



Message from Howard

To: Starbucks partners; managing directors for company-operated and joint venture markets

Date: December 16, 2014

Re: **Message from Howard: It Starts with Conversation**

Dear partners,

Like many of you these past weeks, I have watched with a heavy heart as tragic events and unrest have unfolded across America, from Ferguson, Missouri to New York City to Oakland, California. Personally, I am deeply saddened by what I have seen, and all too aware of the ripple effect.

I have asked myself what it means not to be a bystander, as a citizen and as a Starbucks partner. What are our individual and collective responsibilities to our country, as well as to our own company?

Last week, one thing became clear: we cannot continue to come to work every day aware of the difficult and painful experiences facing our nation, and not acknowledge them, together, as a company. Indeed, despite the raw emotion around the events and their underlying racial issues, we at Starbucks should be willing to talk about them internally. Not to point fingers or to place blame, and not because we have answers, but because staying silent is not who we are.

On Wednesday, December 10, the morning after the protests in Berkeley, California, I called an impromptu Open Forum at our Starbucks Support Center in Seattle. The meeting was strictly internal, solely for Starbucks partners. There was no planning and I did not announce the meeting's topic. All I knew was that we needed to come together, in a safe space, and have a conversation about what was happening in our nation.

For an hour a microphone was passed from partner to partner. People spoke with grace and emotion. Many shared personal experiences going as far back as childhood, and offered ideas about how to move the conversation, our company and our country forward. People spoke with such conviction and vulnerability. Everyone demonstrated compassion and personal courage. The Forum was at times uncomfortable, yet overall it was enlightening. It provided many of us, myself included, with a deeper understanding around issues of race and the realities facing our country.

What struck me most was how open our partners were to one another. Despite differences in life experiences, people showed civility and respect for the subject matter as well as for each other. I was not surprised, but I was incredibly proud. Wednesday's Open Forum was the most powerful I'd ever attended in the 25 years that Starbucks has been holding them for our partners around the world. As you watch the video from that Open Forum, you too may agree.

The dialogue did not end once we returned to our work. In an unprecedented outpouring of emails, in our hallways, in my office, in our partner networks, many of you shared more thoughts. Most significantly, you expressed gratitude for having the opportunity to share, to listen and to learn. That sentiment alone made it clear to me that Starbucks could continue to do something we've always done: foster community and conversation.

That is why the Leadership Team and I have decided to expand opportunities for civil discourse within Starbucks, among our partner communities. We plan to host internal-only Open Forums around America and will begin in January in Oakland, St. Louis and New York City. Details about these events will be shared in the coming days.

I've always believed that core to our success has been our commitment to achieve the balance between our social conscience and responsible commerce. This is one of those times. Starbucks is far from perfect, and we do not claim to have solutions to our country's complicated social issues. However, doing what is right for society and doing what is right for business cannot be mutually exclusive endeavors. While it is always safer to stand on the sidelines, that is not leadership. Today more than ever companies such as Starbucks must use their platforms and resources to create opportunities for their people, as well as for the communities they serve.

So today, we choose to act in a way that is authentic to us, by nurturing a sense of community and bringing people together through the lens of humanity. At this trying time, it is important for all of us to be open and to be present.

Onward,

Howard