

# Starbucks Hosts Virtual Annual Meeting of Shareholders Rooted in Caring for People and Growing its Business Responsibly

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As the world grapples with the vast scale and human impact of COVID-19, Starbucks ceo Kevin Johnson says Starbucks has the financial strength and resilience to manage through this extraordinary time, guided by the company's Mission and Values

- With customer and partner (employee) safety paramount, Starbucks activates its “to go” model for communities across the US & Canada, leveraging the Starbucks mobile ap, Drive Thru and new Starbucks® Delivers.
- Starbucks offers paid sick leave and catastrophe pay; also announces a new mental-health benefit for U.S. partners and their families.
- Company celebrates continued recovery in China, with 90 percent of stores now open and the announcement of a new sustainable roasting plant coming in 2022.
- Company reflects on fiscal 2019 performance and strong financial position; announces Board of Directors authorization to repurchase up to 40 million shares of the company's common stock.

SEATTLE--(BUSINESS WIRE)-- Starbucks Corporation will hold its 28<sup>th</sup> Annual Meeting of Shareholders today, virtually, with opening remarks from Kevin Johnson, president and chief executive officer.

This press release features multimedia. View the full release here:  
<https://www.businesswire.com/news/home/20200318005207/en/>

On Wednesday, March 18, 2020 Starbucks will hold its 28th Annual Meeting of Shareholders virtually, with Kevin Johnson, president and chief executive officer, sharing an update on the company's commitment to the care of its partners and customers and long-term business

As the company continues to monitor and navigate through the dynamic situation of COVID-

growth strategy. (Photo: Business Wire)

19, Johnson will share an update on the company's commitment

to its long-term business growth strategy that is grounded in the care of its partners (employees) and customers.

"As we are navigating this dynamic global environment together, we will continue to prioritize the health and well-being of our partners and customers while we support local health officials and governments in containing the virus," said Johnson. "We are a resilient and enduring company by staying true to our Mission and Values with a purpose that goes beyond the pursuit of profit."

On the cusp of the company's 50<sup>th</sup> year anniversary, Johnson will also reflect on the company's strong performance in fiscal 2019 and preview a vision for Starbucks rooted in caring for people and growing the business in a sustainable and responsible way.

## Starbucks mobilizes digital, drive thru and delivery capabilities to serve customers safely

Starbucks stores have always been known by customers as their "third place," and as the world continues to navigate COVID-19, the company has continued to respond quickly by modifying its "third place" experience—moving to a "to go" model across the U.S. and Canada for at least two weeks to encourage social distancing in its cafés. As the situation with COVID-19 is extremely dynamic customers can now walk up and order at the counter, use the "order ahead" feature within the Starbucks mobile app, visit a Drive Thru or use Starbucks® Delivers to get their daily Starbucks. For the latest information on store hours and closures, customers can access information via the **Store Locator** or on the Starbucks app.

The company also announced that Starbucks® Delivers, in partnership with Uber Eats, will reach national U.S. availability by the end of April, making it available in 48 states where both companies operate. The expansion of Starbucks Delivers is part of the company's continuous effort to leverage customers' digital preferences and provide another convenient way to enjoy Starbucks wherever they are.

The latest information on Starbucks response to COVID-19 will be available on the company's Starbucks Stories site: <https://stories.starbucks.com/stories/2020/navigating-through-covid-19/>.

## Investing in Partners and the Future of Starbucks

Starbucks shared with partners that they will never have to choose between working or taking care of themselves and that the company has put programs and support in place including catastrophe pay and benefits that support their physical and mental health. As Johnson will emphasize today, Starbucks success is built on the achievements of the 400,000 partners who wear the green apron around the world. Bolstering this commitment to partners,

earlier this week Starbucks announced a new mental health benefit that provides partners and their families with 20 free counseling sessions every year. This is made possible by a new partnership with Lyra Health, a mental health provider that offers an online solution Starbucks partners can use to securely and confidentially seek evidence-based mental health treatment for their needs, identify available health providers and book appointments on the spot.

Starbucks also announced mental health training sessions inspired by Mental Health First Aid for U.S. and Canada store managers and field leadership to be available this summer. The sessions have been developed in conjunction with the National Council for Behavioral Health to help equip leaders to support partners who may be experiencing mental health issues, substance use problems, or crisis moments and provide them with resources for further support.

## Celebrating Continued Recovery and Resilience in China

Further deepening Starbucks long-held commitment to elevate specialty coffee in China, last week Starbucks announced it will open a state-of-the-art Coffee Innovation Park (CIP) in China in 2022. The facility will incorporate a roasting plant, warehouse and distribution center, creating highly-skilled jobs and new career opportunities that will help drive smart and sustainable coffee manufacturing. The \$130 million investment in the CIP is Starbucks largest coffee manufacturing investment outside of the United States and the first in Asia. It will serve as a key component of the company's global roasting network, and the bold infrastructure investment further deepens Starbucks multi-decade commitment to strengthen the specialty coffee industry in China, where it aims to have 6,000 stores by 2022.

## Advancing Shareholder Returns Commitment

Starbucks announced today that its Board of Directors has authorized the repurchase of up to 40 million shares of the company's common stock. This authorization is in addition to the approximately 16 million shares that remained available as of December 29, 2019 for repurchase under an existing authorization. In fiscal 2019, the company returned \$12 billion to shareholders through a combination of dividends and repurchases of approximately 140 million shares.

"Starbucks has the financial strength and resilience to manage through this extraordinary time, guided by our Mission and Values," said Johnson. "The increase in our share repurchase program reflects our confidence and optimism about the long-term growth opportunity for our business."

Starbucks Annual Meeting of Shareholders will begin at 10 a.m. PT today via webcast at <http://investor.starbucks.com>. A replay of the webcast will be available on the company's website until end of day

September 18, 2020.

Please visit <https://stories.starbucks.com> to find images and live updates of the Annual Meeting of Shareholders.

## Forward Looking Statements

Certain statements contained herein are “forward-looking” statements within the meaning of the applicable securities laws and regulations. Generally, these statements can be identified by the use of words such as “anticipate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “remain,” “should,” “will,” “would,” and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements include statements relating to: the strength, resilience and outlook of our operations, business and brand; increasing shareholder returns; our commitment to strengthen the specialty coffee industry and the long-term opportunity in China; our ability to grow our business in a sustainable and responsible way and our ability to leverage and grow digital experiences. These forward-looking statements are based on currently available operating, financial and competitive information and are subject to a number of significant risks and uncertainties. Actual future results and trends may differ materially depending on a variety of factors, including, but not limited to: 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, including the integration of the East China business and the successful expansion of our Global Coffee Alliance with Nestlé; our ability to obtain financing on acceptable terms; the acceptance of the company’s products by our customers and evolving consumer preferences and tastes; changes in the availability and cost of labor; the impact of competition; inherent risks of operating a global business; the prices and availability of coffee, dairy and other raw materials; the effect of legal proceedings; the disruption to our business related to COVID-19; the effects of changes in tax laws and related guidance and regulations that may be implemented and other risks detailed in the company filings with the Securities and Exchange Commission, including the “Risk Factors” section of Starbucks Annual Report on Form 10-K for the fiscal year ended September 29, 2019 and of Starbucks Quarterly Report on Form 10-Q for the fiscal quarter ended December 29, 2019. The company assumes no obligation to update any of these forward-looking statements.

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