.A.F.E.) Practices
- Starbucks Conflict Mineral Policy Statement
- Starbucks Sustainable Palm Oil
- Starbucks Standards of Business Conduct
- Starbucks Global Human Rights Statement