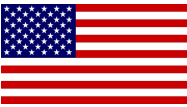


Meeting Date:	Wed, 18 Mar 2015 10:00am	Type:	AGM	Issue date:	Mon, 09 Mar 2015
Meeting Location:	Marion Oliver McCaw Hall, 321 Mercer Street, in Seattle, Washington				
Current Indices:	S&P500				
Sector:	Restaurants				

PROPOSALS	ADVICE
<p>1a Elect Howard Schultz Chairman and Chief Executive Officer. Combined roles at the head of the Company. There should be a clear division of responsibilities at the head of the Company between the running of the Board and the executive responsibility for the running of the company's business. No individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal. On this basis Triodos opposes.</p>	Oppose
<p>1b Elect William W. Bradley Non-Executive Director. Not considered independent as he has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose
<p>1c Elect Robert M. Gates Independent Non-Executive Director</p>	For
<p>1d Elect Melody Hobson Non-Executive Director. Not considered independent as she has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose
<p>1e Elect Kevin R. Johnson President and COO.</p>	For
<p>1f Elect Olden Lee Non-Executive Director. Not considered independent as he is a former executive of the Company. Additionally he has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose
<p>1g Elect Joshua Cooper Ramo Independent Non-Executive Director</p>	For
<p>1h Elect James G. Shennan, Jr. Non-executive Director. Not considered independent as he has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose
<p>1i Elect Clara Shih Independent Non-Executive Director</p>	For
<p>1j Elect Javier G. Teruel Non-Executive Director. Not considered independent as he has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose
<p>1k Elect Myron E. Ullman, III Non-Executive Director. Not considered independent as he has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose

11	<p>Elect Craig E. Weatherup Lead Director. Not considered independent as he has served on the Board for more than nine years. As there is insufficient independent representation on the Board Triodos opposes this resolution.</p>	Oppose
2	<p>Advisory vote on executive compensation The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDB. Based on this rating, Triodos opposes. <i>Disclosure: B-</i> The Annual Incentive Bonus is dependent upon the achievement of performance goals based on financial performance. The Compensation Committee used adjusted operating income, adjusted net revenue as fiscal 2014 performance measures. Specific performance targets based on adjusted operating income and adjusted net revenue are disclosed. The Long-Term Incentive Program awards consist of stock options and performance restricted stock units. Stock options give value only if the Company's stock price increases over time while RSUs are granted to NEOs based on the achievement of two-year adjusted earnings per share. Specific targets based on adjusted earnings per share are disclosed. <i>Balance: D-</i> Performance targets for the annual cash incentive award are not considered challenging as all NEOs exceeded their targets. There is insufficient information disclosed to assure shareholders that targets attached to the long-term incentives are challenging. Stock options vest in four equal installments beginning on the first anniversary of the grant date and, subject to continued employment with the Company, and expire ten years after the date of grant. The vesting scale is not acceptable. The Committee states that RSUs have a multi-year performance period but a specific vesting scale is not disclosed. <i>Contract: B-</i> The company has a "double-trigger" provision and a compensation recoupment 'claw-back' policy. The Company does not provide any severance benefit arrangement to the NEOs.</p>	Oppose
3	<p>Appoint the auditors Deloitte & Touche LLP proposed. The non-audit fees were 6.44% of audit and audit related fees during the year under review. Non-audit fees over a three year basis were 10.54% of audit and audit related fees. Acceptable proposal.</p>	For
4	<p>Shareholder Resolution: Establish a Board Committee on sustainability Proposed by John Harrington. The proponent request that the Board of Directors establishes a Board Committee on Sustainability. The aim of the Board Committee on Sustainability would be to review corporate policies and assess the Company's response to changing conditions and knowledge of the natural environment, such as waste creation and disposal, natural resource limitations, energy use, waste usage, and climate change. Every year the Company issues a Global Responsibility Report stating the Company's programs and approaches on corporate social responsibility and assessing the progress made on previous goals. In 2008 the Company set a series of goals to be achieved by 2015. The goals included ethical sourcing, reducing water and energy consumption in the Company's stores, improving working and environmental conditions in global supply chains and invest in farmers and their communities by increasing farmer loans. There are concerns that the Company does not disclose goals or benchmarks for future environmental performance. It is not considered that the Company's response is sufficient in addressing the proponents concerns, or to ensure that the requests are being acted upon. As it is considered that environmental sustainability is important for the Company's long-term success, Triodos supports this resolution.</p>	For
5	<p>Shareholder Resolution: Require an Independent Board Chairman Proposed by James McRitchie and Myra K. Young. The proponents request that the Board of Directors adopt a policy, and amend other governing documents as necessary, to require the Chair of the Board of Directors to be an independent member of the Board. There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal. The introduction of an independent Chairman rule would be beneficial to the company and enhance long term shareholder value. A vote in favour is recommended.</p>	For

Supporting Information for Resolutions

Proposal 2 - Advisory Vote on Executive Remuneration

Disclosure: B- Specific performance targets that determine the award of Annual Incentive Bonus and the Long-Term Incentives are disclosed.

Balance: D- The Committee does not provide material disclosures to assure shareholders that targets are challenging.

Contract: B- The company has a “double-trigger” provision and a compensation recoupment ‘claw-back’ policy.

Proposal 4 - Establish a Board Committee on Sustainability

Supporting Statement: The Board Committee on Sustainability will have the authority to make recommendations on policy issues and on whether the company is prepared for changing environmental conditions such as global climate change, concerns regarding toxicity of materials, resource shortages, biodiversity loss, and political instability due to changing environmental conditions. Until now, the Nominating and Governance Committee is responsible for reviewing the Company’s sustainability policies and practices. The proponent argues that it is important to have an independent Board Committee on Sustainability as it will allow the company to continue to be an industry leader in this area.

The Board’s Response: The Board of Directors recommends to vote against this proposal and argues that the Company has a long history and proven record of acting in a responsible manner regarding social and environmental issues and does not believe that establishing a Committee on Sustainability is necessary and it would affect the existing Company’s structure as it would duplicate with the functions already performed by the Nominating/Governance Committee.

Proposal 5 - Introduce an independent chairman rule

Supporting Statement: The proponents argue that when the roles of Chief Executive Officer and Chairman are combined, this arrangement can hinder board’s ability to monitor CEO’s performance. Splitting the roles will bring more accountability and oversight to the CEO’s job and will free the board to act as CEO’s boss. This policy has been adopted by many Companies in the United Kingdom and many international markets.

The Board’s Response: The Board of Directors recommends to vote against this proposal and supports that its current structure is the most effective for the Company and gives the ability to speak with a unified voice to shareholders, customers and other stakeholders. Additionally, the Board argues that having a Lead Independent Director provides an effective balance for management of the Company that operates effectively in the best interests of shareholders.

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