



# Starbucks

ADM1101

James Bowen

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Abdullah Al-Faiz, 7787503

Ibrahim Bayaa, 7680789

Michel Joseph Ndikumasabo, 7268084

Peter Tu, 6839139

Abdul Amoud, 8329588

Matthew Bruder, 7776338

# Personal Ethics Statement Concerning Telfer School Assignments


## Group Assignment:

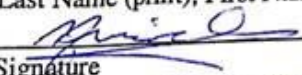
By signing this Statement, I am attesting to the fact that I have reviewed not only my own work, but the work of my colleagues, in its entirety.

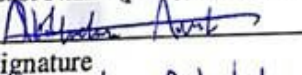
I attest to the fact that my own work in this project meets all of the rules of quotation and referencing in use at the Telfer School of Management at the University of Ottawa, as well as adheres to the fraud policies as outlined in the Academic Regulations in the University's Undergraduate Studies Calendar. Academic Fraud Webpage

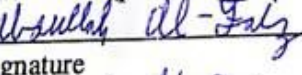
To the best of my knowledge, I also believe that each of my group colleagues has also met the rules of quotation and referencing aforementioned in this Statement.

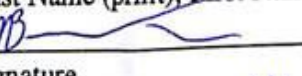
I understand that if my group assignment is submitted without a signed copy of this Personal Ethics Statement from each group member, it will be interpreted by the Telfer School that the missing student(s) signature is confirmation of non-participation of the aforementioned student(s) in the required work.

  
 Signature  
 Bayaa, Ibrahim  
 Last Name (print), First Name (print)

  
 Signature  
 NDIKUMASABO MICHEL JOSEPH  
 Last Name (print), First Name (print)

  
 Signature  
 Amoud Abdul  
 Last Name (print), First Name (print)

  
 Signature  
 Abdullah Al-Faiz  
 Last Name (print), First Name (print)

  
 Signature  
 Bruder Matthew  
 Last Name (print), First Name (print)

DEC, 7<sup>th</sup>, 2015.  
 Date  
 7680789  
 Student Number  
 DECEMBER 7<sup>th</sup> 2015  
 Date  
 7268084  
 Student Number  
 December 7<sup>th</sup> 2015  
 Date  
 8329588  
 Student Number  
 December 7<sup>th</sup> 2015  
 Date  
 7787503  
 Student Number  
 December 7, 2015  
 Date  
 7776338  
 Student Number

## **Executive Summary**

Starbucks main characteristics of sustainability strategies focuses on the awareness, stakeholder focus, CSR programs and staff involvement. In addition, through the process of Starbucks globalization, the company had to adapt to certain cultural norms in the community in which Starbucks was expanding. The main issues and major challenges facing the industry ranges from climate challenges to labour shortages, lack of skills and training, coffee traders have a lot on their hands. Starbucks needs to account for the demands or interests of stakeholders, because the company is viewed not just as an organization for profit, but also as a citizen of society. Starbucks keeps improving its corporate social responsibility practices to address the concerns of different stakeholder groups. Starbucks also have many ethical issues relating to their NGO partnerships and with the government, issues they must deal with to improve in the coffee chain industry.

## **Industry Analysis**

### **Issues facing the coffee Industry and its global value chain**

The main issues and major challenges facing the industry ranges from climate challenges to labour shortages, lack of skills and training, and the issue of coffee traders having a lot on their hands. Focusing on the challenges facing the firm, specifically, is dealing with is the current financial crisis they were hit with, forcing them to close stores all around. More frankly, the need to expand could cause the company to become over exposed and risk its ability to change. In terms of, competitor based threats, there is no doubt that Starbucks are up there on the list for having the utmost control in that industry because of setting strict guidelines for the suppliers to go by.

However, it is nothing but an open war in the coffee industry, any big firm where capital in short is not a problem, is a potential entrant in the industry. Some of the more current and biggest threats/ challengers for Starbucks in that industry, include fast food chains such as McDonalds, Burger King and Dunkin Donuts which can become a major problem in the near future. A major threat that Starbucks has to face is competition, of which McDonald's is a rising competitor. McDonald's is able to open their McCafés in current franchise stores around the world, so in fact if money is put right towards that part of the industry, then we can see a possible drop in Starbucks. With that saying, with Burger king having bought Tim Hortons, the iconic Canadian coffee chain, the competition is only getting tougher. The more and tougher competitors, the more effect on Starbucks global value chain.

#### **Starbucks vs Tim Hortons Prices**

	<b>Starbucks</b>	<b>Tim Horton's</b>	<b>Difference</b>
<b>Hot Chocolate</b>	\$2.30	\$1.13	\$1.17
<b>Café Mocha</b>	\$3.25	\$1.90	\$1.35
<b>Smoothie</b>	\$2.70	\$1.41	\$1.29
<b>Frappuccino</b>	\$3.75	\$2.49	\$1.26

Starbucks drinks are priced higher than other market competitors because they offer higher quality, thus increasing the price of the drink giving the competitors a cost advantage over Starbucks.

In addition, recently in the press, Starbucks has been facing obstacles due to its support to same sex marriage and the LGBT community in general. In 2012, Starbucks supported the Washington State referendum to legalize same sex marriage. In an article, titled, "Did Starbucks CEO just take a jab at christian customers" Stories have been circulating for some time about Starbucks CEO Howard Schultz supposedly telling shareholders at their annual meeting, "If you support traditional marriage over gay marriage, Starbucks doesn't want your business." Following, the National organization for marriage launched a boycott against the coffee retailer, having more than 50,000 people sign a petition, to boycott starbucks. According to Forbes Magazine, CEO Howard Schultz said in an annual shareholder meeting in March 2013, "Not every decision is an economic decision...We employ over 200,000 people in this company, and we want to embrace every diversity of all kinds. This daring stance against homophobia by the company, was meant to embrace diversity among people, but instead has hurt them financially. As one investor puts it during the 2013, annual shareholder meeting. " In the first full quarter after this boycott was announced, our sales and our earnings, shall we say politely, were a bit disappointing." Ever since the company has been facing opposition from customer, investors, and anti gay institutions. Even though, the intention of the company was to embrace diversity, it has featured them in the press, and public in a negative way.

### **Worst and Best Social and Environmental Performers in the Industry**

There are several firms that go under the category of worst and best social and environmental performers in the coffee industry. Caffè Nero is one amongst many that is very well known in the coffee industry as tax avoiders.

Caffè Ritazza, Pret A Manger, Harris & Hoole and Puccino's are all owned, or partially owned, by companies which lose marks in our Anti-Social Finance ranking.

### **Company Overview**

Starbucks Corp. is a publicly traded corporation based out of Seattle, Washington. Starbucks sells high quality, hand crafted specialty coffee and tea beverages as well as sandwiches and other fresh food items. They source single origin arabica coffee beans from multiple coffee producing regions around the world. They also sell goods and services under the following brands: Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange and Ethos.

The governance of Starbucks Corp. is led by a Board of Directors. The Board of Directors includes several committees including: Audit and Compliance Committee, Compensation and Management Development Committee and a Nominating and Corporate Governance Committee. This form of governance could pose some potential problems to the company. One of these potential problems is time management, and more so how long it takes to make decisions. Taking a long time to make decisions is a common problem faced by companies with a board of governors. This is due to the number of potentially different opinions trying to agree on what the best option is when faced with a problem. Having a strong chief executive officer who is able to organize and utilize all of these ideas is key for making a board of governors successful.

Starbucks Corp. has a left wing position on business and society related issues. One example to back up this statement is their view on gay marriage. Howard Schultz has gone on record showing his support for gay marriage and the LGBT community as a whole. In 2013 a

stakeholder voiced their view that the company had been losing customers due to their stance on gay marriage. Howard Schultz replied to this criticism with more support for gay marriage saying: “Not every decision is an economic decision. The lens in which we are making that decision is through the lens of our people.” (Schultz) Starbucks Corp. continues to show support, flying the Pride flag atop their headquarters in Seattle in June of 2014. There have also been rumours that Starbucks Corp. does not support the troops. They have dispelled these rumours with their actions, donating 141,000 pounds of coffee and over one million 3-packs of Starbucks VIA® to the troops and all those within the armed forces. While this second point may not show a left wing point of view it does continue to show what kind of company Starbucks Corp. aspires to be, one that while making a profit is able to donate and support others.

Starbucks mission statement is as follows: “to inspire and nurture the human spirit – one person, one cup one neighbourhood at a time.”(Starbucks) While this may seem vague they back it up with six principles. The first being their coffee, and always making sure that it is quality. Coffee is without a doubt the most important part about Starbucks Corp. as proved by the actions of Howard Schultz. In 2008 Howard Schultz retook control of the company after a brief hiatus; his first actions were to inspect the stores. He decided that the quality was not where he wanted it to be. So on February 26<sup>th</sup> 2008 Howard Schultz closed 7,100 of his American stores to retrain baristas in the art of making espresso. They also made the decision to cut the breakfast sandwich from the menu because it had a strong smell and took away from the aroma of the coffee in the restaurants. This just goes to show how big of an emphasis has been put on coffee by Starbucks Corp. The second principle is their partners; they call them this because it is not just a job, it’s a passion to uphold the standards of Starbucks Corp. The third principle is their customers; they

attempt to uplift the lives of each customer even if just for a moment. The fourth principle is their stores, Starbucks tries to create an atmosphere where you are able to sit and enjoy your coffee with friends, family, and coworkers alike. Their fifth principle is their neighbourhood, trying to be a good neighbour is a priority, and to uphold a standard of excellence. The final principle is their stakeholders, as important as the experience and quality are they still very profitable and make all shareholders successful.

### **Key Stakeholders**

Starbucks Coffee Company's stakeholder management approaches are based on different programs for corporate social responsibility (CSR). The company is an advocate of CSR movements, especially those related to sustainability in business. In the context of corporate social responsibility, Starbucks needs to account for the demands or interests of stakeholders, because the company is viewed not just as an organization for profit, but also as a citizen of society. Thus, the firm must contribute to the improvement of society. Starbucks has already implemented various corporate social responsibility programs for its stakeholders. The current strong brand and corporate image of Starbucks indicates the firm's efforts to include stakeholders in its strategies and success.

Starbucks keeps improving its corporate social responsibility practices to address the concerns of different stakeholder groups. The following are the main stakeholders in Starbucks Coffee's business:

#### **Customers**

Starbucks considers customers as among its top stakeholders. They are the source of

revenue and have to be treated carefully. Without them the company cannot survive, so in almost all situations the customers has to come first. As consumers, they can always choose to buy products from competitors so it is essential for Starbucks to continue to innovate, to offer good products and good value for money. For example, warm and friendly relations are emphasized within the company and in how baristas interact with customers. By writing the customer's name on the cup, Starbucks forge links with its clientele; making every individuals feel special. The customer also has the power to boycott companies whose products are unsatisfactory or whose policies are unacceptable. Thus, Starbucks Coffee's corporate social responsibility efforts fulfill the interests of this stakeholder group.

### **Employees**

Starbucks prioritizes employees in its corporate social responsibility efforts. Calling its employees "partners", they try to build a direct and open relationship with them in a positive workplace. Employees are considered among the most important stakeholders for the simple reason that they are critical for the operation of the corporation. They deliver the products and services to the consumers. If Starbucks lose or antagonize their best employees then the customer service will suffer. Employees are affected by the company decisions on the basis of how those decisions affect their job security. If Starbucks makes risky business decisions that harm the bottom line of the company, it might put the job security of the employees at risk. Starbucks offers benefits and other compensatory packages. It creates an environment in which "jobs" are regarded more like "investments", which makes employees work with passion, productivity, and focus, making the company more profitable. Starbucks achieved getting employees loyalty by

treating them with respect; good pay and benefits package; providing a safe and friendly environment and career growth opportunity.

### **Suppliers**

Starbucks suppliers are composed of wholesale supply firms and coffee farmers. It addresses the interests of these stakeholders through a number of corporate social responsibility programs. Starbucks' Coffee and Farmer Equity (CAFE) program requires transparency among wholesale suppliers to ensure that coffee farmers are properly paid. The main interest of this stakeholder group is to receive orders for goods from Starbucks. The suppliers have the power to make business with competitors and to boycott companies for wrong-doing. Starbucks have been able to keep a good relationship with its suppliers by paying fair rates, on time and practicing fair trade with farmers. Thus, Starbucks' corporate social responsibility efforts comprehensively address the interests of this stakeholder group.

### **Environment**

Starbucks has corporate social responsibility programs for environmentally sound business. The company's CAFE program has led to higher biodiversity and shade quality in certified coffee farms. Currently, 90% of Starbucks' supply is from CAFE-certified farms. This shows that Starbucks is effective in addressing its corporate social responsibility to this stakeholder group, although there is room for improvement.

### **Investors**

As in any business, Starbucks must address investors as stakeholders. Investors have

interests in high financial performance of the company. Starbucks' global expansion and continued dominance in the coffeehouse industry indicates high financial performance. Even though it suffered considerable decline in 2007, Starbucks has recovered and is on a growth path once more. Thus, the firm satisfies this stakeholder group's interests.

### **Governments**

Starbucks must address the interests of numerous governments as stakeholders, considering the company's global presence. In general, Starbucks follows rules and regulations. However, the company has been criticized for tax evasion in Europe. Starbucks uses a network of locations in different European countries to exploit tax advantages. Much of this system remains, with Starbucks paying unexpectedly low taxes in the U.K. Thus, the company's comprehensive corporate social responsibility efforts can be improved to address this stakeholder group.

Starbucks has high corporate social responsibility performance in addressing the interests of most of its stakeholders. The company satisfies most of the concerns of stakeholder groups like customers, employees, suppliers, the environment, and investors. However, Starbucks needs to improve its CSR performance to reach a 100% CAFE-certified supply chain to maximize environmental benefits. Starbucks can also improve its CSR performance in addressing governments around the world by improving its tax compliance. The firm can improve youth rates/wages to ensure satisfaction of youth workers in some markets like New Zealand. These are

the three main areas where Starbucks can change to boost its corporate social responsibility performance to satisfy stakeholders.

### **Key Social Responsibility Activities and Programs**

Starbucks Corp. has launched numerous CSR programs since the founding of the company in order to aid its key stakeholders, to protect the environment, and to give back to the community. The company's key CSR activities include ethical sourcing, green retail, and opportunities for the community.

#### **Ethical Sourcing**

In order to ensure a long-term supply of their high-quality coffees, Starbucks Corp. work with an organization called Conservation International (CI) to help promote growing methods that are environmentally responsible. CI helped Starbucks develop social, environmental and economic guidelines for a sustained production of their coffees. This lead to the founding of a program called Coffee and Farmer Equity (C.A.F.E.), which in turn helped with different environmental issues such as reducing emissions, improving carbon storage, and managing climate risks from pests and disease to name a few. In addition, Starbucks is working with CI to ensure that farmers will receive benefits from carrying out sound conservation practices.

Starbucks is also working with agronomists and quality experts in the field to aid farmers to help them improve the quality of the coffees, productivity, reducing costs, and raising living standards.

To further provide aid to the suppliers of Starbucks coffee, the company also provides access to credit by investing in farmer loans in order to strengthen their business. In addition, Starbucks provided many grants and funding in order to improve facilities and living conditions for the farmers and suppliers such as improving access to clean water, sanitation, and renewable energy. Starbucks invested \$3 million in their suppliers in 2014 alone.

## **Environment**

One of Starbucks' key CSR goals is going green. The company has surpassed 500 LEED®-Certified Stores, which are stores that have met the requirements of a green building certification program that shows how sustainable and environmentally friendly the building is.

Starbucks has also been working in other areas to help the environment such as reducing the stores water consumption, investing in energy-efficient appliances and fixtures in stores, and investing in renewable energies such as the purchase of wind energy.

The company has also been raising awareness of their reusable cups as a strategy to improve their waste reduction. They also provide discounts to customers who bring their own mugs.

## **Community**

Starbucks provides many opportunities to the people to help build the workforce for the future. The company has hired almost 2000 new partners in 2014 and they plan to hire 10 000 veterans and military spouses by 2018. In the United States, the Customer Service Retail Excellence Training Program was introduced to further provide students with the customer service skills that are needed to work at Starbucks.

In addition, The Starbucks Foundation donated more than \$13 million to non-profit organizations as a way of helping the community.

## **Analysis of CSR Activities**

From Starbucks' CSR report, we can see that their strategies in ethical sourcing has been very effective so far as they have reached between 80-96% of their goal for 2015. Although in the areas of environment and community, they have only reached less than 60% of the desired goal.

## **Strength of CSR Measuring, Reporting, and Communication efforts**

The report is good overall as it identifies the stakeholders involved in the programs and activities and the impact of their efforts. The report provides success levels of each activity by stating their progress and goal levels. Although the report only contains positive feedback on their progress but no negative feedback is present.

## **Business Ethics**

A company's Corporate Social Responsibility does not define its ethicality. A company with good CSR initiatives does not make it an overall ethical company, and vice versa.

There are varying opinions from critics and the general public on the ethicality of Starbucks. Analyst Douglas Holt at the Said Business School at Oxford University considers Starbucks to be just as unethical as Nike, a company famous for their sweatshops in poverty stricken Asian countries (Strickland, 2014). The US National Lawyers Guild accuses Starbucks of a "relentless and illegal anti-union campaign" and "retaliatory firing" of union organizers. A US court ordered the company to pay more than \$100 million into the accounts of its low wage staff in California after ruling that it had improperly required the workers to share tips with their bosses (Sadrudin, 2014). Ethical Consumer, a website dedicated to informing the public on the ethicality of businesses, rate Starbucks a 3.5 out of 20 in terms of being an ethical business (Starbucks). However, despite these claims of negative ethical behaviour, Starbucks claim that they try their best at being ethical. On their website they state that "conducting business ethically and striving to do the right thing are vital to the success of the company." (Business, 2015) The website has also made a Code of Ethics document public, in which the CEO, COO, CFO and finance leaders must all sign upon taking on their positions. It states that these people have important leadership roles, and lists 7 amendments that they must all abide by. Act honestly, treat all stakeholders equally, comply to governmental laws, no misrepresenting material facts and false judgement, respect the confidentiality of information of the job, promote ethical behaviour, and to be responsible with company assets (Code, 2015). However, do Starbucks actually abide

by this document? In this section, an evaluation will be made on how the company interacts with NGO's and civil societies, and with the government.

Starbucks have partnered up with numerous NGOs, all working for different causes in environmental stewardship, community involvement, and ethical sourcing. They have partnered up with NGO's such as:

- Conservation International
- Fair Trade
- African Wildlife Foundation
- Business for Social Responsibility
- Earthwatch Institute
- Ceres
- United States Green Building Council
- Save the Children
- Sustainable Food Lab
- Product(REDD)
- Mercy Corps
- International Youth Foundation
- Ashoka Youth Ventures

(Our, 2015)

Other coffee chains in the industry do not nearly have as many partnerships with NGOs like Starbucks do. However partnering up with all these organizations does not make Starbucks a good company in terms of business-NGO/civil society relations. The company refused to ban “genetically engineered artificial recombinant bovine growth hormone” (Sadruddin, 2014) from its drinks. Campaigners tried for 6 years for the removal of the hormone but Starbucks did not give in to the pressure from the civil society. Another example of a Starbucks issue with an NGO is the controversy surrounding their fair trade beans. Starbucks state that they purchase the most Fair Trade coffee beans in North America (Storm, 2006). However, having the title of ‘company with highest Fair Trade bean purchase’ does not guarantee that the purchase of these beans are

indeed fair. Oxfam, a development charity, claim that the company is in fact underpaying Ethiopian coffee farmers by \$90 million a year. Starbucks claims they make up for this loss by using a system called CAFE (Coffee and Farmer Equity) which provides benefits for farmers in other ways such as microfinance loans (loans given to a small businesses that do not have a bank available) and technical support as an alternative to buying fair-trade beans (Storm, 2006). Some may view that Starbucks could be using their CAFE program to find a way around the issue of buying fair trade coffee beans and save the company a substantial amount of money.

Another issue Starbucks have with a civil society is with labour unions. The US National Lawyers Guild accuses Starbucks of a “relentless and illegal anti-union campaign” and “retaliatory firing” of union organizers. For example, Daniel Gross, Starbucks Union co-founder, who was illegally fired for speaking out against Starbucks and for his union activity (Sadrudin, 2014).

These examples are of the many ways Starbucks try to present themselves as an ethical company, they show that they are in association with all these ethical groups, but in reality, the backstage scenes are completely different. Their Corporate Social Responsibility initiatives are good, having partnered up with many NGOs, but the company’s unethical actions contradict these initiatives.

There are not many interactions and relations between Starbucks and the government, however, what little relations they do have seem to mostly be negative ones. Howard Schultz, chairman and president of Starbucks states that “A commitment to integrity, acting honestly and ethically, and complying with the letter and intent of the law are critical to our continued success.” (Business, 2015) In February 2015, Starbucks received Ethical Consumer's worst

rating for likely use of tax avoidance strategies. The company had a number of subsidiaries based in tax havens including three holding companies registered in Hong Kong (Starbucks Asia Pacific Investment Holding II Limited, Starbucks Asia Pacific Investment Holding III Limited, and Starbucks Asia Pacific Investment Holding Limited) (Starbucks, 2015). Howard Schultz clearly did not read the Code of Ethics document clearly. He was also accused in 2009 of getting a pay raise of 25%, in the same year that the work force was reduced by 19% (Sadrudin, 2014). Compared to other coffee chains in the industry, Starbucks could improve heavily in their ethical efforts.

### **Globalization and Sustainability**

Starbucks started its massive expansion into the foreign markets in 2003; hence the “Starbucks Effect” was created. Since then, Starbucks became the internationally recognized brand it is now. Starbucks is currently the global leader in the coffee shop category, where it has dominated 40% of the market, ahead of both McDonald’s McCafe and Whitbread PLC’s Costa Coffee. One of the many obstacles Starbucks had to face in the globalization process was the issue of intellectual property protection. For every country Starbucks needs to enter, the company has to put into account the legal costs of trademarking. An example would be the entrance of Starbucks into china in 1999. Starbucks trademarked both its English name and the locally acceptable Chinese name “Xingbake”.

### **Cultural Globalization**

Through the process of Starbucks globalization, the company had to adapt to certain cultural norms in the community in which Starbucks was expanding. For example, in the western world, Starbucks is mostly a buy-and-leave coffee shop for customer; meanwhile in India

Starbucks is a place where office-goers and students sit and relax for hours. Similarly, the peak time in the western world is 7 to 10 in the morning (for coffee sales), but in China, its 4 to 6 in the afternoon. Moreover, Starbucks must tend to occasional celebratory events in the environments in which it operates. Such as, Yorkshire pudding, that is celebrated in the United Kingdom, but not in New York. Moreover, there are different food preferences the company has to adapt to. For instance, cold breakfast sandwiches are in high demand in Germany; where people in the region are fond of hard role, sausage and tomato that are served cold. Therefore, in order for Starbucks to successfully enter a region, it must respond accordingly to advices from local partners.

### **Corruption**

In certain regions of the world, current economic conditions can cause impurity in government practices that would lead and industry that is entering in said regions, to be forced into illegal transactions. Luckily, Starbucks has outlined its code on corruption in a document that was released called “Starbucks Global Anti-Bribery Standard”. Policies and procedures are designed to comply with all applicable laws, accounting and reporting requirements, tax rules and other regulations and requirements, including those imposed by the SEC, NASDAQ, and foreign countries, as well as applicable trade, labor, healthcare, privacy, food, anti-bribery and corruption and merchandise laws.

### **Political Globalization**

During the process of Starbucks globalization, the company was bound to enter the international world of politics. For instance, fair trade coffee, advocates' for fair trade real coup did not come until April 2000, when Starbucks, which controls 20 percent of the U.S. specialty

coffee industry, agreed to carry fair trade. Of course, the agreement did not come without a fight. At first Starbucks refused to carry fair trade, explaining that until there was consumer demand it could not sell the politically correct bean in its 2,300 stores.

### Sustainability

Starbucks Main Characteristics of Sustainability Strategies focuses on the Awareness, Stakeholder focus, CSR programs and Staff involvement. In the table below, is the comparison of these characteristics between Starbucks and two of its main competitor, McDonald's and Nestlé.

	<b>Starbucks</b>	<b>McDonalds</b>	<b>Nestle</b>
<b>Awareness</b>	<ul style="list-style-type: none"> <li>• Suggests to consumers the health effects of over consumption of dairy</li> <li>• Increase in awareness of health risks such as obesity</li> </ul>	<ul style="list-style-type: none"> <li>• Inform customers about balanced diet and increased levels of physical activity</li> <li>• Raise awareness regarding the welfare of culled cows through the McDonald's Global Animal Health and Welfare Team</li> </ul>	<ul style="list-style-type: none"> <li>• Disclaimers are labeled on products such as the Nestlé's Jian Xin Double Care; the brand raises awareness of heart health with in-store health checks and offers toll-free phone contact with doctors to discuss cardiovascular health.</li> </ul>
<b>Stakeholder focus</b>	<ul style="list-style-type: none"> <li>• The EIC (18 executives) assess potential risks related cocoa production</li> <li>• Starbucks engaged stakeholders to discuss water-related</li> <li>• Issues in 2005.</li> </ul>	<ul style="list-style-type: none"> <li>• European Animal Welfare Platform, a multi stakeholder initiative that achieved broad consensus on key issues and best</li> <li>• Practices in beef and dairy,</li> </ul>	<ul style="list-style-type: none"> <li>• Manages risks and opportunities related to climate change proactively given the impact it may have on agriculture and food production systems</li> </ul>
	<ul style="list-style-type: none"> <li>• Enforces recalls</li> </ul>	<ul style="list-style-type: none"> <li>• Initiate programs</li> </ul>	<ul style="list-style-type: none"> <li>• The overall goal, is</li> </ul>

<b>CSR Programs</b>	when information of contaminated products have been circulated	that increase in store recycling to 50% <ul style="list-style-type: none"> <li>● Improve the lives of children and families through support from the Ronald McDonald House Charities</li> </ul>	working toward zero waste for disposal, where no factory waste is landfilled
<b>Staff Involvement</b>	<ul style="list-style-type: none"> <li>● Offer staff health coverage, income protection, time off</li> <li>● Provides partial income replacement after short-term disability ends.</li> </ul>	<ul style="list-style-type: none"> <li>● 87% of restaurant managers felt the person they report to, supports their development</li> <li>● 89% of restaurants crew were satisfied with the training they received</li> </ul>	<ul style="list-style-type: none"> <li>● Committed to Provide CSV, nutrition (NQ) and environmental sustainability training for all employees.</li> </ul>

### Conclusion

Based on the report produced, it becomes evident that Starbucks Corp. does indeed deserve to be a part of Maclean's Top 50 list. They are a very socially responsible company; this is proven looking at the key social responsibility activities and programs section of the report as well as the fact that Starbucks Corp. ethically sources their coffee beans. As well as being a founder of C.A.F.E. a program that has a variety of initiatives geared towards aiding the reduction emissions as well as other things. They also play a big part in the community; they are aiming to hire 10 000 veterans and military spouses by 2018. For all the above reasons, Starbucks Corp. has a well-deserved spot in Maclean's Top 50 list of socially responsible companies.

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