

**Conference Title: STARBUCKS CORPORATION Annual Meeting**

**Date: Wednesday, 25th March 2026**

Speaker: The information provided in this meeting may contain forward-looking statements. Forward-looking statements are subject to various risks and uncertainties that could cause our actual results to differ materially from these statements, and should be considered in conjunction with cautionary statements and risk factor disclosures in our filings with the Securities and Exchange Commission, including our most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings.

Starbucks assumes no obligation to update any of these forward-looking statements or information, which are made as of their respective dates. Our website also includes reconciliations of non-GAAP financial measures mentioned in our presentation to their corresponding GAAP measures.

Tatum: Hello everyone, and welcome to the 2026 Annual Meeting of Shareholders. I'm Tatum, and I'm a proud Starbucks coffeehouse leader from Arizona. As you know, we like to begin our time together at Starbucks with coffee. Today I'm sharing my favorite drink, an Iced Brown Sugar Oatmilk Shaken Espresso. What I love most about this is how it's anchored in espresso. The foundation of so many drinks that we craft and share every day.

As a coffeehouse leader, I get to witness thousands of moments of connection each week. It's a great reminder that a simple cup can bring people together in powerful ways. I'm also a student at ASU, and thanks to the Starbucks College Achievement program, I'll be graduating debt-free in May. This opportunity exists because of you, our shareholders, who continue to believe in the power of every cup, every partner, and every connection can have. Cheers to all of us. This cup is a tribute to you and the role each of you play in our shared success.

**APPROXIMATELY ONE MINUTE OF VIDEO CONTENT AVAILABLE VIA WEBCAST REPLAY**

Brian Niccol: Good morning, and welcome to Starbucks 2026 Annual Meeting of Shareholders. When we launched back to Starbucks, we established the clear aim to get this company back to what has

always set us apart. Great craft, human connection, and a welcoming third place. Since then, we've put the customer back at the center of everything we do. We focused on setting our partners up for success. We simplified the work in our coffeehouses and support centers, and we've rebuilt the operating foundation needed to execute consistently for every customer.

We said we would get the fundamentals right. Reclaim our right to grow and then play offense. Today, you can feel the difference. The shine is back on Starbucks, and the momentum we've built is showing up in the experience our customers have every day.

So first, Green Apron Service is helping our partners deliver a world-class customer experience with more than \$500 million invested in additional hours and expanded rosters. Our partners now have the time and tools to focus on great craft and a moment of connection with every customer. Their work feels more intuitive. Thanks to new technology that sequences orders in the background, and as a result, throughput, accuracy, and connection are all improving.

Second, our coffeehouse uplifts are bringing back warmth, comfort, and great seats that invite customers back into the third place. We're ramping the program now and expect to complete more than 1000 by the end of fiscal 2026. Each uplift makes the coffeehouse more welcoming, more consistent, and more reflective of what customers expect from Starbucks.

Third, we've strengthened our innovation pipeline, overhauled our marketing to reach more customers, and improved both our digital and loyalty experiences. These efforts have made it more enticing, easier, and more rewarding to choose Starbucks. They've driven more customers back to our coffeehouses, and they've made our brand more relevant on trend and in culture.

And fourth, we've continued to build momentum across our international markets and have taken important steps to position China for the long term growth, and our return to growth in major international markets reinforces the global strength and resilience of the Starbucks brand. In China, our work to strengthen Starbucks competitive position, combined with our announced partnership with Boyu Capital, helps us expand into more cities, deliver exceptional customer experiences, and

fuel our long term growth. All of this is grounded in our long-standing commitment to offer our partners the best job in retail.

We offer great pay and industry-leading benefits for partners that work just 20 hours a week or more. We have high-quality health care, up to 18 weeks of paid parental leave, and an equity stake in the company, and the chance to earn a four-year degree with 100% upfront tuition coverage. This breadth, depth, and range of support is truly unmatched.

With our commitment to promote from within for 90% of retail leadership roles, we're doing even more to help our partners grow, develop, and build great careers. The impacts are real. Hourly turnover is less than half the industry average. More partners are getting the hours they want. Partner engagement is at an all-time new high, and we're getting more than a million applications for barista roles every year. When we invest in our people, they stay, they grow, and they bring even more craft and pride to every customer interaction. And when they do, our business performs.

As we look ahead, our fiscal 2028 financial framework outlines a clear, disciplined path for long-term sustainable growth. It reflects the strength of the operating foundation we've built and the momentum we see across the business. Our framework is built on steady, durable, top-line growth driven by stronger morning peak, a growing afternoon daypart, and relevant menu innovation. And supported by a growing coffeehouse footprint and investments that prioritize a great experience and drive improved performance.

As our back-to-Starbucks strategy and execution continue to deliver comp and revenue growth, we expect this to translate into margin and earnings growth over the next several years. We are still early in our turnaround, but our direction is clear, and we are now playing offence as more customers are getting back to Starbucks and our partners are starting to deliver the best of Starbucks in more places. That means the world's best customer service, delivered by partners who are set up to win. A menu that is relevant, craveable, and easy to execute in every coffeehouse. Warm and welcoming coffeehouses that feel like a true third place. Digital

experiences and technology that enhance human connection, and a global platform that accelerates our growth. Finally, discipline in how we invest and grow.

Every decision has to make the Starbucks experience better for customers, partners, and shareholders. That's how we turn our momentum into durable compounding growth. To our partners, thank you. Your pride and care are what make Starbucks, Starbucks. To our customers, thank you for choosing us and letting us be part of your day. To our world-class board, thank you for your oversight and counsel as we position the company for sustainable growth. To our shareholders, thank you for your continued support and your belief in the long-term trajectory of our business.

To conclude, I want to leave you with this. The shine is back on the Starbucks brand, and we are ahead of schedule with our Back to Starbucks plan. We are excited for what we can achieve when we deliver the best of Starbucks for every customer, everywhere. Every time. Thank you.

Josh Gaul: Good morning, partners and shareholders. My name is Josh Gaul, and I serve as Starbucks Vice President and Corporate Secretary. It is my privilege to join you today at the 2026 Annual Meeting of Shareholders. You have been presented with an agenda and the rules of conduct and procedures for the Annual Meeting. To conduct an orderly meeting, we asked the participants to abide by these rules. As stated in the rules of conduct, we ask that you restrict your remarks to the agenda items that are before us. The rules of conduct also address the time limitations on those addressing the meeting, and that matters of individual concern should not be raised during the meeting. Thank you for your cooperation with these rules.

We have received an affidavit of mailing executed and certified by Broadridge Financial Solutions. Our Proxy Solicitor. The notice of this meeting, along with related proxy and annual report materials, was first mailed or made available on January 26th, 2026, to Starbucks shareholders of record as of the close of business on our record date, which was January 16th, 2026. A list of shareholders as of the record date is available for inspection by shareholders using the Registered Shareholder list link found on our site.

Based on the signed affidavit received from Broadridge, this meeting is duly called with timely and proper notice. In addition, based on the information provided by the Inspector of Election, a quorum of shareholders is present to conduct our meeting today. The polls are now open. If you previously voted, you do not need to take any additional action unless you wish to change your vote. If you would like to vote today or if you previously voted and would like to change your vote, please use the voting buttons on the webcast portal. Please note that you must submit your ballot before the polls close in order for your vote to be included in the count.

Broadridge has appointed Andrew M. Wilcox to serve as the independent inspector of elections to tabulate the votes. Mr. Wilcox is present at the meeting and has previously taken his oath as inspector of election. We will file the executed oath with the records of this meeting. The nine proposals being considered at this meeting are explained in detail in the proxy statement that was made available to all shareholders entitled to vote at the meeting today. Each of the proposals being voted upon at this meeting is deemed to have been properly brought before the meeting.

The first order of business is to elect the 11 directors nominated by the board. The nominees are as follows. Brian Niccol, Starbucks Chairman of the Board and Chief Executive Officer. Ritch Allison, former Chief Executive Officer and Director, Domino's Pizza. Andy Campion, Chairman and Chief Executive Officer, Unrivaled Sports; Former Chief Operating Officer and Chief Financial Officer Nike. Beth Ford, President and Chief Executive Officer, Land O'Lakes. Jørgen Vig Knudstorp, former Chief Executive Officer, Lego Group, and Executive Chair, the Lego Brand Group. Marissa Mayer, co-founder and Chief Executive Officer, Dazzle AI, former Chief Executive Officer, Yahoo. Neal Mohan, Chief Executive Officer, YouTube. Dr. Dambisa Moyo, Co-Principal, Versaca Investments. Daniel Servitje, Executive Chair of Grupo Bimbo. Mike Sievert, Vice Chairman and former Chief Executive Officer, T-Mobile, US. Wei Zhang, former Senior Advisor and President, Alibaba Pictures Group. The board recommends a vote for each of the nominees.

The second item of business is to approve, on a non-binding advisory basis, the compensation paid to our named executive officers. The board recommends a vote for this proposal.

The third item of business is to ratify the selection of Deloitte and Touche LLP as our independent registered public accounting firm for the current fiscal year ending September 27th, 2026. The board recommends a vote for this proposal. The fourth item of business is the shareholder proposal submitted by the Accountability Board regarding shareholder voting thresholds. We'll now hear from Matt Prescott, President and Chief Operating Officer, to speak on behalf of the Accountability Board and to present the proposal. Operator, could you please open the line for Mr. Prescott?

Matthew Prescott: Hey, everybody. Thanks so much to the board for considering the proposal. We think the proposal is self-explanatory, so we can keep this fairly short for the sake of everybody's time this morning. Basically, the supermajority voting requirements are not good for shareholders. And we think that Starbucks should replace the limited ones it has with a simple majority standard instead. The board has not opposed adoption of this proposal, and we think that shareholders should vote in favor of it. Thanks so much.

Josh Gaul: Thank you, Mr. Prescott. For the reasons outlined in our proxy statement, the board makes no recommendation as to how shareholders should vote on this proposal. The fifth item of business is the shareholder proposal submitted by National Legal and Policy Center regarding independent board chair requirements. We will now hear from Luke Perlot, associate director of Corporate Integrity Project for NLPC, to speak on their behalf and present the proposal. Mr. Perlot provided Starbucks the following pre-recorded remarks.

Luke Perlot: Good morning. I urge shareholders to vote for proposal five, which asks Starbucks board to adopt a policy requiring that the CEO and chair's roles be separated, and that the chair be an independent director. This is a simple idea and a common proposal. The CEO runs the company, and the chair runs oversight. At Starbucks, the positions are currently combined, making Mr. Niccol effectively his own boss. After a year and a half under his leadership, the need for independent oversight is tangible.

Start with performance. Back to Starbucks is a catchy slogan, but shareholders have lived through years of underperformance and a brand that doesn't feel as resilient as it used to. But the

turnaround that Mr. Niccol promised hasn't materialized to this point. The stock price basically has not budged since he took over the position in 2024. Even if the manifestation of unchecked executive power was justified when Mr. Niccol was first hired, it just does not appear justified anymore. Starbucks needs a board structure that can challenge his strategy, execution, and capital allocation.

Next, there's the concern of his super commute. The board hired Mr. Niccol, crowned him chair on day one, and then immediately approved a ridiculous commute via private jet from Newport Beach, California, to Seattle, Washington, multiple times per week. Starbucks has become known for its environmental policies, including the controversial elimination of plastic straws. Mr. Niccol's private jet usage is just pure hypocrisy. Finally, the woke scandals. Starbucks hasn't been passively dragged into the culture war. It has repeatedly volunteered. The result is a brand that now feels politicized, polarizing, and exhausting.

Starbucks has become a case study in how to alienate half the country and distract everyone from its core business of selling coffee. The company will not achieve a real financial turnaround until its toxic reputation is fixed, and Starbucks, once iconic brand, is restored to its full value. So far, Mr. Niccol has failed to address these concerns. The combined CEO and chair structure can no longer be justified. Mr. Niccol needs checks and balances. An independent chair would introduce real oversight. For these reasons, I urge shareholders to vote for proposal five. Thank you.

Josh Gaul: Thank you, Mr. Perlot. For the reasons outlined in our proxy statement, the board recommends a vote against this shareholder proposal. The sixth item of business is the shareholder proposal submitted by the Free Enterprise Project of the National Center for Public Policy Research, requesting a report on the company's apparent exclusion of detransitioning in its healthcare coverage. We will now hear from Steve Milloy, executive director of the Free Enterprise Project, to speak on its behalf and present the proposal. Mr. Milloy provided Starbucks the following pre-recorded remarks.

Steve Milloy: Good morning, fellow shareholders. My name is Steve Milloy, and I am the Executive Director of the Free Enterprise Project of the National Center for Public Policy Research. Starbucks says it will pay for an employee and presumably an employees covered family members to transition from one gender to another. But Starbucks management will not pay for an employee or an employee's covered family members to detransition. We are asking for a report from management on the consequences of this obvious and arbitrary discrimination.

Starbucks management opposes our proposal. Management says that covering detransitioning would threaten the company's success. It says that covering detransitioning would hurt its ability to attract and retain top talent. How exactly did the company succeed before 2013, when it first began paying for transitioning? If we were to believe management offering a new benefit that is a detransitioning benefit threatens our success as a business. How can offering a reasonable new benefit threaten business success? That is simply unheard of.

If transitioning is healthcare and a medical benefit, why is detransitioning not one? What if you transitioned in, later decided you wanted to transition back? What is the corporate attitude? Tough luck. And isn't detransitioning just another form of transitioning? Starbucks policy is just arbitrary. But it gets worse. Transitioning costs upwards of \$60,000. That is quite a benefit for employees who can earn as little as \$16,000 per year and qualify for the benefit, and presumably, more than one member of a covered employee's family could also receive that benefit. What are the economics of that? Are there any economics behind any of this? What is the evidence that paying for transitioning but not for detransitioning is good business management won't tell us. Or is it just that management has allowed Starbucks to be hijacked by an ideological cult?

What about the legal aspects? Is Starbucks a business that illegally discriminates against employees on the basis of transgender ideology? Does the management realize that such discrimination is likely illegal under the holding in the 2020 Supreme Court case of *Bostock versus Clayton County*? It seems that the only fair and legal thing to do is to cover both transitioning and detransitioning, and if no one wants the detransition, then it costs Starbucks nothing to be fair and law-abiding.

Only covering transitioning and not detransitioning is unfair, discriminatory, and potentially costly and injurious to the corporation's reputation. Maybe we'll talk about the business sense of offering super lavish, optional health benefits next year. In the meantime, shareholders, please vote for proposal number six. Thank you.

Josh Gaul: Thank you, Mr. Milloy. For the reasons outlined in our proxy statement, the board recommends a vote against this shareholder proposal. The seventh item of business is the shareholder proposal submitted by Bowyer Research on behalf of the Oklahoma Tobacco Settlement Endowment Trust, requesting a report on median compensation and benefits gaps as they address reproductive and gender dysphoria care. We'll now hear from Todd Russ, chairman of the board of directors for TSET, to speak on its behalf and present the proposal. Mr. Russ provided Starbucks the following pre-recorded remarks.

Todd Russ: Good morning, fellow Starbucks shareholders. I'm State Treasurer Todd Russ, chairman of the board of investors for the Oklahoma Tobacco Settlement Endowment Trust. I'm here to present proposal seven, asking Starbucks to report on how it assesses healthcare risks. Starbucks is one of America's most recognizable coffee brands. As a prominent American brand, its policy should reflect neutrality and a desire to serve Americans of all backgrounds. Yet its choices surrounding healthcare policies don't seem to do that.

In 2022, Starbucks announced its intention to reimburse employees for travel for abortion. Hardly a neutral choice on a controversial and deeply personal issue. Starbucks also appears to cover gender transition surgery in its healthcare plans. We asked the company whether they covered detransition care for those who regret that surgery, and Starbucks has yet to answer. Since filing this proposal, major medical organizations have changed their guidance around gender transition surgery. More than 60% of the Fortune 500 have cut ties with groups like the Human Rights Campaign over concerns of brand politicization.

Yet Starbucks remains listed as a sponsor of the Human Rights Campaign, and the company has yet to provide answers to our questions about neutrality in health care coverage. This proposal is

both reasonable and non-political. It's about risk management and fiduciary duty. Starbucks shouldn't be taking sides on contentious social issues. It's time to get out of politics and back to the coffee business. Thank you.

Josh Gaul: Thank you, Mr. Russ. For the reasons outlined in our proxy statement, the board recommends a vote against this shareholder proposal. The eighth item of business is the shareholder proposal submitted by the Heritage Foundation, requesting a report on the company's use of diagnostic tools created by politicized corporate partners. We'll now hear from Stefan Padfield, principal of the Free Enterprise Initiative and senior legal fellow for the Heritage Foundation, to speak on its behalf and present the proposal. Mr. Padfield provided Starbucks the following pre-recorded remarks.

Stefan Padfield: My name is Stefan Padfield, and I am a principal of the Free Enterprise Initiative, as well as a senior legal fellow at the Heritage Foundation. The Heritage Foundation is the proponent of proposal eight, which seeks a report analyzing the risks of Starbucks use of diagnostic tools created by politicized corporate partners. An example of Starbucks using politicized diagnostic tools is its reliance on the Southern Poverty Law Center's hate list to screen out organizations eligible for employee contributions under the company's Giving Match program.

The Capital Research Center has concluded that the SPLC's hate map lumps mainstream conservative and religious organizations right alongside some of the most reprehensible neo-Nazis and white supremacists in the country. And for this, it has been regularly and highly criticized. It is perhaps unsurprising, then, that last year, the FBI severed ties with the group because their so-called hate map has been used to defame mainstream Americans and even inspired violence.

The president and CEO of Alliance Defending Freedom has said in relevant part that for too long, corporations gave this radical and dishonest organization power to target and silence conservatives on its bogus hate list. She concludes that the SPLC's defamatory hate map should no longer be used as a fig leaf to mask discrimination against conservatives.

Finally, Tyler O'Neal of The Daily Signal has written an entire book titled Making Hate Pay: The Corruption of the Southern Poverty Law Center, which explains why corporate America is wrong to take the SPLC's disingenuous tactics at face value and the serious damage caused by trusting this corrupt organization.

One would think the foregoing information is all it would take for Starbucks to distance itself from the SPLC and its hate list. And given that relying on the SPLC's hate list is a business decision that must be fully informed in order to satisfy applicable fiduciary duties. Shareholders can seemingly only conclude that Starbucks is aware of how biased the hate list is, and either simply doesn't care or actually supports that bias.

This latter concern is heightened by the fact that the 1792 Exchange has raided Starbucks, a high risk on its corporate bias ratings, which include a graphic showing that Starbucks leadership has donated more than 37 times the amount to Democrats causes as it has to Republicans causes. The 1792 Exchange concludes that Starbucks embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. That would seem to provide a good explanation for why Starbucks is seeking to stand with the biased SPLC here. Please vote for proposal eight.

Josh Gaul: Thank you, Mr. Padfield. For the reasons outlined in our proxy statement, the board recommends a vote against this shareholder proposal. The ninth and final item of business is the shareholder proposal submitted by IWP Capital on behalf of the Baptist Foundation of California, requesting a report on the risks of the company, excluding religious charities from its employee gift Match program. We will now hear from Pia de Solenni, vice president of corporate engagement for IWP Capital, to speak on behalf of the Baptist Foundation of California and present the proposal. Miss Solenni provided Starbucks the following pre-recorded remarks.

Pia de Solenni: Hello, my name is Pia de Solenni. I serve as Vice President of Corporate Engagement at IWP Capital. We are a service provider in the financial space. We screen investments according

to Catholic and Christian values. We vote proxies and engage with corporations in which our clients invest.

On behalf of the Baptist Foundation of California, we have brought proposal nine to the Starbucks ballot because it's a company held by many of our clients, mostly institutional investors who see themselves as stewards. As such, they want to see their assets increase in value, and they want the companies they invest in to promote human flourishing.

For many years, Starbucks has matched employees' charitable giving to worthy causes in their communities. Unfortunately, Starbucks has allowed political and religious discrimination to cast a shadow on those well-intentioned program. That's because Starbucks has aligned itself with a deeply partisan activist group, the Southern Poverty Law Center, to vet 501 C3s eligible for matching gifts.

For context, progressive magazine current affairs called SPLC everything that's wrong with liberalism. The SPLC advocates against Christian groups, which SPLC leaders have said the group exists to, quote unquote, destroy. While the SPLC did good work decades ago fighting segregation in the South, it has become an unreliable activist organization that attacks those who disagree with its narrow political agenda. Yet this is the group that Starbucks relies on to screen 501 C3 non-profit for eligibility in its gift matching program. This is wrong and may be illegal.

Employee gift match programs are part of employee compensation. Two recent Supreme Court cases, as well as guidance from the EEOC, underscore that religious protections extend to all terms, conditions, and privileges of employment, including benefit programs. Allowing this discrimination to continue not only violates this fundamental right but puts the company at risk for unnecessary litigation. We have engaged with several companies on this policy.

To date, Wells Fargo, Verizon, Schwab, and BlackRock have all changed their policies on these issues. Please vote in favor of our proposal to ask the board to evaluate Starbucks exclusion of religious charities from its employee gift match program. The changes we are pursuing cost the

company nothing, reduce its liability, and promote an authentic culture where every individual can enjoy a workplace free from unlawful discrimination. Thank you.

Josh Gaul: Thank you, Miss Solenni. For the reasons outlined in our proxy statement, the board recommends a vote against this shareholder proposal. That concludes the matters to be voted on as outlined in the Notice of Annual Meeting. In accordance with our bylaws, I hereby declare and have recorded the timing of the closing of polls for voting at our 2026 Annual Meeting. Our board will carefully consider the results of all shareholder voting.

Leading up to the annual meeting, we engage numerous shareholders. We were intentional in our outreach and appreciative of the time and commitment our shareholders made to provide us with feedback and engage in dialogue that we found enormously helpful. Our engagement with our shareholders began many months before the annual meeting, as we were able to engage with nearly 43% of our shareholders on topics ranging from board governance to executive compensation, partner relations, and other governance topics. We are committed to this comprehensive and continuous outreach, which allows us to proactively educate our shareholders on our progress and, more importantly, solicit their feedback on topics most important to them. This robust outreach approach is an important part of how we gather, and analyze, and act on feedback in our quest to increase value for all stakeholders. We look forward to continuing our shareholder engagement in the year ahead.

The results of voting on the proposals are still being tabulated by the Inspector of Elections and are not yet final. We will report the final voting results of today's meeting on a Form 8-K filed with the SEC within four business days following this meeting. I now declare the formal business of the Annual Meeting of Shareholders adjourned. Q&A with our leaders will start shortly.

Catherine: Thank you, Josh. Joining us for today's Q&A session are Brian Niccol, Chairman and CEO. Cathy Smith, Chief Financial Officer. Sara Kelly, Chief Partner Officer. And Pilar Ramos, Chief Legal Officer. We'll be taking a mix of pre-submitted and live shareholder questions, some of which have been paraphrased or combined with similar questions. For questions we aren't able to

address during the allotted time, we will publish written responses on the Investor Relations website within four business days following today's event. We will now begin Q&A. Our first shareholder question is for Brian. How do you balance pricing with customer value, given concerns about costs in this environment?

Brian Niccol: Yeah, thanks for the question. And thanks, Catherine. It's a great question. And obviously, it's one that we focus on all the time. Value, obviously, in our opinion, is defined by the total Starbucks experience. It really starts with the craft, the partner connection, and then ultimately is brought together with the experience you have in our coffeehouse. We do believe that experience and that connection is our differentiator. When we execute those things really well, the feedback we get from customers is that their experience is more valuable.

The other piece of this, too, is obviously, we're going to continue to evolve and innovate, whether it's in our menu, our technology, or even our operating model, so that ultimately our coffeehouses are great experiences for every occasion, regardless of how you want to interact with our business.

A great example of this is just the other day, I got a consumer comment regarding about how their family, after school, for all three of their kids, uses it as a great place to study after school. This same family talks about how on the weekends, they get together to just basically connect with their community, and that's more of an adult setting. It just gives you an idea of how every occasion, a coffeehouse can be a place of community, a place that frankly combats the loneliness that I think the world is dealing with, and then ultimately just builds trust, builds value. I think ultimately is what Starbucks stands for. Thank you for the question.

Catherine: Great. Thank you, Brian. Next question is for Sara. Is Starbucks investing in partners amid cost-of-living challenges and compensation concerns?

Sara Kelly: Thank you for the question, Catherine. And so, let me just start by saying yes. At Starbucks, our partners are foundational. We believe when we take care of our partners, they deliver for our customers. And in turn, our business grows. That's why we're committed to investing and making Starbucks the best job in retail. That means for us, competitive pay, industry-leading

benefits when taken together, averages and is valued at more than \$30 an hour for our retail hourly employees.

I know Brian talked about it at the top of the call, but I think it's worth repeating. Let me tell you a little bit about those industry-leading benefits. It's everything from comprehensive healthcare. To 18 weeks parental leave that we announced last year, it's 100% up front tuition coverage for a four-year college degree with our incredible partners at Arizona State University. It's equity in the form of Beanstalk. It's financial wellness. It's mental health support. It's savings in so many more benefits that matter to our partners, and it's accessible to partners who work part-time at 20 hours or more per week. Because at Starbucks, we believe access matters.

We also believe it goes beyond wage. It goes beyond those industry-leading benefits. Our partners have told us that they also want to grow. They want a career at Starbucks. We're deeply committed to providing those economic opportunities for our partners. As Brian shared, we are committed to hiring 90% of our retail leaders from within Starbucks.

How do we see progress? Well, we're seeing progress with the lowest turnover in our company history. It's a fraction of the industry. We also see stability that really matters for our partners. We see the highest shift completion rate, but an important statistic is over 85% of our partners tell us today that they get the hours and that they get the schedule that they prefer every single week, and that is stability that matters.

Beyond that, Brian mentioned we get 1 million hourly applications for new partners every single year. We're encouraged by what we see. But I think what also matters is what our partners tell us directly. We recently had a partner experience survey at coffeehouses, and we asked our coffeehouse partners across all levels. Do they recommend Starbucks as a great place to work, and the lion's share? The majority are telling us that Starbucks remains a great place to work that they would recommend. That's how we know we're getting back to Starbucks.

Catherine: Thank you, Sara. We'll stay with you for the next one. Why does Starbucks award stock to executives and directors, and does that align with shareholder interests?

Sara Kelly: Thank you, Catherine. What we believe at Starbucks is in shared success. We also believe in empowering our partners to act like owners. That's why we provide stock and equity at all levels of the company, including executives and our board. That's why we introduced Beanstalk back in 1991. It's been a long time in our company history. That Beanstalk was to give partners a share in the company's success. It's actually why today we call ourselves partners, and you hear us call ourselves partners.

For executive equity grants, they are majority performance-based. They are incentivized to drive long-term success for the company, which is directly aligned to our shareholders interests. It also helps us to attract retain talent in a competitive market. For our non-employee directors, they receive stock as part of their compensation and service of our board, also to align to our shareholders interests, and a very common practice for public companies. At Starbucks, we believe success is best when shared with our partners and with our shareholders.

Catherine: Thank you, Sara. The next question is for Brian. How does the board evaluate whether it has the right mix of expertise, including industry and sustainability knowledge, to oversee Starbucks long term strategy?

Brian Niccol: Yeah. Okay. Thanks, Catherine. First of all, just to level set, I believe we have a world-class board that has deep, relevant expertise, and is not afraid to share their perspective and counsel our leadership team on ensuring that we are doing the right thing for the business, not just now, but for the long term. They've been invaluable for me as we've focused on this Back to Starbucks turnaround.

The other thing I'd like to point out, too, is 50% of our current directors were appointed since 2024. We also have a healthy mix of people that have been around for a while and people that are somewhat new to the business. The other thing I'll mention too is the expertise is broad. From technology, to capital allocation, to marketing, to people, menu, innovation. It really is exciting to see the diversity in thinking, diversity in experiences, and then the commitment to making sure that

Starbucks is on the right course for the long term. Ongoing, we evaluate whether or not we've got the right skills, the right people at the table, and we do this on an annual basis.

Catherine: Thank you, Brian. Coming back to you, Sara, for the next one, what is the status of your bargaining discussions with the union?

Sara Kelly: Thank you, Catherine. I would start by saying at Starbucks, we are committed to all partners who wear the green apron. In North America, we have nearly 250,000 partners. For the less than 5% who have chosen union representation, we are deeply committed to bargaining in good faith. That's why we proposed new dates to get back to the table, because we believe progress is best made when both parties are at the table together.

For us, a contract must represent and reflect the reality that Starbucks is already a best job in retail. We talked a little bit about that pay and benefits. When you look at our competitive pay, when you look at our industry-leading benefits combined, it is valued at more than \$30 an hour for our retail hourly employees. It is all those industry-leading benefits we talked about. Healthcare, parental leave, tuition coverage, equity, financial wellness, and more. We remain committed to being the best job in retail for every partner who wears the green apron.

Catherine: Thanks, Sara. Last question is for Brian. How does Starbucks ensure consistency across its company-operated and licensed locations?

Brian Niccol: Yeah. One of the things that's very important for us at Starbucks is there is no difference in the customer experience. There is no difference in the green apron, frankly, experience that we provide. We really are a system of one Starbucks. Whether it's a licensed store or a company store, we are dedicated to making sure that Starbucks shows up in the same way with the customer connection, the craft, and the coffeehouse experience that we would want.

Obviously, you've seen us do some work on our licensed business. Most recently, we did a restructuring just to make sure that we were supporting it from a segment-based approach. Meaning that we made sure that our license partners that are in airports are getting the right support

versus potentially a licensed partner that operates in a hotel or potentially a stadium. They may need different types of support.

We're really focused on making sure that the experience is consistent. It delivers on the craft, the connection, the coffeehouse experience that we know Starbucks stands for. We also want to make sure that our license partner gets the support that they need to be successful in every interaction that they have with the Starbucks brand. We are focused on making sure that customers feel a consistent Starbucks experience, no matter where they experience the brand. That's the journey we'll always be on.

Catherine: Thank you, Brian. That is all the time we have today for questions. Now we'll turn it back over to you.

Brian Niccol: Okay. Thanks, Catherine. Thank you for the questions. On behalf of our board, our executive leadership team that's joined me up here, and that's also here at the meeting, I do want to say thank you to all of our partners that have really been on this journey of the Back to Starbucks turnaround. I really do appreciate your commitment and your commitment to the belief in our business and the opportunity that's in front of us.

As I mentioned, we're still early in our turnaround, but what I do love is the fact that the shine is back on the brand of Starbucks. We are confident in our plan. We're making tremendous progress, and our long-term trajectory is very promising. I hope you share our confidence in what we can achieve and the results that we will deliver. As more customers get back to Starbucks and our partners deliver the best of Starbucks for every customer and every coffeehouse in every visit. Thank you for your time today, and I'm sure we'll be talking soon.