



Laxman Narasimhan
Chief Executive Officer
Starbucks Corporation
The Starbucks Center
2401 Utah Avenue
South Seattle, WA 98134

Dear Mr Narasimhan,

Monday, July 31, 2023

Re. Communication to Starbucks customers about the company's failure to act on sustainable cocoa

We are greatly disappointed that Starbucks has thus far failed to act with urgency to address ethical and sustainable cocoa sourcing cocoa. As the company's new CEO, we sincerely hope that you will provide the impetus. Meanwhile, we feel it is important to alert Starbucks' customers to these persistent failings and set out below how we have reached this conclusion.

In October 2022, we (Freedom United, Mighty Earth, Be Slavery Free and Green America) sent a letter to Starbucks' then CEO, Howard Schultz, regarding the urgent need for the company to address issues around its cocoa purchasing practices. Specifically, we highlighted that Starbucks:

- Had not updated its cocoa sustainability policy since 2008
- Provided no detailed public transparency on the origin of its cocoa, unlike other large companies sourcing cocoa
- Was therefore unable to substantiate its cocoa sustainability claims, nor reassure Starbucks customers that the cocoa in their beverages is free from problems such as deforestation, child and forced labour, or the excessive use of harmful agrichemicals.

After sending the letter, representatives of Starbucks agreed to a video call with us, which took place in early November, 2022. During the meeting, we urged Starbucks to be more transparent and take meaningful steps to address the key issues outlined in our letter. Specifically, we asked Starbucks to:

1. Participate in the 2023 Chocolate Scorecard, which assesses companies' cocoa purchasing practices against six key sustainability criteria. Starbucks had declined to participate in the 2022 Scorecard.

2. Publish more detailed information about its cocoa supply chains and due diligence processes, beyond simply aggregate volumes of certified cocoa purchased from the Ivory Coast
3. Demonstrate how it was taking steps to ensure deforestation-free and child labor-free cocoa purchasing.

During the call Starbucks agreed to consider these requests. Early in the New Year, in mid-January 2023, we convened for another video call. During this conversation, we were greatly encouraged that Starbucks' representatives made several positive commitments on sustainable cocoa, including:

- Participating in the 2023 Chocolate Scorecard.
- Detailing progress and planned action in relation to each area of the Chocolate Scorecard (Transparency & Traceability; Living income; Child & Forced Labor; Deforestation & Climate; Agroforestry; Agrochemical Management) within Starbucks' 2022 Global Environmental and Social Impact report
- Publishing a new Cocoa & Forests Initiative (CFI) action plan in May 2023
- Publishing a comprehensive strategy on living income in Starbucks' cocoa supply chain

We were pleased to see that Starbucks followed through with its promise to participate in the [2023 Chocolate Scorecard](#). However, the company's 2022 GESI report, published in April 2023, failed to disclose detailed information about Starbucks' cocoa supply chains, or about its monitoring of child labor and deforestation in its cocoa supply chains.

Starbucks has also not published its cocoa living income strategy, nor even defined the concept. Although we were encouraged to see that living income is referenced in the company's CFI action plan, the associated metrics seem limited to numbers of farmers trained in good agricultural practices, and the number of tree seedlings distributed. No consideration appears to have been made to reforming Starbucks' cocoa purchasing practices.

Having spoken again recently (July 5, 2023) to two members of your public relations team (copied), we were dismayed that Starbucks still seemed unclear about our expectations on cocoa. We are greatly disappointed that Starbucks has failed to act with the urgency that these issues demand, and feel as though the company has yet to prioritise the ethical sourcing of cocoa as a matter of priority.

We therefore conclude that it is our duty to alert Starbucks' customers to these persistent failings, and to appeal to you directly as the new CEO of Starbucks to demonstrate the necessary leadership on this issue. Potential patrons of Starbucks deserve to make informed

decisions about whether to buy cocoa-based products from the company's stores; something which they currently cannot do. When producing our communications, we would be happy to include your perspective on these issues. If you would like to provide a response, please do so by August 14, 2023.

Sincerely,

Fuzz Kitto, co-Director, Be Slavery Free



Todd Larsen, Executive Co-Director,
Green America



Joanna Ewart-James, Executive Director,
Freedom United



Glenn Hurowitz, CEO, Mighty Earth



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