

# STARBUCKS ETHICAL COFFEE SOURCING AND FARMER SUPPORT

## We're committed

to buying and serving high quality, responsibly grown, ethically traded coffee to help create a better future for farmers and a more stable climate for our planet.

We know our long-term success is linked to the success of the hundreds of thousands of farmers who grow our coffee. That's why we work on-the-ground with farmers to help improve coffee quality, ensure environmental best practices and invest in loan programs for coffee-growing communities.

It's not just the right thing to do, it's the right thing to do for our business. By helping to sustain coffee farmers and strengthen their communities, we ensure an abundant supply of high-quality coffee for the future.

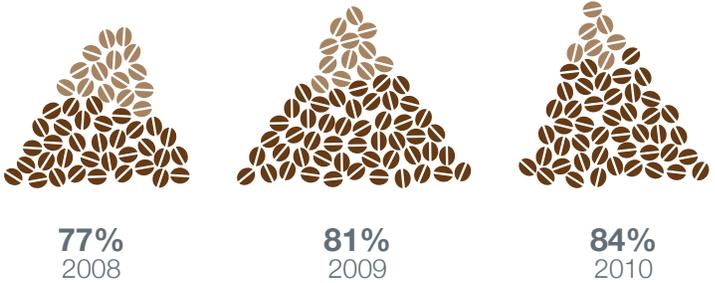
## Our Goal

By 2015, all of our coffee will be third-party verified or certified, either through Coffee and Farmer Equity (C.A.F.E.) Practices, Fairtrade, or another externally audited system.

Our approach to sourcing responsibly grown and ethically traded coffee is grounded in C.A.F.E. Practices, a comprehensive set of social, economic, environmental, and quality guidelines developed by Starbucks in collaboration with Conservation International.

**In 2010 we bought 84% of our total coffee this way—226 million pounds worth.**

Percentage of C.A.F.E. Practices verified coffee purchased annually



# Our Partnership with Conservation International

We've been working with CI for over 12 years, developing and applying the comprehensive set of environmental, social and economic guidelines we use to source ethical coffee. These guidelines, known as Coffee and Farmer Equity (C.A.F.E.) Practices, help us to evaluate and reward producers of high-quality, socially responsible and sustainably grown coffee.

As part of our commitment to continuous improvement and the expansion of support for coffee growing communities globally, we have completed the first annual results assessment of C.A.F.E. Practices. This report, along with field studies from Guatemala, measures the adoption of best practices at a country and global level, identifies areas for program enhancement and helps us to better understand how C.A.F.E. Practices contributes to improved farmer well-being and environmental health.

In addition to C.A.F.E. Practices, the newest phase of our partnership goes beyond the coffee farm to protect rich, surrounding landscapes. By piloting innovative projects with coffee-growing communities, we're improving coffee production, conserving and restoring natural habitat, and facilitating farmer access to forest carbon markets.

In Chiapas, Mexico, three nurseries have produced over 112,000 seedlings to restore the natural forest cover and help improve quality by employing shade-growing best practices. In North Sumatra and Aceh Tengah, both in Indonesia, farmers also receive training on composting and pruning and other extension services. Each project employs different approaches to addressing the climate challenges facing coffee producers while exploring the potential of carbon markets to benefit both livelihoods and conservation efforts.

Learn more about C.A.F.E. Practices and the results from our latest study throughout this fact sheet by visiting us online at:

<http://www.starbucks.com/responsibility>

<http://www.conservation.org/starbucks>



# Starbucks C.A.F.E. Practices: The Results

## PEOPLE

Social

### Purpose

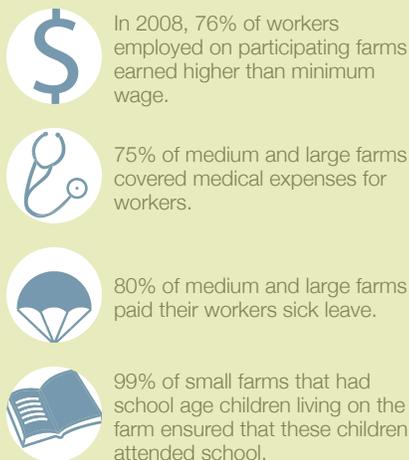
Ensure fair and non-discriminatory hiring and employment policies. Protect employees from workplace hazards. Conform to national laws as well as to International conventions related to occupational health, safety and living conditions. Strive to improve the quality of life for coffee farmers and workers.

### Criteria Verified



### Results

Participating farms provided over 1 million workers with full-time, part-time, or temporary employment.



## PLANET

Environmental

### Purpose

Ensure that all coffee is grown and processed in a manner that minimizes environmental impacts. Many of the coffee-growing regions overlap with areas rich in biodiversity—called Key Biodiversity Areas. By encouraging sustainable farming, Starbucks helps to alleviate pressures on these valuable habitats.

### Criteria Verified



### Results

Coffee farms are making valuable contributions to habitat conservation in these globally important areas for biodiversity.



## PRODUCT

Economic

### Purpose

Ensure that all coffee sold to Starbucks meets the high quality standards. We strive to create a program that is financially accessible for small farmers and rewards all suppliers for ongoing improvement of social and environmental practices.

### Pre-Requisite



### Results

Small farms of less than 12 hectares make up 99% of the farms participating in C.A.F.E. Practices, and Starbucks sourced more than half of all coffee from small farms in 2008.

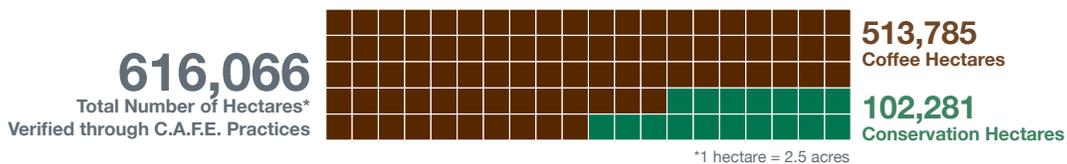
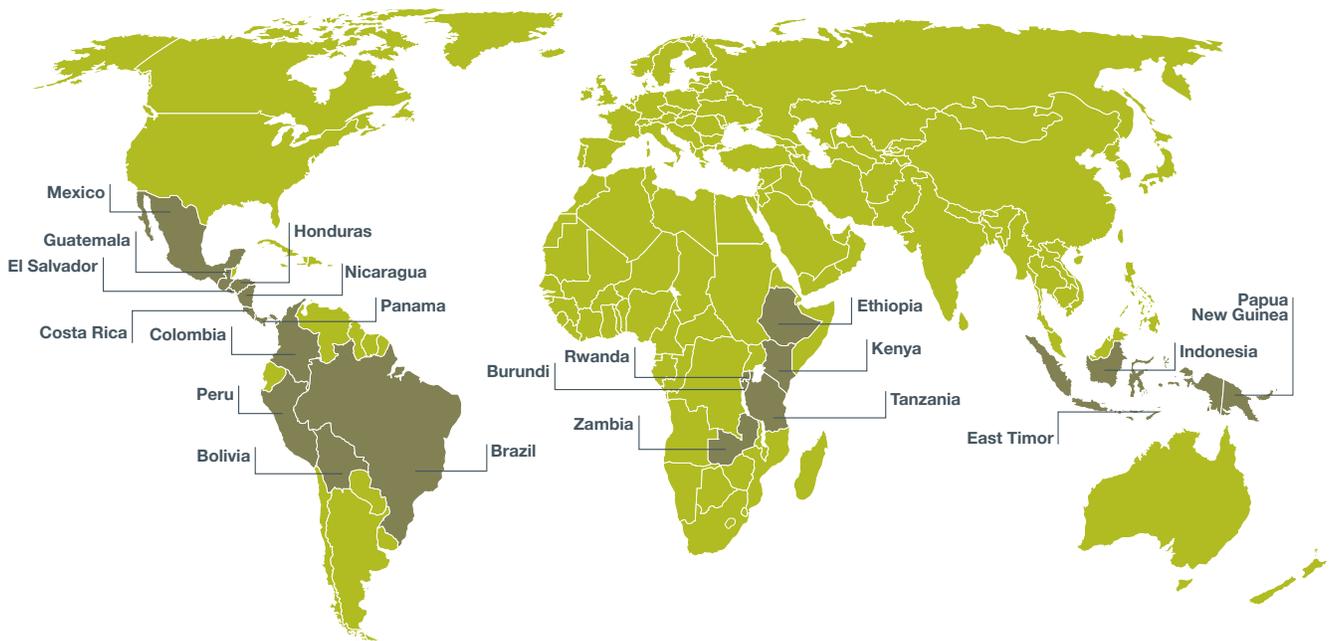


# Using Our Size for Good

The geographic reach of C.A.F.E. Practices is vast and includes coffee producers in 20 countries across four continents. These countries significantly overlap with 8 of the world's most biologically rich but most threatened regions. All of the countries supplying coffee via the C.A.F.E. Practices program are developing countries, with over 20% falling in the low income category. By ensuring fair wages and promoting access to health care and education, Starbucks is working to improve the well-being of coffee farmers worldwide.

In Guatemala, CI developed and implemented a field survey among coffee farmers in two regions—Huehuetenango and Jalapa—to assess and evaluate the results of the C.A.F.E. Practices program for farmers, workers and conservation. Significant findings include: C.A.F.E. Practices participants at both sites were more likely to report improvements in coffee quality than non participants; Farmers participating in C.A.F.E. Practices were more likely to invest in conservation and water quality; and there was a strong relationship between participation in C.A.F.E. Practices and greater stability of natural habitat on farms. Farmers participating in C.A.F.E. Practices also reported a decrease in the use of herbicides, pesticides and chemical fertilizers at rates significantly higher than those in the control group, which is good for the health of the workers and of the soil.

## Countries with C.A.F.E. Practices Verified Producers



For more information visit: <http://www.starbucks.com/responsibility>

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