

# 2025 Annual Meeting of Shareholders: Additional Submitted Investor Questions

**Q: Did the transition away from plastic straws result in more or less plastic usage overall? How much did this cost shareholders?**

Starbucks introduced strawless lids many years ago and has a compostable PHA straw available for those who require a straw to enjoy their beverage. We regularly report our progress to reduce waste and our environmental impact in our Global Impact Report.

We have not disclosed the financial impact of strawless lids.

**Q: Do you view the return to office trend as a net positive for the business?**

Starbucks is a company built on human connection with coffee at our core. This extends to our ways of working at the Starbucks Support Center. In March 2025, we announced meaningful changes to how our support teams are organized and how we work, making sure that we have the capacity and capabilities to deliver on Back to Starbucks, and are prioritizing the areas that have the biggest impact on the experience in our stores.

To deliver on Back to Starbucks, being together gives us a chance to work collaboratively, operationalizing decisions quickly and thoughtfully. This benefits our partners and contributes to the success of Starbucks.

**Q: Do you expect to add new breakfast entrees to meet potential increased business?**

We're starting to simplify our menu to focus on fewer, more popular items, executed with excellence. We expect this will make way for innovation, help reduce wait times, improve quality and consistency, and align with our core identity as a coffee company. As we do, we'll work to lead with breakthrough beverage and food innovation.

**Q: With the return of personal notes on Starbucks cups, how do baristas "personalize" ceramic in store mugs or on the reusable To-Go cups?**

When customers order at the register, our baristas and customers are able to share a moment of connection.

Recently we brought back personalized writing on cups and bags, which is a unique moment on connection between our Green Apron Partners and to-go customers. As we scale this process, it is currently only on to-go packaging.

**Q: When will in-person shareholders meetings resume?**

We are committed to ensuring, to the extent possible, that shareholders will be afforded the ability to participate at the virtual meeting like they would at an in-person meeting. Due to the financial burden of traveling to an in-person meeting, the virtual format allows for higher attendance and greater representation of shareholders at the meeting, including our store partners, who are eligible to share in the company's success through Starbucks stock. Starbucks is committed to providing an accessible experience.

Whether or not you participate in the Annual Meeting, it is important that your shares be part of the voting process.

**Q: The Company bylaws provide that should an incumbent director in an uncontested election fail to receive majority vote support, his or her board service will end no later than 90 days of the vote certification. Is the Board's lack of post-election discretion to exercise its business judgment as regards the status of such a director a competitive disadvantage given market practice, specifically does it hinder the task of finding and keeping outstanding board nominees.**

This practice is considered "majority voting," and helps make board members responsive to the shareholders they represent. Nearly 90 percent of S&P 500 companies use majority voting in some form. We believe that the provisions in our Bylaws are customary and do not put Starbucks at any disadvantage in the recruitment or retention of outstanding board members.

As stated by the [Council of Institutional Investors](#), in order to be workable, any majority vote requirement must be coupled with some form of "holdover" provision ensuring reasonable accommodation for a smooth transition in the event of a director's defeat. The purpose of a holdover provision is twofold: to safeguard against a hasty recruitment process for a suitable replacement, and to maintain compliance with the company's governing documents, contractual agreements, exchange listing standards and regulatory requirements throughout the transition period. Holdover provisions typically allow 90 days for the transition, which is reasonable in certain circumstances.

**Q: Starbucks still does not match employee donations to certain otherwise eligible 501(c)(3) organizations because of their religious status. How does this square with Starbucks' commitment to equality of treatment for employees?**

Please refer to our website for details on the [Giving Match](#) program. For additional clarity, a 501(c)(3) that has a religious affiliation would not generally be excluded from the giving match program, unless the organization also met one of the common exclusions such as organizations that have been found to be engaged in discriminatory conduct or have been designated as a hate group.

**Q: How do you rationalize the CEO's salary and bonus, onboarding new leadership employees such as replacing the CFO and offering a \$5M cash bonus, at the same time you just laid off corporate employees?**

Brian's annual target cash bonus and annual equity award account for 94% of his annual target compensation package, both of which are at-risk and are designed to motivate him to drive the Company's future financial performance and create long-term value for our shareholders.

Brian's reputation precedes him as a culture carrier who brings a wealth of experience and a proven track record, which he's already demonstrating at Starbucks. In order to entice and retain a talent like Brian, it was necessary to offer a competitive compensation package, which is aligned with the performance of our "Back to Starbucks" plan. To operationalize our Back to Starbucks strategy, we want to make sure that we have the right executive team in place; the new cfo, Cathy Smith, was a critical piece of that puzzle and like with the ceo compensation package, we needed to offer a competitive compensation package.

**Q: How does the Board reconcile the compensation of the Executive Leadership with the performance of the business right now and is ratio of executive pay to average worker ever taken into consideration?**

The vast majority of pay for our executive officers is at risk and performance-based, with measures aligned to the Company's long-term growth plan. Performance is assessed in the following ways:

- The Company's financial performance, including results against long-term growth
- Return to shareholders over time, relative to our peers
- The individual performance of executive officers

We invest in and reward talent with the greatest potential to drive the long-term profitable growth of our Company, while holding executive officers accountable to the Company's strategy and values.

**Q: With the Back to Starbucks and 3rd place, will Starbucks start to reopen neighborhood stores without drive-thru?**

We're taking a close look at how our stores need to function as a part of the communities they serve, offering pickup and drive-thru options in some neighborhoods while designing other stores with "for here" amenities. We're working to make sure our stores are warm and welcoming, with work continuing on store design standards. One of the things we're excited about is Starbucks ability to execute a smaller format that still has a great seat and delivers the partner experience or the engine behind the counter, so that we can provide craft drinks in a timely manner with a moment of connection.

**Q: Will there be additional layoffs?**

Executing our "Back to Starbucks" plan is our priority and we've been doing the work to make sure our support teams have the capacity and capabilities to deliver on our plan. In this case, that meant examining the role, structure and size of our support teams around the world. These changes are intended to help us operate more efficiently, increase accountability, reduce complexity and drive better integration. This is all with the goal of being more focused and able to drive greater impact on our priorities. And we're prioritizing the areas that have the biggest impact on the experience in our stores.

Additional layoffs are not planned at this time.

**Q: What steps are the board taking to ensure succession planning is effective and well executed so we don't face high turnover over 5 years?**

A primary responsibility of the board is planning for ceo succession. The chair of our Nominating/Governance Committee, together with the lead independent director, the chair of the Compensation Committee, and the ceo annually evaluates and updates as appropriate the skills, experience, and attributes that the board believes are important to be an effective ceo in light of our business strategy. The succession planning team also annually reviews our ceo succession planning process with the board, including the identification, development, and progress of internal candidates and how candidates have been assessed.

The board believes that ceo succession planning should be an ongoing process, with the goal of providing sufficient lead time before an expected transition while also being prepared for and responsive to unexpected developments.