

TOTAL REWARDS

# YOUR SPECIAL BLEND

Rewarding Our Partners



STARBUCKS®

# Opportunity

To make your own path and succeed.

If you want the opportunity to make meaningful connections and have an impact every day, become a partner and work someplace truly great. A place that values individuals and their contributions, and balances good business practices with a passion to improve our world.

Starbucks simply could not succeed without the passion and determination of our partners. And we believe that success is best when shared.

Eligible partners enjoy excellent benefits and share in our financial success through our signature programs that we proudly offer to eligible part-time and full-time partners, including:

- Comprehensive health coverage (medical, dental and vision).
- A highly competitive 401(k) program with company match.
- A stock program—in fact, Starbucks continues to be one of the only retailers to offer a stock program that includes part-time retail hourly partners.

It doesn't stop there. Partners are offered education benefits, tuition assistance, free coffee and opportunities to connect around similar interests, paid vacation and more.

# A Look at Total Rewards

Once you become a partner, visit the Partner Hub to learn more about the programs available to you.

## Base Pay

Determined by the competitive market pay rate for your job, your skills, experience and job performance.

## Bonuses

Reward achievement of specific business goals (for eligible positions).

## Benefits

Includes health coverage, income protection, time off, tuition reimbursement, employee assistance programs and more.

## Savings

Future Roast, our 401(k) savings plan, includes Starbucks Match to help you save for the future.

## Stock

S.I.P., our discounted stock purchase plan, and *Bean Stock*, our equity reward program, allow you to share in the company's success.

## Perks for Partners

Programs designed exclusively for partners.



# Benefits



# Benefits

Starbucks prides itself on our partners. We offer eligible partners working full-time or part-time comprehensive benefits, including health coverage (medical, dental and vision). Along with health coverage, your benefit options at Starbucks include life insurance, disability coverage, vacation, tuition reimbursement, employee assistance, commuter benefits, adoption assistance and more.

## INITIAL BENEFITS ELIGIBILITY

Due to the requirements of the Affordable Care Act, we use your position and work schedule to determine how your initial benefits eligibility date is calculated.

**Full-time\* partners** become eligible for benefits the first day of the month following 60 days of employment.

**Retail hourly partners** including baristas and café attendants become eligible for benefits after receiving at least 240 total hours over a three-consecutive-month period. Starbucks begins monitoring your total hours the first day of the month following your hire date (or the first of the month if you are hired on the first day of the month) and will continue until you become eligible. Once you receive at least 240 total hours over three full, consecutive months, you will be eligible the first day of the second month following that calculation. Your total hours include both your paid hours and any hours you receive to account for time while on approved, eligible leave of absence.

For example, if you are hired on May 2, we would measure for 240 total hours in June, July and August. If you meet the requirement over that time, you would receive your enrollment kit in September and become benefits eligible effective October 1.

\*Shift supervisors and shift managers are considered "full-time" for the purpose of determining initial benefits eligibility *only*.

## ONGOING BENEFITS ELIGIBILITY

Benefits eligibility audits are conducted twice a year, once on January 6 and again on July 6, to determine whether you have received the total hours needed to maintain eligibility. All partners must have a minimum of 520 total hours (an average of 20 hours per week) during each six-month measurement period.

Please note: partners in Hawaii have different eligibility requirements for initial and ongoing eligibility.

## ENROLLMENT

Once you become eligible for benefits, an enrollment kit is mailed to your home address. Then you have about two weeks to read through the benefits information and enroll online at [mysbuxben.com](https://mysbuxben.com) or by speaking with a Starbucks Benefits Center representative. Partners may cover themselves and their eligible dependents, including children, spouse and same- or opposite-sex domestic partner.

## MEDICAL, DENTAL AND VISION COVERAGE

Starbucks offers partners the choice of multiple coverage levels for medical, dental and vision plans, provided by leading national and regional insurance carriers. Coverage levels, carriers and price are based on where a partner lives.

### MEDICAL

Our medical plans include coverage for hospitalization, office visits, lab tests and x-rays, emergency care, prescription drugs, and mental health and chemical dependency treatment. Coverage of transgender surgery, ABA autism therapy, acupuncture and chiropractic care is also included in our plans.

### DENTAL

Our plans cover preventive, basic and major services, as well as orthodontia.

### VISION

Our plans cover eye exams, lenses, frames and contacts.

## REIMBURSEMENT ACCOUNTS

Benefits eligible retail salaried and nonretail partners may participate in Health Care and Dependent Care Reimbursement Accounts. With these accounts, partners set aside pre-tax payroll deductions to pay for qualifying health and dependent care expenses.

**Dependent Care Reimbursement Account (DCRA)** allows annual contributions of up to \$2,500 (if married and filing separate tax return) or \$5,000 (if single, or married and filing joint tax return) to pay for qualifying dependent day care expenses.

**Health Care Reimbursement Account (HCRA)** allows contributions of up to \$2,600 each year to pay for qualifying out-of-pocket healthcare costs.

## LIFE INSURANCE

Starbucks provides basic life insurance coverage for all benefits eligible partners. Salaried and nonretail partners are provided automatic basic coverage equal to one times annual base pay. Supplemental coverage, up to four times base pay (subject to plan maximums), may be purchased through automatic payroll deductions. Retail partners are provided automatic basic coverage in the amount of \$5,000. Supplemental coverage may be purchased in flat dollar amounts of \$10,000, \$25,000 and \$45,000. Partners may also purchase life insurance coverage at competitive group rates for their spouse or domestic partner and dependent children.

## DISABILITY

Our disability plan coverage provides partial replacement of lost wages when a partner is unable to work due to an illness or injury.

**Short Term Disability (STD)** provides partners with continued partial income for up to 26 weeks if they are unable to work due to a nonoccupational total medical disability. Benefits start after a short waiting period. (Partners working in Hawaii are eligible for Temporary Disability Insurance in lieu of Short Term Disability.)

**Long Term Disability (LTD)** provides partial income replacement after Short Term Disability ends. Retail salaried and nonretail partners receive this coverage automatically, with Starbucks paying 100% of the premium. Retail hourly partners may purchase LTD insurance.

## ACCIDENTAL DEATH & DISMEMBERMENT (AD&D)

This coverage is available for all benefits eligible partners.

## EMPLOYEE ASSISTANCE PROGRAM (EAP)

This program provides short-term counseling for stress-related issues, emotional difficulties, critical incidents in the workplace and other personal concerns, including financial, legal and daily living (a resource on child care, elder care, school information and more). EAP services are available to all U.S. partners and their eligible dependents regardless of benefits eligibility.

## CUP (CARING UNITES PARTNERS) FUND

The CUP Fund is a financial assistance program that helps Starbucks partners who experience a financial crisis resulting from an illness, the death of a partner or family member, or natural disaster or other extreme circumstances. All Starbucks partners are eligible to apply for financial assistance.

## ADOPTION ASSISTANCE

Starbucks provides financial assistance to partners who have chosen to adopt. Partners eligible for Starbucks benefits may receive reimbursement of up to \$10,000 to help pay for qualified expenses related to the adoption of an eligible child. Partners may also be eligible for the Adoption Allowance benefit, which replaces up to 6 weeks of pay for time off needed to travel to pick up an adopted child and/or to settle the child in the partner's home.

## STARBUCKS COLLEGE ACHIEVEMENT PLAN

We don't just believe in our partners' potential. We invest in it. Eligible full- and part-time partners can earn a bachelor's degree with full tuition reimbursement every semester through Arizona State University's top-ranked degree programs, delivered online. All partners who are eligible for Starbucks U.S. benefits can choose from over 70 undergraduate degree programs taught by top-ranked faculty members with real-world experience—degrees are not limited to majors that are relevant to a career at Starbucks.

We know that money is not the only barrier to getting a college education. That's why we've designed this program to ensure that our partners receive a **personal level of support, custom-built for each partner**, including a dedicated enrollment coach, financial aid counselor and academic advisor. Above all, we want our partners to have the support they need to graduate from college. Find out more at [starbucks.com/collegeplan](https://starbucks.com/collegeplan).

## COMMUTER BENEFIT PROGRAM

Starbucks offers an easy way to pay for work-related commuter expenses, such as transit passes, through pre-tax payroll deductions, saving partners money on their commuting expenses.

### Eligibility

All U.S. partners are eligible except for SSC (Starbucks Support Center) and Kent Roasting Plant, who have a separate program administered through Transportation Services.

## VACATION

Starbucks vacation benefit is based on the partner's position, length of service and work location.

### Salaried and Nonretail Hourly Vacation Schedule

These partners will either accrue vacation each pay period (for partners working in CA, CO, IL, LA and MA) or receive an annual vacation grant each October 1. Vacation hours are prorated for part-time partners.

Completed Months of Service	0-36	36-60	60-120	120+
Annual Vacation Grant or Annual Accrual Hours	<b>80</b>	<b>120</b>	<b>160</b>	<b>200</b>

### Retail Hourly Vacation Schedule

Retail hourly partners begin to accrue vacation after 12 months of continuous service. If you work fewer than 40 hours per week, you will accrue vacation time on a prorated basis.

Completed Months of Service	0-12	12-36	36-60	60+
Maximum Vacation Accrual Hours	<b>0</b>	UP TO <b>40</b>	UP TO <b>80</b>	UP TO <b>120</b>

## HOLIDAYS

Starbucks observes New Year's Day, Martin Luther King Jr. Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Retail hourly partners are paid 1½ times their base hourly rate of pay for any hours worked on these holidays.

## PERSONAL DAYS

Personal days are available to salaried and nonretail partners only. One paid personal day is awarded each July 1 and January 1 and must be taken within the following six-month period. No more than one personal day is available at a time.

## SICK PAY

Salaried and nonretail hourly partners are eligible to accrue and use sick pay beginning with the date of hire. Sick pay replaces income when work is missed due to an illness, injury or doctor's appointment. Full-time partners accrue up to 40 hours of sick pay per year. Partners working in locations with legally mandated sick pay requirements will receive sick pay or paid time off as required.





# Savings and Stock Plans

# Savings

## FUTURE ROAST 401(k) SAVINGS PLAN

Starbucks 401(k) plan is an easy way to grow your savings through pre-tax and/or Roth after-tax payroll deductions. Partners on the Starbucks or a participating company's U.S. payroll, age 18 or older with 90 days of service, are generally eligible to participate in Future Roast 401(k). Shortly before you become eligible, enrollment information containing plan details and instructions is mailed to your home address.

Eligible partners may contribute from 1% to 75% of their pay each pay period, up to the annual IRS dollar limit (\$18,500 for calendar year 2018). Partners age 50 and older are subject to a higher IRS annual limit (\$24,500 for calendar year 2018).

### Starbucks Matching Contributions

When you save through the Future Roast 401(k) Savings Plan, Starbucks will match your contributions. The match will be contributed to the Plan along with each eligible partner's 401(k) contributions each pay period.

The match rate is fixed each calendar year at the Starbucks Match rate:

**Starbucks Match:** 100% match on the first 5% of eligible pay\* that a participant contributes each pay period.

### Vesting

Participants are immediately 100% vested in their entire account balance under the Future Roast 401(k). This includes the Starbucks Match, 401(k) pre-tax and/or Roth after-tax contributions, and any rollover account balances.

\* The maximum amount of eligible pay that will be taken into consideration when calculating 401(k) pre-tax and/or Roth after-tax contributions and match for any calendar year is subject to IRS limits (\$275,000 for calendar year 2018).

# Stock Plans

## STOCK INVESTMENT PLAN (S.I.P.)

Since 1995, S.I.P. has provided Starbucks partners opportunities to purchase company stock each quarter at a discounted price through regular payroll deductions. Eligible partners may contribute 1% to 10% of their base pay each pay period.

### Eligibility

Partners become eligible after 90 days of employment. Partners may elect to contribute 1% to 10% of their base pay each pay period. When a partner reaches initial eligibility, a postcard reminder is mailed to the partner's home address.

### Discounted Stock Purchase

After the end of each calendar quarter, each participant's contributions are used to buy Starbucks stock at a 5% discount. The 5% discount is applied to the fair market value of Starbucks stock on the last business day of the quarterly offering.

## BEAN STOCK

Started in 1991, *Bean Stock* is a reward that is granted in the form of Restricted Stock Units (RSUs), which turn into shares of Starbucks stock over a specified period of time. With the opportunity to share in the financial success of the company, Starbucks employees became known as partners. Every year, Starbucks Board of Directors evaluates a number of factors from the company's performance to cost of the program and determines how many shares are available to grant to eligible partners. *Bean Stock* is an example of how Starbucks rewards you for the many contributions you make every day to the overall success of Starbucks.

### Eligibility

Partners must be employed by Starbucks by May 1 before the grant, and are a store partner, or nonretail partner in a position up to, but not including grade 25 (in U.S.) or director (outside of U.S.). U.S. partners in grade 25 and above jobs are not eligible for *Bean Stock*, but are instead eligible for awards under the Leadership Stock Plan.



# Perks for Partners

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Designed exclusively for partners, these programs help connect partners with the resources to be their personal best.

## **COFFEE AND TEA MARKOUT**

Partners are eligible to receive a free coffee or tea “markout” every week.

## **IN-STORE MERCHANDISE DISCOUNT**

Partners receive a 30% discount on purchases of beverages, merchandise and food. Items excluded from the discount include, but are not limited to, Starbucks Cards and newspapers. Coffee, tea or milk-based beverages consumed by partners while on a work break are free of charge.

## **PARTNER RECOGNITION PROGRAM**

Starbucks success reflects the quality, imagination and initiative of our partners. We recognize our partners’ contributions at all levels of achievement through formal and informal recognition programs.

## **PARTNER CONNECTION PROGRAM**

This program links partners who share common interests, helps foster a well-balanced life and supports having fun while helping with some of the associated costs.

## **PARTNER DISCOUNTS**

We offer partners discounts at local businesses, national retailers as well as service providers who provide voluntary benefit programs like discounted auto, home and pet insurance.

## **STARBUCKS COFFEEGEAR™**

Partners receive exclusive access to Starbucks-branded apparel and promotional items not available anywhere else.

## **ELITE ATHLETE PROGRAM**

We provide support to partners participating in athletics at a world-class level.

## **MATCHING GIFTS PROGRAM**

Starbucks will match up to \$1,500 per fiscal year for your individual contributions of financial gifts or time to eligible non-profit organizations.



**Total Rewards** This Total Rewards summary describes certain highlights of some of Starbucks Total Rewards plans. Keep in mind that the Total Rewards information summarized here is governed by the plan documents in all cases, which are the final authority. In general, it has been assumed that Starbucks Corporation's Total Rewards programs will remain in effect without changes. However, nothing in this summary should be interpreted as creating contractual rights or obligations or restrict in any way the rights of Starbucks Corporation and its subsidiaries and affiliates. This summary is not a contract and cannot create a contract. Starbucks partners and partners of participating affiliated companies do not have the authority to verbally amend the terms of the plan document. Starbucks Corporation continues to reserve the right to amend, change or terminate company-provided coverages and/or subsidies at any time. The company's decisions in this regard may be due to any changes in federal or state laws governing Total Rewards programs, the provisions of a contract or a policy involving an insurance company or any other reasons is the company's sole discretion. Starbucks is an Equal Opportunity employer of all qualified individuals, including minorities, women, veterans and individuals with disabilities. All qualified applicants will receive consideration for employment without regard to race, national origin, age, sex, religion, disability, sexual orientation, marital status, veteran status, gender identity or expression, or any other basis protected by local, state or federal law. This policy applies with regard to all aspects of one's employment, including hiring, transfer, promotion, compensation, eligibility for benefits and termination.