

# Laxman Narasimhan Assumes Role of Starbucks Chief Executive Officer

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SEATTLE--(BUSINESS WIRE)-- Starbucks (NASDAQ: SBUX) announced, effective today, Laxman Narasimhan has assumed the role of chief executive officer and will join the company's board of directors. Narasimhan was named incoming ceo on **September 1, 2022**, succeeding company founder and now former ceo, Howard Schultz.

Laxman Narasimhan has assumed the role of Starbucks chief executive officer and will join the company's board of directors. (Photo: Business Wire)

Following the global search for the new leader of Starbucks, Narasimhan joined the company as incoming ceo on October 1, 2022, bringing nearly **30 years of experience** leading global consumer goods businesses and advising retail, grocery, restaurant and e-commerce companies. Over the past five months, he has embarked on a unique immersion experience, traveling to work with partners (employees) in over 30 stores, manufacturing plants and in support centers around the world, earning his barista certification along the way. He became immersed in the reinvention plans for the company led by Schultz who returned as interim ceo effective April 4, 2022.

Since Schultz returned last year, Starbucks unveiled a company-wide reinvention strategy and continued to deliver on more than \$1 billion in investments in retail partners and stores for prioritized areas such as increased pay and sick time accrual, new financial well-being benefits, modernized training and collaboration, store innovation and equipment and the celebration of coffee. The company saw a 47 percent stock price increase since the Q2 FY22 earnings call through the Q1 FY23 earnings call, and market cap growth of approximately \$40 billion during that same time. The company also delivered 50 percent in Total Shareholder Return in this time period, far outpacing the S&P 500. Starbucks was also most recently named the most valuable restaurant brand for the 7th consecutive year by **Brand Finance**.

Schultz shared a letter to the company's senior leadership team on the eve of the announcement – viewable [here](#).

"The board wants to express our sincerest thanks to our founder, Howard Schultz, for selflessly picking up the leadership mantle when asked—forgoing compensation and putting aside his own pursuits—for the love of our company and its partners," said Mellody Hobson, Independent Starbucks Board of Directors chair. "We would not

be where we are without him."

Narasimhan officially assumes the role of chief executive officer today and will lead Starbucks Annual Shareholder Meeting this Thursday, March 23. As he ascends into the role, Narasimhan will continue engaging the leadership team, sharing his early learnings and insights and assessing opportunities for the company as they chart a path forward.

"Laxman's intensive immersion into the business coupled with his extensive experience as a proven brand builder, innovator and operator have uniquely prepared him to lead Starbucks into its next phase of growth," said Hobson. "This immersion has deepened Laxman's understanding of Starbucks culture and values. In this time of learning and listening, he has already won the hearts and minds of our partners around the world."

"I am humbled to officially step into my role as Starbucks chief executive officer, leading our incredible team of more than 450,000 green apron partners around the world. The foundation Howard has laid – building from scratch an iconic global brand fueled by a lasting passion to uplift humanity – is truly remarkable, and I am honored to have the opportunity to build on this deep heritage," said Narasimhan. "As a human connection business, we have limitless possibilities to deliver for our partners, our customers, our investors and our communities through every cup and every connection. I am excited to work alongside our partners worldwide to unlock the limitless future of Starbucks."

#### About Starbucks

Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting high-quality arabica coffee. Today, with more than 36,000 stores worldwide, the company is the premier roaster and retailer of specialty coffee in the world. Through our unwavering commitment to excellence and our guiding principles, we bring the unique Starbucks Experience to life for every customer through every cup. To share in the experience, please visit us in our stores or online at [stories.starbucks.com](http://stories.starbucks.com) or [www.starbucks.com](http://www.starbucks.com).

#### Forward-Looking Statements

Certain statements contained herein are "forward-looking" statements within the meaning of applicable securities laws and regulations. Generally, these statements can be identified by the use of words such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "outlook," "plan," "potential," "predict," "project," "seek," "should," "will," "would," and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements may include statements relating to trends in or expectations relating to the effects of our existing and any future initiatives, strategies, investments and plans, including our Reinvention plan, as well as trends in or expectations

regarding our financial results and long-term growth model and drivers; our operations in the U.S. and China; our environmental, social and governance efforts; our partners; economic and consumer trends, including the impact of inflationary pressures; impact of foreign currency translation; strategic pricing actions; the conversion of certain market operations to fully licensed models; our plans for streamlining our operations, including store openings, closures and changes in store formats and models; the success of our licensing relationship with Nestlé, of our consumer packaged goods and foodservice business and its effects on our Channel Development segment results; tax rates; business opportunities, expansions and new initiatives, including Starbucks Odyssey; strategic acquisitions; our dividends programs; commodity costs and our mitigation strategies; our liquidity, cash flow from operations, investments, borrowing capacity and use of proceeds; continuing compliance with our covenants under our credit facilities and commercial paper program; repatriation of cash to the U.S.; the likelihood of the issuance of additional debt and the applicable interest rate; the continuing impact of the COVID-19 pandemic on our financial results and future availability of governmental subsidies for COVID-19 or other public health events; our CEO transition; our share repurchase program; our use of cash and cash requirements; the expected effects of new accounting pronouncements and the estimated impact of changes in U.S. tax law, including on tax rates, investments funded by these changes and potential outcomes; and effects of legal proceedings. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Actual future results and trends may differ materially depending on a variety of factors, including, but not limited to: the continuing impact of COVID-19 on our business; regulatory measures or voluntary actions that may be put in place to limit the spread of COVID-19, including restrictions on business operations or social distancing requirements, and the duration and efficacy of such restrictions; the resurgence of COVID-19 infections and the circulation of novel variants of COVID-19; fluctuations in U.S. and international economies and currencies; our ability to preserve, grow and leverage our brands; the ability of our business partners and third-party providers to fulfill their responsibilities and commitments; potential negative effects of incidents involving food or beverage-borne illnesses, tampering, adulteration, contamination or mislabeling; potential negative effects of material breaches of our information technology systems to the extent we experience a material breach; material failures of our information technology systems; costs associated with, and the successful execution of, the Company's initiatives and plans; new initiatives and plans or revisions to existing initiatives or plans; our ability to obtain financing on acceptable terms; the acceptance of the Company's products by our customers, evolving consumer preferences and tastes and changes in consumer spending behavior; partner investments, changes in the availability and cost of labor including any union organizing efforts and our responses to such efforts; failure to attract or retain key executive or employee talent or successfully transition executives; significant increased logistics costs; inflationary pressures; the impact of competition; inherent risks of operating a global business including any potential negative effects stemming from the Russian invasion of Ukraine; the prices and availability of coffee, dairy and other raw materials; the effect of legal proceedings; and the effects of changes in tax laws and related guidance and regulations that may be implemented, including the Inflation Reduction Act of 2022 and other risks detailed in our filings with the Securities and Exchange Commission, including in the "Risk Factors" and "Management's

Discussion and Analysis of Financial Condition and Results of Operations" sections of the company's most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings.

A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. You should not place undue reliance on the forward-looking statements, which speak only as of the date of this release. We are under no obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

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Laxman Narasimhan has assumed the role of Starbucks chief executive officer and will join the company's board of directors. (Photo: Business Wire)

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