

**STARBUCKS CORPORATION
CORPORATE GOVERNANCE PRINCIPLES AND PRACTICES
FOR THE BOARD OF DIRECTORS**

Purpose

The Board of Directors (the “Board”) of Starbucks Corporation (the “Company”) is responsible for overseeing the exercise of corporate powers and ensuring that the Company’s business and affairs are managed to meet its stated goals and objectives and that the long-term interests of the shareholders are served. The Board recognizes its responsibility to engage, and provide for the continuity of, executive management that possesses the character, skills and experience required to attain the Company’s goals and its responsibility to select nominees for the Board of Directors who possess appropriate qualifications and reflect a reasonable diversity of backgrounds and perspectives.

Composition

The Board shall be comprised of up to twelve (12) members, a majority of whom shall meet the independence requirements of the Nasdaq Stock Market then in effect. Upon receipt of the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors shall appoint a new member or members in the event that there is a vacancy on the Board that reduces the number of members below nine (9), or in the event that the Board determines that the number of members on the Board should be increased.

Meetings

The Board shall meet at least five (5) times each fiscal year, and may hold additional meetings in person or telephonically as often as may be necessary or appropriate, in the discretion of the chairman of the Board/chief executive officer. One meeting of the Board each fiscal year shall be dedicated primarily to strategic planning for the Company. Prior to each meeting, the chairman of the Board/chief executive officer of the Company or their designee will circulate the agenda for the meeting and appropriate preparatory materials to each member of the Board.

Members of the Board are expected to use all reasonable efforts to attend and participate in each meeting. The chairman of the Board/chief executive officer or their designee may also request that members of management, legal counsel, or other advisors attend the meetings of the Board.

Minutes of each meeting shall be prepared under the direction of the chairman of the Board/chief executive officer and circulated to each member of the Board for review and approval.

Authority and Responsibilities of the Board

The fundamental responsibility of the Company's Board of Directors is to promote the best interests of the Company and its shareholders by overseeing the management of the Company's business and affairs. In doing so, Board members have two basic legal obligations to the Company and its shareholders: (1) the duty of care, which generally requires that Board members exercise appropriate diligence in making decisions and in overseeing management of the Company; and (2) the duty of loyalty, which generally requires that Board members make decisions based on the best interests of the Company and its shareholders, without regard to any personal interest.

The Board has the authority to retain, at the Company's expense, consultants, legal counsel or others to assist the Board in conducting its business and meeting its responsibilities to the Company and its shareholders, and authority to approve such consultant's, counsel's or other firm's or individual's fees and other retention terms.

Policies and Practices

The Board is responsible for organizing its functions and conducting its business in the manner it deems most effective and efficient, consistent with its duties of good faith and due care. To meet that responsibility, the Board has adopted a set of flexible policies to guide its governance practices in the future. These practices, set forth below, will be regularly re-evaluated by the Nominating and Corporate Governance Committee in light of changing circumstances in order to continue serving the best interests of shareholders. Accordingly, the summary of current practices is not a fixed policy or resolution by the Board, but merely a statement of current practices that is subject to continuing assessment and change.

Determination of Independence of Non-Employee Directors

No relationship between any non-employee director and the Company should be of a nature that could compromise the independence or judgment of any Board member in governing the affairs of the Company. The determination of what constitutes independence for a non-employee director in any individual situation shall be made by the Board in light of the totality of the facts and circumstances relating to such situation and in compliance with the requirements of the Nasdaq Stock Market's applicable listing standards and other applicable rules and regulations.

Committees

The present Board Committees are the Audit and Compliance Committee, the Compensation and Management Development Committee and the Nominating and Corporate Governance Committee. All members of all committees shall be non-employee directors of the Company and meet the independence requirements applicable to membership on each committee of the Nasdaq Stock Market, applicable law, and the applicable rules and regulations of the Securities and Exchange Commission (including, with respect to audit committee membership, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the "Exchange Act")), in each case as may be in effect from time to time. The Board considers its current committee structure to be

appropriate but the number and scope of committees may be revised as appropriate to meet changing conditions and needs.

Board Membership Criteria

The Nominating and Corporate Governance Committee is responsible for, among other things, reviewing the appropriate skills and characteristics required of directors in the context of prevailing business conditions and for making recommendations regarding the size and composition of the Board. The objective is a Board that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience.

Majority Voting

The Company has adopted majority voting procedures for the election of directors in uncontested elections. In an uncontested election, nominees must receive more “for” than “against” votes to be elected. The term of any director who does not receive a majority of votes cast in an election held under the majority voting standard will terminate on the earliest to occur of (i) 90 days after the date election results are certified; (ii) the date the director resigns; or (iii) the date the Board fills the position.

Procedure for Selecting New Director Candidates

The Board is responsible for selecting its members, subject to shareholder approval, but delegates the screening and nomination process to the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee is expected to work closely with the chairman of the Board/chief executive officer in determining the qualifications desired in new Board members and making recommendations of candidates to the full Board.

Extending the Invitation to a Potential New Director to Join the Board

Upon concurrence of the members of the Board, invitations to join the Board will generally be extended on behalf of the Board by the chairman of the Board/chief executive officer and the chairman of the Nominating and Corporate Governance Committee. Other Board members may participate as appropriate.

Board Member Orientation and Continuing Education

An orientation process is in place to acquaint new directors with the business, history, current circumstances, key issues and top managers of the Company.

Directors are also encouraged to participate in external continuing education programs, as they or the Board determine is desirable or appropriate from time to time.

Selection of Agenda Items for Board Meetings

The chairman of the Board/chief executive officer, together with appropriate members of management, shall develop the agenda for each Board meeting. The agenda is circulated in

advance to the presiding independent director and Board members may suggest additional or alternative items for consideration.

Board Materials Distributed in Advance

As much information and data as practical relating to the meeting agenda items and the Company's financial performance shall be sent to Board members sufficiently in advance of meetings to permit the directors to review the materials.

Executive Sessions of Independent Directors

Each Board meeting agenda will include time for an executive session with only independent directors present.

Role of Presiding Independent Director

The independent members of the Board shall select a presiding independent director for a term of two years. The presiding independent director shall serve in that capacity for not more than two consecutive two-year terms or until such person's successor shall have been duly selected by the independent members of the Board.

The duties of the presiding independent director shall include but not be limited to, (1) presiding at the scheduled executive sessions of independent directors as well as presiding at all meetings of the Board at which the chairman is not present, (2) serving as a liaison between the independent directors and the chairman, (3) approving the scheduling of Board meetings as well as the agenda and materials for each meeting and executive session of the independent directors, (4) approving and coordinating the retention of advisors and consultants to the Board, and (5) such other responsibilities as the independent directors may designate from time to time. The presiding independent director shall have the authority to call meetings of the independent directors.

Qualifications of Presiding Independent Director

In order to serve as presiding independent director, a director must meet the independence standards of the Nasdaq Stock Market. Additionally, a director must, (1) be available to work closely with and act as an advisor to the chairman, president and ceo, (2) be available to effectively discuss with other directors concerns about the Company or the Board and relay those concerns, where appropriate, to the chairman, president and ceo or other members of the Board, (3) ensure the effectiveness of the Board of Directors and that it maintains its independence from management, and (4) be familiar with corporate governance best practices.

Board Access to Senior Management

All Board members have access to senior management, with the expectation that such contact will be minimally disruptive to the business operations of the Company. The chairman of the Board/chief executive officer is encouraged to invite senior managers who can provide

additional insight into business matters being discussed and those with high future potential who should be given personal exposure to members of the Board to the meetings.

Committee Member Assignments

The Nominating and Corporate Governance Committee is responsible for reviewing and recommending to the Board, at least annually, the assignment of directors to various committees. The Nominating and Corporate Governance Committee will also recommend to the Board from time to time changes in committee assignments to ensure diversity of Board member experience and to vary the exposure of the members to the affairs of the Company.

No committee member shall serve as chair of a committee for more than two four-year terms.

Frequency and Length of Committee Meetings

Generally, committees meet in conjunction with regular Board meetings. Committee chairs may also call meetings when they deem it necessary or appropriate. Committee meetings may be as frequent and as long as needed.

Committee Meeting Agendas

The agenda for each committee meeting is developed by the chair of the committee in consultation with appropriate members of management. The agenda for each meeting shall be circulated or discussed in advance of the meeting and Committee members may suggest additional items for consideration.

Independent Compensation Committee Consultant

The Compensation and Management Development Committee (the “Compensation Committee”) has authority to retain and terminate compensation consultants that advise the Compensation Committee. Any compensation consultant retained by the Compensation Committee shall be independent of Company management.

Board Compensation Review

Biennially, the Nominating and Corporate Governance Committee of the Board will review the compensation of the non-employee directors and committee members in relation to other comparable companies. Any changes in director or committee member compensation will be recommended by the Nominating and Corporate Governance Committee and approved by the Board.

Stock Ownership

While the Board believes that it is important that each non-employee director owns shares of the Company’s stock, the Board also believes the stock ownership requirement should not adversely affect the Board’s ability to attract diverse candidates. Accordingly, each non-

employee director is required to have invested at least \$240,000 to purchase shares of the Company's common stock as follows:

- Existing non-employee directors whose deadline for complying with the original \$200,000 investment requirement was after October 1, 2007 have an additional two years from his/her original deadline to achieve the additional \$40,000 investment. The original \$200,000 still must be invested by the original deadline and the additional \$40,000 within the following two years.
- Each newly appointed or elected non-employee director shall have four years after the date of election or appointment to the Board to invest at least \$240,000 to purchase shares of the Company's common stock. Shares acquired before election or appointment count toward meeting the requirement.

Each non-employee director must continue to hold the shares purchased as a result of this investment for so long as such director serves on the Board.

Recovery of Incentive Compensation

Pursuant to the Company's Recovery of Incentive Compensation Policy, the Company may seek reimbursement with respect to incentive compensation paid or awarded to executive officers (as designated by the Board) where such payment or award was predicated upon the achievement of financial results, which financial results were the product of fraudulent activity or that were subsequently the subject of a material negative restatement.

Assessing the Board's Performance

The Board will conduct an annual evaluation of its overall effectiveness and the effectiveness of each of its committees, including the performance of the Board's and of each committee's governance responsibilities.

Directors Who Change Their Job Responsibilities

A Board member who ceases to be actively employed in his or her principal business or profession, or experiences other changed circumstances, in each case that could diminish his or her effectiveness as a Board member, is expected to offer his or her resignation in writing to the chairman of the Board, with a copy to the Company's general counsel. The Board will consider such changed circumstances in evaluating the appropriate mix of skills and experience necessary for the Board to perform its duties effectively and in its discretion the Board will determine the action, if any, to be taken with respect to the resignation.

Outside Board Members Serving on Additional Boards

Board members who are full-time employees of a publicly traded company may serve on no more than one publicly-traded company's board in addition to the Company's Board and his or her own company board (when applicable). Non-employee directors who are not full-time employees of a publicly traded company may serve on no more than three publicly-traded companies' boards in addition to the Company's board.

Board members wishing to join the board of another publicly traded company shall first notify the Chair of the Nominating and Corporate Governance Committee, the chairman of the Board/chief executive officer, and the general counsel prior to joining the board. The Chair of the Nominating and Corporate Governance Committee and general counsel shall review the proposed board membership to ensure compliance with applicable laws and policies. Potential conflicts of interest, if any, shall be referred to the Chair of the Audit and Compliance Committee for review.

Term Limits

There are no term limits for service on the Board of Directors. The absence of term limits allows the Company to retain Board members who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

Resignation, Retirement or Intent not to Stand for Reelection.

If a Board member wishes to resign, retire or not to stand for reelection at the end of his or her current term, the Board Member shall notify the chairman of the Board in writing, with a copy to the Company's general counsel. The Nominating and Corporate Governance Committee shall evaluate such resignations and shall make a recommendation to the Board, which will decide the action, if any, to be taken with respect to the resignation.

Mandatory Retirement

A Board member must retire immediately before the Company's annual meeting of shareholders during the calendar year in which he or she attains age 75. No Board member may be nominated to a new term if he or she would be age 75 or older at the end of the calendar year in which the election is held.

Selection of the Chairman of the Board/Chief Executive Officer

The Board appoints the chairman of the Board/chief executive officer in the manner and based on the criteria that it deems appropriate and in the best interests of the Company given the circumstances at the time of such appointment.

Evaluation of the Chairman of the Board/Chief Executive Officer

Each year the chair of the Nominating and Corporate Governance Committee (based on such committee's annual review) and the chair of the Compensation and Management Development Committee will conduct a formal evaluation of the performance of the chairman of the Board/chief executive officer based on appropriate quantitative and qualitative criteria. The Board believes that the compensation packages for the chairman of the Board/chief executive officer should consist of three components: (1) annual base salary; (2) incentive bonuses, the amount of which is dependent upon the Company's performance during the prior fiscal year; and (3) equity incentive awards designed to align their interests with those of the Company's shareholders. The independent members of the Board establish the objective performance

measure upon which incentive bonuses are based, such as the achievement of an earnings per share target.

Succession Planning

The chair of the Compensation and Management Development Committee, together with the chairman of the Board/chief executive officer, will annually review succession planning with the Board, and provide the Board with a recommendation as to succession in the event of each senior officer's termination of employment with the Company for any reason (including death or disability).

Board Interaction with Institutional Investors, the Media and Customers

The Board believes that the responsibility lies with management for communications and relationships on behalf of the Company with institutional investors, the media, and customers. Therefore, the Board may participate occasionally in such interaction, but will generally do so only at the request of or with the prior knowledge of management.

Board Attendance at Annual Shareholder Meetings

The Company's policy requires the attendance of all directors at the Annual Meeting of Shareholders, except for absences due to causes beyond the reasonable control of the director.

Say-on-Pay

Pursuant to Section 14A of the Exchange Act, the Company must conduct a shareholder advisory vote on executive compensation, as disclosed in the Company's proxy statement, at least once every three years. Section 14A of the Exchange Act also requires the Company to conduct a shareholder advisory vote on the frequency of conducting future Say-on-Pay votes at least once every six years ("Say-on-Frequency"). Based on the Board of Directors' recommendation in the 2011 Proxy Statement and the voting results from the 2011 annual meeting of shareholders, the Company has adopted a policy to hold an advisory vote on executive compensation annually until the next required Say-on-Frequency vote is required.

These Corporate Governance Principles and Practices are intended to provide a set of flexible guidelines for the effective functioning of the Board of Directors. The Board may modify or amend these Corporate Governance Principles and Practices and the authority and responsibilities of the Board set forth herein at any time.

Revision History

Approved by the Board of Directors on November 19/20, 2003
(Revised March 26, 2004, September 21, 2004, May 4, 2005, May 3, 2006, October 1, 2007, May 6, 2008, June 9, 2009, September 16, 2009, June 9, 2010 and June 7, 2011)