

Frank Britt

executive vice president, chief strategy and transformation officer



Investor

DAY 2022

PARTNERS • STORES • CUSTOMERS

Reinventing Starbucks



Five Strategic Shifts

1

Mission

2

Partner

3

Customer

4

Store

5

Together

1

Mission

2

Partner

3

Customer

4

Store

5

Together

1

Mission

2

Partner

3

Customer

4

Store

5

Together

1

Mission

2

Partner

3

Customer

4

Store

5

Together

Coffee



1

Mission

2

Partner

3

Customer

4

Store

5

Together



This store
stands for this
community.
Local contractors.
Local partners.
Local love.



American frontline labor market is undergoing tectonic shifts and leading companies are responding with urgency

>50%

Food and retail workers that have left the sector are unlikely to return

~2.5M

Open positions for retail, trade and leisure, and hospitality workers in August 2022



ORIENTATION & FRAMING

- Labor to talent
- Cost center to lifetime value
- Traditional to untapped labor pools



WORK EXPERIENCES

- Fixed schedules to "anytime shifts"
- Wage only to total rewards
- One-size-fits-all to personalized career maps



JOB DESIGN

- Human-driven to workflow/automation
- Productivity to whole person
- Talent-taking to talent-making

Starbucks employer brand is strong, our turnover is best in class and retention rates are improving, again

TOP EMPLOYER

ANNUAL STORE EMPLOYEE TURNOVER
RELATIVE TO STARBUCKS

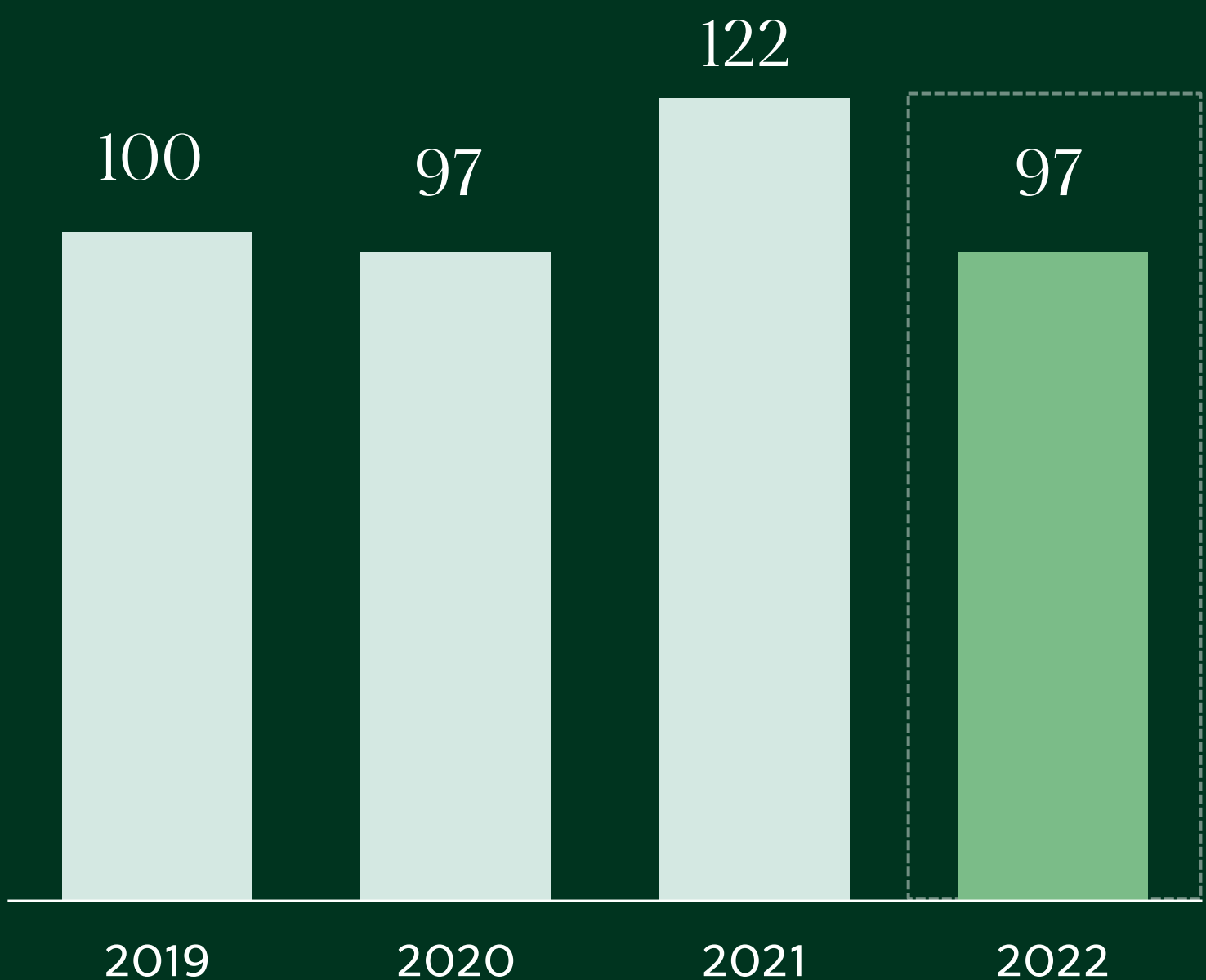
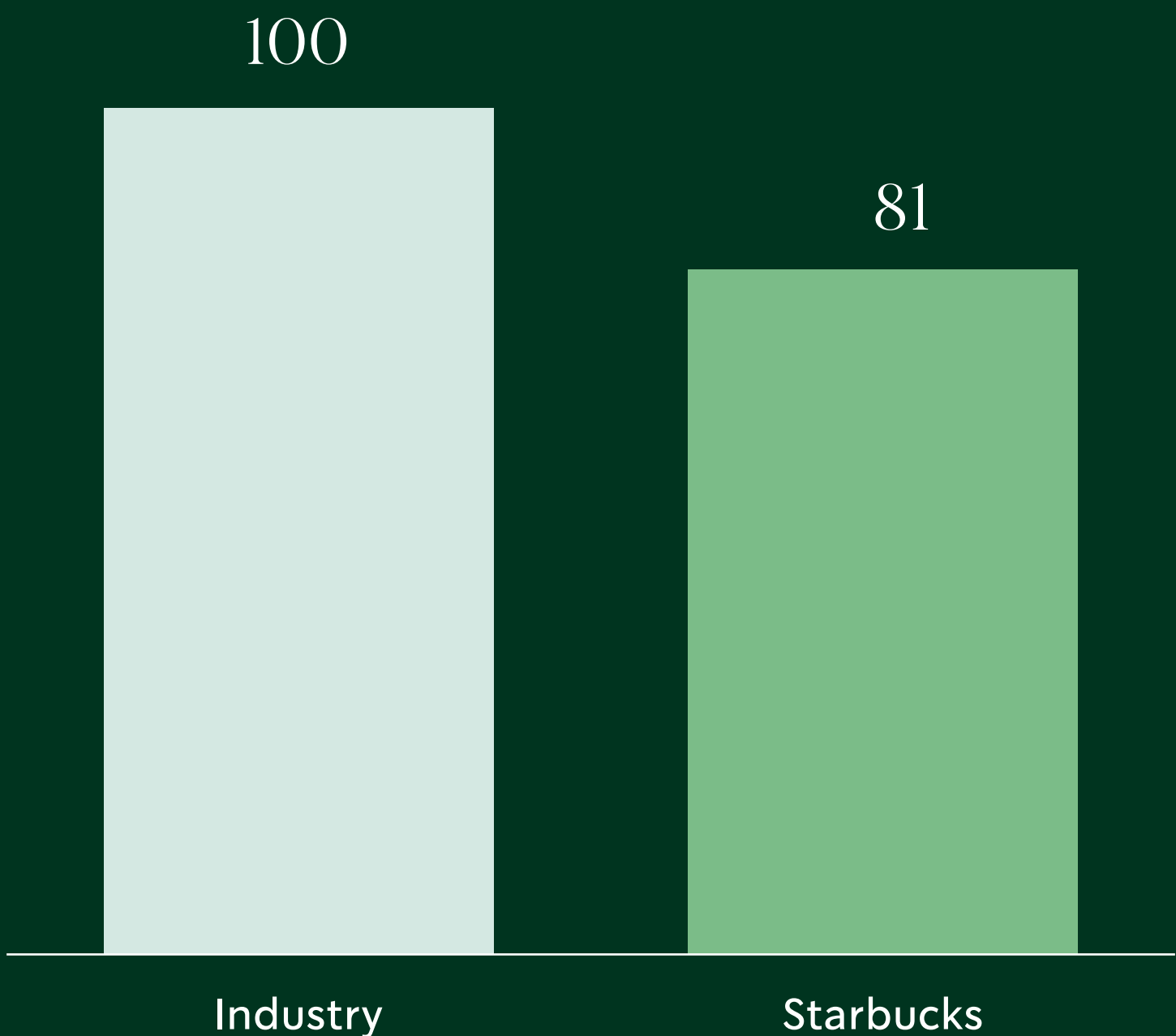
STARBUCKS QUARTERLY TURNOVER
INDEXED RELATIVE TO HISTORIC RATES



We remain
a preferred
employer in retail



183K
partners hired LTM



Source: 1. Starbucks Retail 360 Dashboards, 52-week rolling turnover (July 2021-June 2022) for Starbucks Retail Partners and Bureau of Labor Statistics 52-week rolling turnover (July-June 2022) for All Accommodations and Food Service Employees; 2. Starbucks Retail 360 Dashboards 3-month turnover May-July 2019, 2020, 2021 and 2022

STRESSORS

Customization is at a new high.
Technology and equipment
can't keep up.

Struggling
emotionally
and mentally.

Partners are
undertrained and
anxious for support.

There's little time to
celebrate coffee or for
partners to connect with
each other or their
customers.

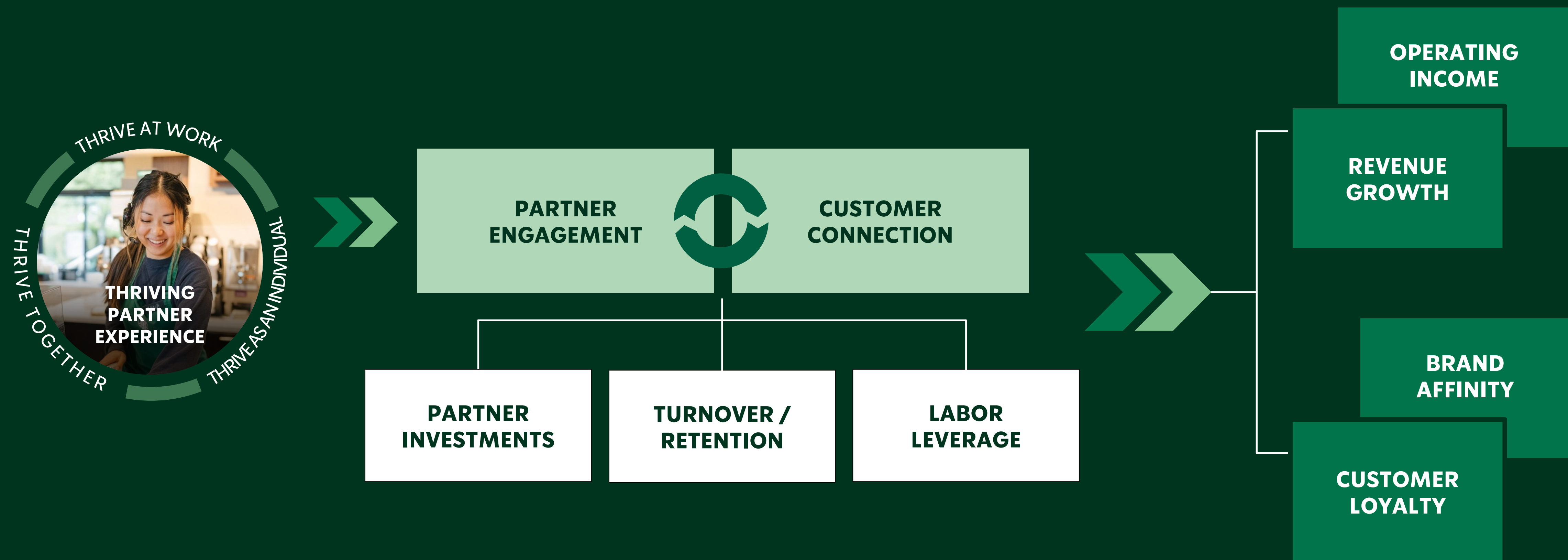
Safety concerns and
store volume take
priority over all else.

Partners are seeking
belonging and
community.

Partners are asking to:



A thriving partner is catalytic to our business and brand





THRIVE AT WORK



IMPLEMENTED PROGRAMS



LAUNCHING



TO IMPLEMENT IN THE FUTURE



Incremental wage investments to \$17/hour.¹

Doubled in-store training for hourly partners

Re-introduced Black Apron and Coffee Master program

My Starbucks Savings²

Student Loan Management Benefit²

1	Wage innovation
2	New well-being benefits
3	Recognition and connection

¹ Eligibility based on whether there was labor activity at the store at the time of the announcement not implementation

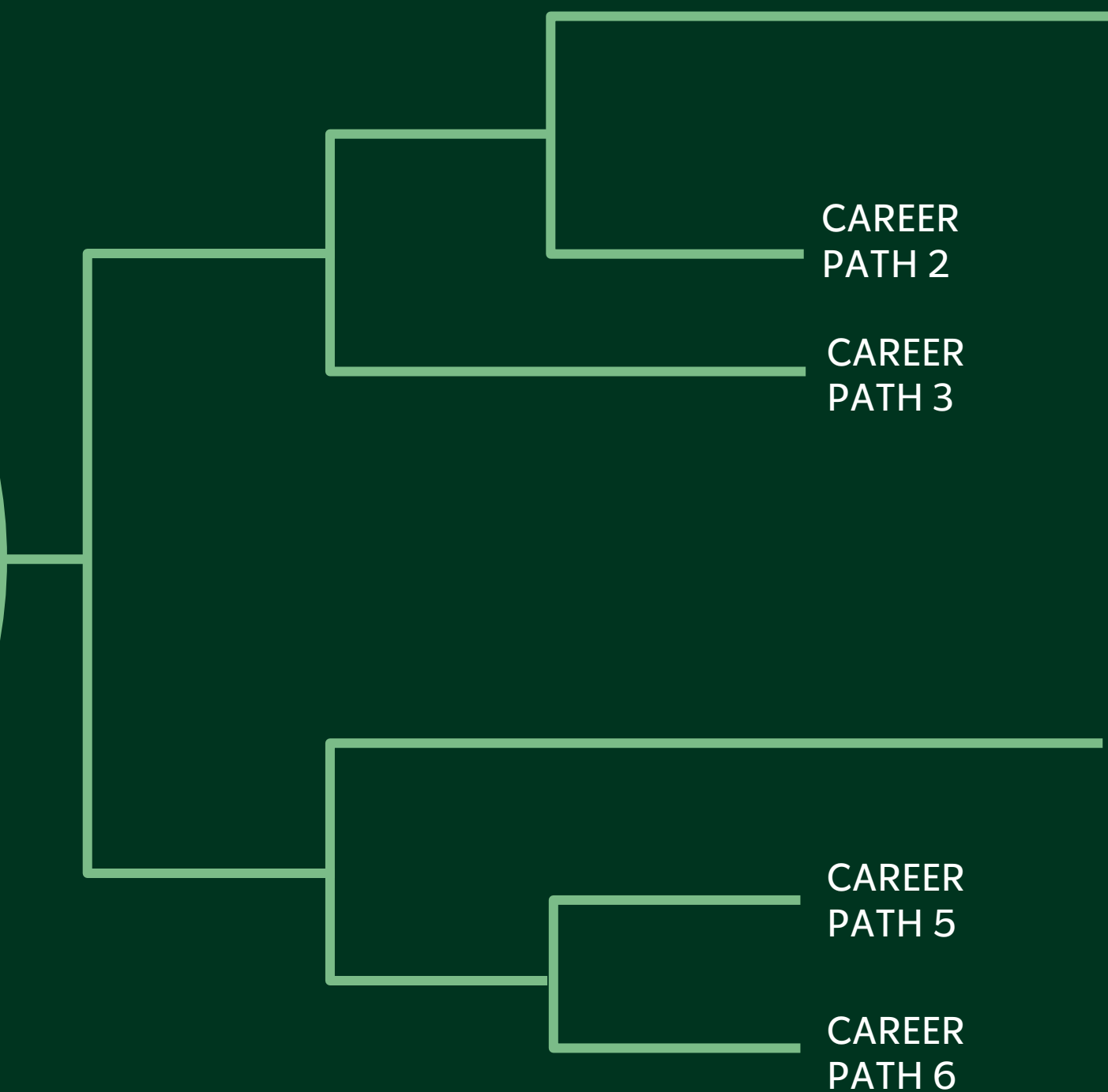
² Programs begin September 19, 2022



THRIVE AS AN INDIVIDUAL



Personalized career mobility



INDEPENDENT STRIVERS

- Prioritize stability in shifts and reliable paycheck
- Desire more hours and higher total pay over other perks / benefits
- Dependent on their paycheck from Starbucks to support their family and their basic needs



PASSIONATE CAREER BUILDERS

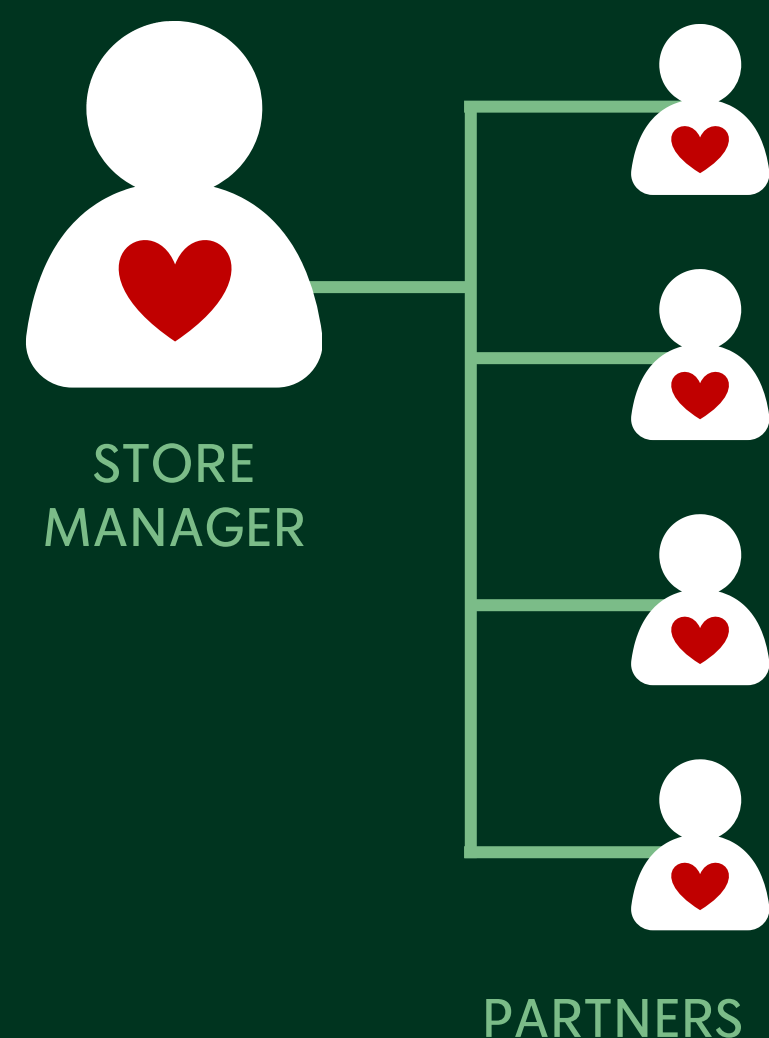
- Striving to grow their careers at Starbucks
- Leverage nearly all the benefits available to them as partners
- Passionate about the job and likely to be vocal advocate for Starbucks



THRIVE TOGETHER



BUILD



1

New leadership trainings

2

Reinvention of scheduling and decisioning tools

3

Career journey mapping



RETAIN

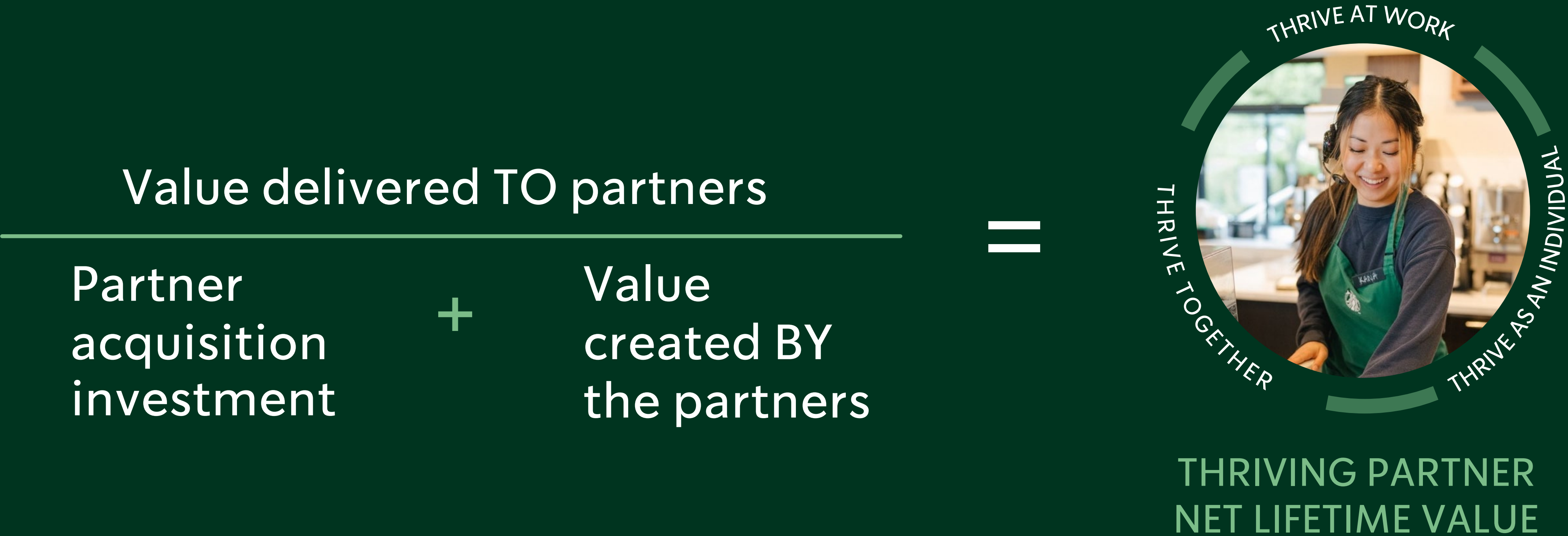
Stores managed by partners with >3 years of tenure have:

–8.1ppt
average lower barista turnover

+3ppt
higher customer connection

+13%
greater weekly sales

Our partner lifetime value equation



This is just the beginning...

We are launching the
**Partner Experience
Innovation Center**



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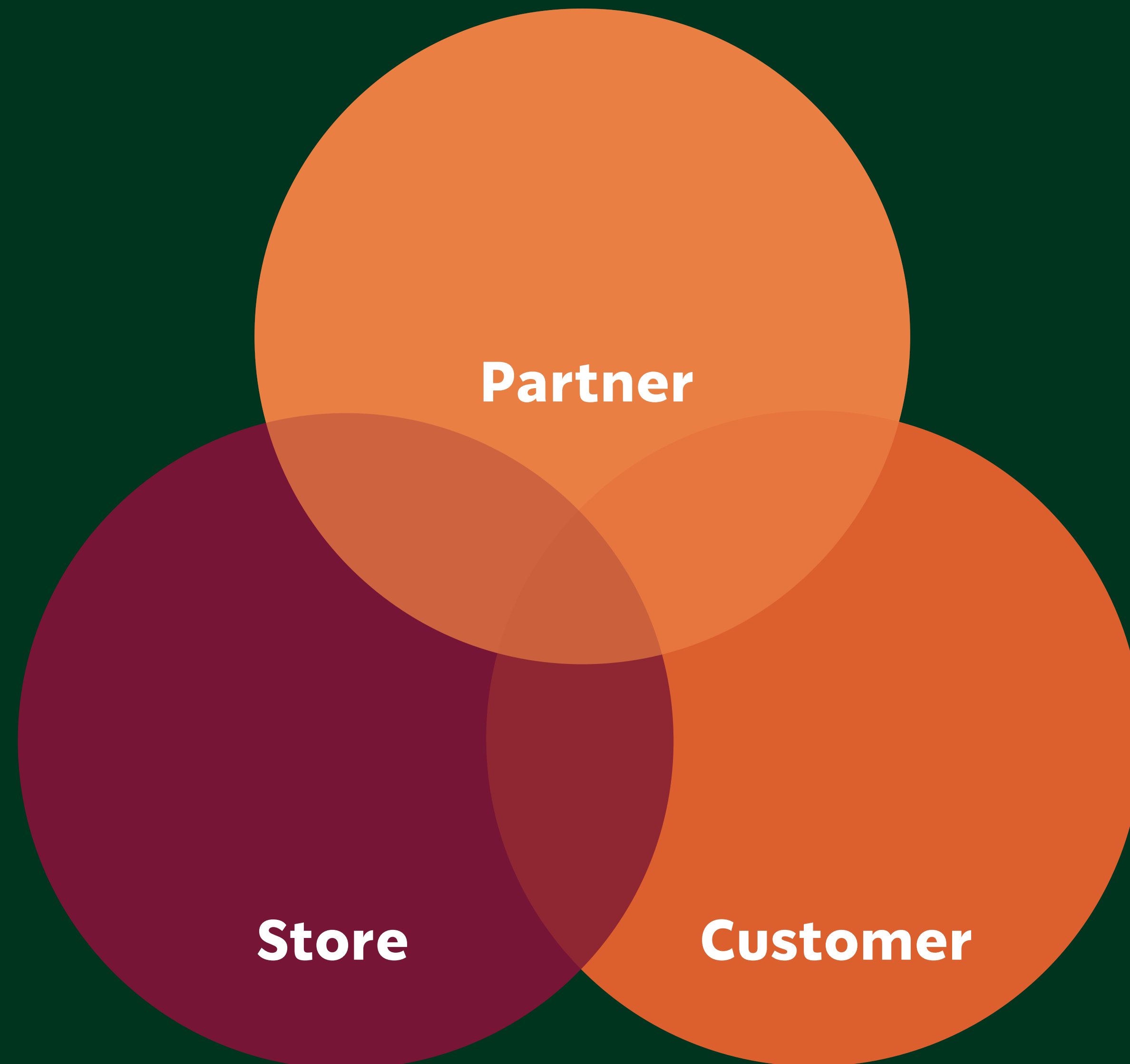
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