Table of Contents

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended September 27, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number: 000-20322

Starbucks Corporation

(Exact Name of Registrant as Specified in its Charter)

Washington	**91-1325671**
(State of Incorporation)	*(IRS Employer ID)*

2401 Utah Avenue South, Seattle, Washington 98134
(206) 447-1575
(Address of principal executive office, zip code, telephone number)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, $0.001 par value per share	SBUX	Nasdaq Global Select Market

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐						

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of common stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing sale price of the registrant's common stock on March 29, 2026 as reported on the Nasdaq Global Select Market was $98.9 billion. As of November 5, 2026, there were 1,140.1 million shares of the registrant's Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the registrant's Annual Meeting of Shareholders to be held on March 17, 2027, have been incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Except as expressly incorporated by reference, the registrant's Proxy Statement shall not be deemed to be part of this report.

STARBUCKS CORPORATION

Form 10-K

For the Fiscal Year Ended September 27, 2026

TABLE OF CONTENTS

	PART I	
Item 1	Business	3
Item 1A	Risk Factors	11
Item 1B	Unresolved Staff Comments	22
Item 1C	Cybersecurity	22
Item 2	Properties	24
Item 3	Legal Proceedings	24
Item 4	Mine Safety Disclosures	24
	PART II	
Item 5	Market for the Registrant's Common Equity, Related Shareholder Matters, and Issuer Purchases of Equity Securities	25
Item 6	Reserved	27
Item 7	Management's Discussion and Analysis of Financial Condition and Results of Operations	28
Item 7A	Quantitative and Qualitative Disclosures About Market Risk	44
Item 8	Financial Statements and Supplementary Data	45
	Index for Notes to Consolidated Financial Statements	50
	Notes to Consolidated Financial Statements	51
	Report of Independent Registered Public Accounting Firm	89
Item 9	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	91
Item 9A	Controls and Procedures	91
Item 9B	Other Information	93
Item 9C	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	93
	PART III	
Item 10	Directors, Executive Officers, and Corporate Governance	94
Item 11	Executive Compensation	94
Item 12	Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters	94
Item 13	Certain Relationships and Related Transactions and Director Independence	94
Item 14	Principal Accountant Fees and Services	94
	PART IV	
Item 15	Exhibits and Financial Statement Schedules	95
Item 16	Form 10-K Summary	101
SIGNATURES		102

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K includes certain "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding future events and the potential future results of Starbucks Corporation (together with its subsidiaries) that are based on our current expectations, estimates, forecasts, and projections about, among other things, our business, our results of operations, the industry in which we operate, our economic and market outlook, and the beliefs and assumptions of our management. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as "believes," "continues," "expects," "anticipates," "forecasts," "estimates," "intends," "plans," "seeks," or words of similar meaning, or future or conditional verbs, such as "will," "should," "could," "would," "may," "aims," "intends," or "projects," and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. By their nature, forward-looking statements involve risks, uncertainties, and other factors (many beyond our control) that could cause our actual results to differ materially from our historical experience or from our current expectations or projections. Our forward-looking statements, and the risks and uncertainties related thereto, include, but are not limited to, those described under the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections herein and in other reports we file with the U.S. Securities and Exchange Commission ("SEC"), as well as, among others:

- *our ability to preserve, grow, and leverage our brands;*
- *the impact of our brand, marketing, promotional, advertising and pricing strategies, platforms, reformulations, innovations, or customer experience initiatives or investments;*
- *the costs and risks associated with, and the successful and timely execution and effects of, our existing and any future business opportunities, expansions, initiatives, strategies, investments, transformation efforts, and plans, including our "Back to Starbucks" strategy and our restructuring plans;*
- *the costs and risks associated with, and the successful execution and effects of, strategic changes to our ownership and operating structure, including as a result of acquisitions, divestitures, other strategic transactions or entry into joint ventures, including our joint venture with respect to Starbucks retail operations in China;*
- *our ability to align our investment efforts with our strategic goals;*
- *evolving consumer preferences, demand, consumption, or spending behavior, reduction in discretionary spending and price increases, and our ability to anticipate or react to these changes;*
- *the ability of our business partners, suppliers, and third-party providers to fulfill their responsibilities and commitments and our reliance on certain key business partners and suppliers;*
- *the potential negative effects of food or beverage-safety incidents or product recalls, including any perceived association of our products or brands with such incidents;*
- *our ability to open new coffeehouses and efficiently maintain the attractiveness of our existing coffeehouses and manage related costs;*
- *our heavy reliance on the financial performance of our North America operating segment and our dependence on the performance and growth of certain international markets;*
- *our ability to operate and successfully expand our footprint in international markets, which is influenced by factors distinct from our North America operating segment;*
- *inherent risks of operating a global business, including changing conditions in our markets, local factors affecting coffeehouse openings, protectionist trade or foreign investment policies, including trade restrictions, tariffs, quotas, import/export regulations, customs restrictions, sanctions, countersanctions, and retaliatory measures; compliance with local laws and other regulations, and local labor policies and conditions, including labor strikes and work stoppages;*
- *higher costs, lower quality, or unavailability of coffee, dairy, cocoa, energy, water, raw materials, packaging, or product ingredients and related volatility;*
- *the ability of our supply chain to meet current or future business needs and our ability to scale and improve our forecasting, planning, production, and logistics management;*
- *the potential impact on our supply chain and operations of adverse weather conditions, natural disasters, or significant increases in logistics costs;*
- *a worsening in the terms and conditions upon which we engage with our manufacturers and source suppliers;*
- *the impact of unfavorable macroeconomic conditions and other factors, including economic slowdowns or recessions, rising real estate costs, supply chain disruptions, climate change and extreme weather events, inflation and interest rate fluctuations, government shutdowns, labor unrest, geopolitical instability, disruptions in credit markets and foreign currency exchange rate volatility;*
- *failure to meet market expectations for our financial performance or any announced guidance and the impact thereof;*
- *failure to attract or retain key executive or partner talent;*
- *changes in the availability and cost of labor, including any union organizing efforts and our responses to such efforts;*
- *the impact of, and our ability to respond to, substantial competition from new entrants, consolidations by competitors, and other competitive activities, such as pricing actions (including price reductions, promotions, discounting, couponing, or free goods); marketing; category expansion; product introductions; or entry or expansion in our geographic markets;*
- *evolving corporate governance and public disclosure regulations and expectations, including with respect to sustainability matters;*
- *the potential impact of activist shareholder actions or tactics;*

• failure to comply with applicable laws and complex and changing legal and regulatory requirements, including those governing privacy, data protection, artificial intelligence, and other emerging technologies;
• the impact or likelihood of significant legal disputes and proceedings or government investigations;
• the unauthorized access, use, theft, or destruction of our data, or of our proprietary or confidential information, including as a result of increasingly sophisticated threats enabled or accelerated by artificial intelligence, and the impact thereof;
• potential negative effects of, and our ability to respond to, a material failure, inadequacy, or interruption of our information technology systems or digital platforms, or those of our third-party business partners or service providers, or failure to comply with data protection laws; and
• our ability to adequately protect our intellectual property or adequately ensure that we are not infringing the intellectual property of others.

In addition, many of the foregoing risks and uncertainties are, or could be, exacerbated by any worsening of the global business and economic environment, and new risks periodically emerge. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. Actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not place undue reliance on the forward-looking statements, which speak only as of the date of this report. We are under no obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise.

PART I

Item 1. *Business*

General

In this Annual Report on Form 10-K ("10-K" or "Report") for the fiscal year ended September 27, 2026 ("fiscal 2026"), Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us," or "our."

Starbucks is the premier roaster, marketer, and retailer of specialty coffee in the world, operating in 91 markets. Formed in 1985, Starbucks Corporation's common stock trades on the Nasdaq Global Select Market ("Nasdaq") under the symbol "SBUX." We purchase and roast high-quality coffees that we sell, along with handcrafted coffee, tea, and other beverages and a variety of high-quality food items through company-operated coffeehouses (previously referred to as "stores"). We also sell a variety of coffee and tea products and license our trademarks through other channels, such as licensed coffeehouses as well as grocery and foodservice through our Global Coffee Alliance with Nestlé S.A. ("Nestlé"). In addition to our flagship Starbucks Coffee® brand, we sell goods and services under the following brands: Teavana®, Ethos®, and Starbucks Reserve®.

Our primary objective is to maintain Starbucks standing as one of the most recognized and respected brands in the world. We believe the continuous investments in our brand and operations will deliver long-term targeted revenue and income growth. This includes expansion of our global coffeehouse base, adding coffeehouses in both existing, developed markets such as the U.S. and in higher growth markets, as well as optimizing the mix of company-operated and licensed coffeehouses around the world. In addition, by leveraging experiences gained through our coffeehouses and elsewhere, we continue to drive beverage, equipment, process, and technology innovation, including in our industry-leading digital platform. We strive to regularly offer consumers new, innovative coffee and other products in a variety of forms, across new categories and diverse channels.

In the fourth quarter of fiscal 2024, we announced our "Back to Starbucks" strategy, which was implemented with the goal to bring customers back to our coffeehouses and return to growth by revitalizing those coffeehouses, enhancing the customer experience, and improving efficiency. As part of this strategy, in fiscal 2025, we approved and executed restructuring plans involving the closure of coffeehouses and the transformation of our support organization. In fiscal 2026, we approved and executed restructuring plans to close additional coffeehouses, relocate certain support organization functions to an additional office in Nashville, Tennessee, continue the transformation of our global support organization and non-retail facilities, and reduce the future operational complexity of our Starbucks Reserve and Roastery locations. Refer to Note 18, Restructuring and Impairments, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for further discussion.

Human Capital Management

For more than 50 years, we've put our people first – offering competitive pay, industry-leading benefits, and opportunities for career and skills development for every partner through our practices, policies, and benefits. Our focus is on offering the best job in retail – a place where partners are proud to wear the green apron. The strength of our workforce is one of the significant contributors to our success as a global brand. Therefore, one of our core strategies is to invest in, and support, our partners to differentiate our brand, products, and services in the competitive specialty coffee market, including the following areas of focus:

Oversight and Management

Belonging is one of our company values. We aim to be a welcoming, inclusive place where all partners are respected, supported in their growth, and able to bring their best. Working under these principles, our Partner Resources Organization is tasked with managing employment-related matters, including recruiting and hiring, onboarding and training, compensation planning, performance management, and professional development. Our Board of Directors (the "Board") and Board committees provide oversight on certain human capital matters. As noted in its charter, our Compensation and Management Development Committee is responsible for periodically reviewing Starbucks partner resource programs and initiatives, including healthcare and other benefits, as well as our management development and succession planning practices and strategies. Our Audit and Compliance Committee works closely with the Risk Steering Committee, led by Starbucks chief financial officer and chief legal officer, to monitor and mitigate current and emerging labor and human capital management risks. The Board, through its committees, annually reviews and assesses the effectiveness of the Company's responsible business and sustainability-related strategies and oversees key policies, practices, goals, programs, disclosure, and risks in these areas, including review of the Company's Global Impact Report.

These reports and recommendations to the Board and its committees are part of the broader framework that guides how Starbucks should attract, retain, and develop a skilled workforce that aligns with our values and strategies. Our hiring practices are designed to select the most qualified candidate for every job.

We regularly conduct anonymous surveys to seek feedback from our partners on a variety of topics, including confidence in company leadership, competitiveness of our compensation and benefits package, career growth opportunities, and

recommendations on how we can remain an employer of choice. The results are shared with our partners and reviewed by senior leadership, who analyze areas of progress or deterioration and prioritize actions and activities in response to this feedback to drive meaningful improvements in partner engagement. Our management and cross-functional teams also work closely to evaluate human capital management issues such as partner retention, workplace safety, harassment, and bullying, as well as to implement measures to mitigate these issues.

Total Rewards

We have demonstrated a history of investing in our workforce by offering competitive salaries and wages by continuously assessing the current business environment and labor market. We have consistently made enhancements in wages in order to attract talent to support our growth strategy and to elevate the customer experience. To foster a stronger sense of ownership and align the interests of partners with shareholders, restricted stock units are provided to eligible non-executive partners under our broad-based stock incentive programs. Furthermore, we offer competitive pay and industry-leading benefits. Partners in the U.S., which is our largest and most mature market, can:

- Grow their careers with us. We prioritize internal development and advancement, with a focus on filling 90% of retail leadership roles from within, creating a way for our hourly partners to build a career at Starbucks.
- Get a college degree, on us. Through the Starbucks College Achievement Plan (SCAP), eligible U.S. partners can get 100% upfront tuition coverage for a first-time bachelor's degree online at Arizona State University for partners working an average of 20 hours or more each week.
- Grow their savings. In fiscal 2026, more than 240,000 partners received a Bean Stock grant giving them an ownership stake in Starbucks.
- Obtain comprehensive healthcare coverage. We offer industry-leading health and wellbeing benefits for partners working an average of 20 hours or more each week.
- Extend parental leave. Starbucks covers up to 18 weeks of fully paid leave for birth parents, and up to 12 weeks of fully paid leave for non-birth parents for eligible U.S. retail partners working an average of 20 hours or more each week.
- Share in our success. Through the Best of Starbucks Reward, baristas and shift supervisors can earn up to an additional $1,200 per year when their coffeehouse meets key performance goals, recognizing teams that work together to deliver excellence.

To be an employer of choice and maintain the strength of our workforce, we consistently assess the current business environment and labor market to refine our compensation and benefits programs and other resources available to our partners. Starbucks remains focused on ensuring equal pay for equal work.

Outside of the U.S., we have provided other innovative benefits to help address market-specific needs, such as providing interest-free loans to our U.K. partners to help cover rental deposits and offering mental health services in Canada.

Opportunities to Grow

Starbucks programs and benefits are available to eligible partners and aim to create more opportunity for more people. With a focus on internal development, training and mentorship we're striving to create more meaningful career opportunities for partners to grow their careers with Starbucks.

With our focus on filling 90% of U.S. retail leadership roles from within, this year, we expanded coffeehouse leadership opportunities in the U.S. with the introduction of the coffeehouse coach role. This new role supports both career growth for partners and increases leadership in coffeehouses, which is expected to drive more consistent performance in the business.

We support our partners' success through role-based training for coffeehouse partners and leaders, as well as ongoing learning and development opportunities. As our business changes, we provide additional training to ensure partners are prepared to adapt and succeed. This training may include, but is not limited to, enhanced safety and security protocols, new products and service offerings, the deployment of new technologies, and changes to operational practices. Across the organization, we periodically address a wide variety of topics such as performance-related goal setting and giving and receiving constructive feedback. Through the rollout of our Green Apron Service model — a foundational operating system that establishes repeatable, consistent, and scalable standards, across U.S. company-operated coffeehouses — we focus on delivering consistent, high-quality experiences with warmth and care that create moments of connection between partners and customers. The Green Apron Service model includes new routines and tools that give partners more time to focus on craft and connection, supported by technology that improves order flow and speed of service.

As of September 27, 2026, Starbucks employed approximately 306,000 people worldwide. In the U.S., Starbucks employed approximately 221,000 people, with approximately 214,000 in company-operated coffeehouses and the remainder in corporate support, coffeehouse development, roasting, manufacturing, warehousing, and distribution operations. Approximately 85,000 employees were employed outside of the U.S., with approximately 84,000 in company-operated coffeehouses and the remainder in regional support operations. Partners in approximately 6% of Starbucks U.S. company-operated coffeehouses are represented by unions. We believe our efforts in managing our workforce have been effective, evidenced by low turnover, a strong culture, and active employee participation.

Information about our Executive Officers

Name	Age	Position
Brian Niccol	52	chairman and chief executive officer
Cathy R. Smith	63	executive vice president, chief financial officer
Mike Grams	56	executive vice president, chief operating officer
Brady Brewer	53	chief executive officer, Starbucks International
Sara Kelly	47	executive vice president, chief partner officer

Brian Niccol joined Starbucks as chairman and chief executive officer in September 2024. Prior to joining Starbucks, Mr. Niccol served as a director and Chief Executive Officer of Chipotle Mexican Grill, Inc. from 2018 to 2024. Before joining Chipotle, he served as Chief Executive Officer of Taco Bell, a division of Yum! Brands, Inc., after having served as its President and Chief Marketing and Innovation Officer. Mr. Niccol also served in leadership roles at Pizza Hut, another division of Yum! Brands.

Cathy R. Smith joined Starbucks in March 2025 as executive vice president, chief financial officer. Prior to joining Starbucks, Ms. Smith served as Executive Vice President, Chief Financial Officer and Treasurer of Nordstrom, Inc., from 2023 to 2025. From 2020 to 2023, Ms. Smith served as Chief Financial and Administrative Officer for Bright Health Group, Inc. Previously, Ms. Smith served as the Chief Financial Officer for Target Corporation, Express Scripts Holding Company, Walmart International, and GameStop Corporation.

Mike Grams joined Starbucks in February 2025 as executive vice president, North America chief coffeehouse officer, and has served as executive vice president, chief operating officer since June 2025. Prior to joining Starbucks, Mr. Grams spent nearly thirty years at Taco Bell Corp. where he held various leadership positions, including President and Chief Operating Officer from 2020 to December 2024, Global Chief Operating Officer, General Manager, North America, Chief Operating Officer and Chief Development Officer.

Brady Brewer joined Starbucks in 2001 and has served as chief executive officer, Starbucks International since April 2024, where he is responsible for the teams across Asia Pacific, Europe, Middle East, Africa, Japan, Latin America, and the Caribbean, as well as Global Coffee Operations and the Company's international licensed partners. From February 2020 through March 2024, he served as Starbucks executive vice president and chief marketing officer. His prior roles at Starbucks include senior vice president of Digital Customer Experience, chief operating officer for Starbucks Japan, and senior vice president, Marketing and Product for the Company's China and Asia Pacific region.

Sara Kelly joined Starbucks in 2001 and has served as executive vice president and chief partner officer since 2022, where she is responsible for helping partners realize their career potential and building global partner capability to enable growth and deliver on the Company's strategic plan. Prior to her current role, Ms. Kelly was senior vice president, Talent & Partner Experience from 2021 to 2022, and she served as vice president, Partner Resources.

Segment Financial Information

Segment information is prepared on the same basis that our chief executive officer ("ceo"), who is our Chief Operating Decision Maker ("CODM"), manages the segments, evaluates financial results, and makes key operating decisions.

We have three reportable operating segments: 1) North America, which is inclusive of the U.S. and Canada; 2) International, which is inclusive of China, Japan, Asia Pacific, Europe, Middle East, Africa, Latin America, and the Caribbean; and 3) Channel Development. Unallocated corporate expenses are reported within Corporate and Other. Revenues from our reportable operating segments as a percentage of total net revenues for fiscal 2026 were as follows: North America (76%), International (18%), and Channel Development (6%).

Our North America and International segments include both company-operated and licensed coffeehouses. Our North America segment is our most mature business and has achieved significant scale. Certain markets within our International operations are in various stages of development and may require more extensive support, relative to their current levels of revenue and operating income, than our North America operations.

Our Channel Development segment includes roasted whole bean and ground coffees, Starbucks-branded single-serve products, a variety of ready-to-drink beverages, such as Frappuccino® and Starbucks Doubleshot®, foodservice products, and other branded products sold worldwide outside of our company-operated and licensed coffeehouses. A large portion of our Channel Development business operates under a licensed model of the Global Coffee Alliance with Nestlé, while our global ready-to-drink businesses operate under collaborative relationships with PepsiCo, Inc., Nestlé, and others.

Revenue Components

We generate the majority of our revenues through company-operated coffeehouses and licensed coffeehouses.

Company-operated and Licensed Coffeehouse Summary as of September 27, 2026:

	North America	As a % of Total North America Coffeehouses	International	As a % of Total International Coffeehouses	Total	As a % of Total Coffeehouses
Company-operated coffeehouses	10,902	60 %	2,495	11 %	13,397	32 %
Licensed coffeehouses	7,274	40 %	20,936	89 %	28,210	68 %
Total	**18,176**	**100 %**	**23,431**	**100 %**	**41,607**	**100 %**

The mix of company-operated versus licensed coffeehouses in a given market generally varies based on several factors, including our ability to access desirable local retail space, the complexity, profitability, and expected ultimate size of the market for Starbucks, and our ability to leverage the support infrastructure within a geographic region.

Company-operated Coffeehouses

Revenue from company-operated coffeehouses accounted for 82% of total net revenues during fiscal 2026, which includes the impact of converting Starbucks retail operations in China from company-operated to licensed coffeehouses in the third quarter of fiscal 2026. Our retail objective is to be the leading retailer and brand of coffee and tea in each of our target markets by selling the finest quality coffee, tea, and related products, as well as complementary food offerings, and by providing each customer with a unique *Starbucks Experience*. The *Starbucks Experience* is built upon superior customer service through the Green Apron Service model, convenience, and a seamless digital experience as well as warm and welcoming coffeehouses that reflect the personalities of the communities in which they operate, thereby building a high degree of customer loyalty.

Our strategy for expanding our global retail business is to increase our category share in a disciplined manner, by selectively opening additional coffeehouses in new and existing markets, as well as increasing sales in existing coffeehouses, to support our long-term strategic objective to maintain Starbucks standing as one of the most recognized and respected brands in the world. Coffeehouse growth in specific existing markets will vary due to many factors, including expected financial returns, the maturity of the market, economic conditions, consumer behavior, and the local business environment.

Company-operated coffeehouse data for the fiscal year ended September 27, 2026:

	Coffeehouses Open as of Sep 28, 2025	Opened	Closed[2]	Transfers	Net	Coffeehouses Open as of Sep 27, 2026
North America:						
U.S.	10,047	220	(293)	—	(73)	9,974
Canada	967	10	(52)	—	(42)	925
Siren Retail	4	—	(1)	—	(1)	3
Total North America	11,018	230	(346)	—	(116)	10,902
International:						
China[1]	8,009	143	(163)	(7,989)	(8,009)	—
Japan	1,883	78	(16)	—	62	1,945
U.K.	524	38	(79)	—	(41)	483
All Other	75	2	(13)	—	(11)	64
Siren Retail[1]	5	—	—	(2)	(2)	3
Total International	10,496	261	(271)	(7,991)	(8,001)	2,495
Total company-operated	**21,514**	**491**	**(617)**	**(7,991)**	**(8,117)**	**13,397**

(1) Includes the transfer of 7,991 company-operated coffeehouses to licensed coffeehouses following the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026.

(2) Includes 266 and 250 coffeehouses closed in the year ended September 27, 2026, as part of our "Back to Starbucks" restructuring plans announced in the fourth quarters of fiscal 2025 and fiscal 2026, respectively.

Starbucks company-operated coffeehouses are typically located in high-traffic, high-visibility locations. Our ability to vary the size and format of our coffeehouses allows us to locate them in or near a variety of settings, including downtown and suburban retail centers, office buildings, university campuses, and rural and off-highway locations. We will continue to expand our coffeehouse portfolio to meet customers where they are with formats that provide a warm and welcoming environment, enable multiple opportunities to connect and gather, and provide attractive returns on invested capital.

Retail sales mix by product type for company-operated coffeehouses:

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Beverages	72 %	73 %	74 %
Food	24 %	23 %	23 %
Other[1]	4 %	4 %	3 %
Total	100 %	100 %	100 %

(1) "Other" primarily consists of serveware, packaged and single-serve coffees and teas, and ready-to-drink beverages, among other items.

Stored Value Cards

Our branded stored value card program (the "Starbucks Card") is designed to provide customers with a convenient payment method, support gifting, and increase the frequency of coffeehouse visits by cardholders, in part through the related Starbucks® Rewards loyalty program where available. Starbucks Cards are issued to customers when they initially load them with an account balance. They can be obtained in our company-operated and most licensed coffeehouses in North America, China, Japan, and many of our other markets in our International segment. Starbucks Cards can also be obtained online, via the Starbucks Mobile App, and through other U.S. and international retailers. Customers may access their card balances by utilizing their Starbucks Card or the Starbucks Mobile App in participating coffeehouses.

Starbucks Mobile App and Loyalty Program

The Starbucks Mobile App provides customers with a seamless and personalized digital experience. Using the Mobile Order and Pay functionality, customers can place orders in advance for pick-up at certain participating locations in several markets. Customers can also access detailed ingredient and nutritional information across the menu directly through the app. Additionally, the app allows customers to access Starbucks Card balances and participate in the Starbucks Rewards program, which provides personalized offers, rewards, and other benefits. These capabilities are designed to support convenience, personalization, and customer engagement as part of Starbucks' broader digital platform.

The Starbucks Rewards loyalty program is designed to increase the frequency of coffeehouse visits by cardholders and is available in most of our markets. In nearly all markets, including the U.S. and Canada, customers who register their Starbucks Cards are automatically enrolled in the Starbucks Rewards program. Registered members can receive various benefits depending on factors such as the number of reward points ("Stars") earned. In addition to using their Starbucks Cards, Starbucks Rewards members can earn Stars on qualifying purchases paid with cash, credit or debit cards, or selected mobile wallets at all company-operated coffeehouses and a majority of licensed coffeehouses in North America. During the second quarter of fiscal 2026, we reimagined the Starbucks Rewards program through the introduction of a tiered membership structure consisting of Green, Gold, and Reserve levels, designed to evolve with members as their engagement grows. Refer to Note 1, Summary of Significant Accounting Policies and Estimates, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for further discussion of our Starbucks Cards and loyalty program.

Licensed Coffeehouses

Revenues from our licensed coffeehouses accounted for 12% of total net revenues in fiscal 2026. Licensed coffeehouses generally have a lower gross margin and a higher operating margin than company-operated coffeehouses. Under the licensed model, Starbucks receives a margin on branded products and supplies sold to the licensed coffeehouse operator along with a royalty on retail sales. Licensees are responsible for operating costs and capital investments, which more than offset the lower revenues we receive under the licensed coffeehouse model.

In our licensed coffeehouse operations, we seek to leverage the expertise of our local partners and share our operating and coffeehouse development experience. Licensees provide improved, and at times the only, access to desirable retail space. Most licensees are prominent retailers with in-depth market knowledge and access. As part of these arrangements, we sell coffee, tea, food, and related products to licensees for resale to customers and receive royalties and license fees from the licensees. We also sell certain equipment, such as coffee brewers and espresso machines, to our licensees for use in their operations. Licensee employees working in licensed retail locations are required to follow our detailed coffeehouse operating procedures and attend training classes similar to those given to employees in company-operated coffeehouses. In a limited number of international markets, we also use traditional franchising and include these coffeehouses in the results of operations from our other licensed coffeehouses.

Licensed coffeehouse data for the fiscal year ended September 27, 2026:

	Coffeehouses Open as of Sep 28, 2025	Opened	Closed	Transfers	Net	Coffeehouses Open as of Sep 27, 2026
North America:						
U.S.	6,813	227	(236)	—	(9)	6,804
Canada	480	12	(22)	—	(10)	470
Total North America	7,293	239	(258)	—	(19)	7,274
International:						
China [1]	—	437	(86)	7,989	8,340	8,340
Korea	2,077	164	(21)	—	143	2,220
Latin America	1,813	136	(8)	—	128	1,941
U.K.	900	60	(19)	—	41	941
Turkey	762	51	(4)	—	47	809
Taiwan	592	35	(8)	—	27	619
Indonesia	597	3	(7)	—	(4)	593
Thailand	550	35	(4)	—	31	581
Philippines	520	22	(2)	—	20	540
All Other	4,372	229	(251)	—	(22)	4,350
Siren Retail [1]	—	—	—	2	2	2
Total International	12,183	1,172	(410)	7,991	8,753	20,936
Total licensed	**19,476**	**1,411**	**(668)**	**7,991**	**8,734**	**28,210**

(1) Includes the transfer of 7,991 company-operated coffeehouses to licensed coffeehouses following the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026.

Product Supply

The main raw material for our coffee products is coffee beans. Starbucks is committed to selling the finest whole bean coffees and coffee beverages. To help ensure compliance with our rigorous coffee standards, we generally control substantially all coffee purchasing, roasting, and packaging, and the global distribution of coffee used in our operations. Nestlé controls distribution of Starbucks packaged coffee products outside of Starbucks coffeehouses through the Global Coffee Alliance, and in some cases, also roasts and packages these products. We purchase green coffee beans from multiple coffee-producing regions around the world and custom roast them to our exacting standards for our many blends and single-origin coffees.

The price of coffee is subject to volatility. Over the past five years, coffee prices have experienced significant fluctuation, including a rapid increase to multi-year highs during fiscal 2024 and continuing into the first half of fiscal 2025. Although prices generally trended downward during fiscal 2026, volatility persisted, and coffee prices remained elevated relative to levels observed five years ago. Although most coffee trades in the commodity market, high-altitude *arabica* coffee of the quality sought by Starbucks tends to trade on a negotiated basis at a premium above the "C" coffee commodity price. Both the premium and the commodity price depend upon the supply and demand at the time of purchase. Supply and price can be affected by multiple factors in the producing countries, including weather and extreme weather events, water supply quality and availability throughout the coffee production chain, natural disasters, crop disease and pests, general increases in farm inputs and costs of production, inventory levels, and political and economic conditions. Climate change may further exacerbate many of these factors. Price is also impacted by geopolitical conditions, including tariffs on coffee imports, tariff refunds and other trade controls, and by trading activities in the *arabica* coffee futures market, including hedge funds and commodity index funds. In addition, green coffee prices have been affected in the past, and may be affected in the future, by the actions of certain organizations and associations that have historically attempted to influence prices of green coffee through agreements establishing export quotas or by restricting coffee supplies.

We buy coffee using fixed-price and price-to-be-fixed purchase commitments, depending on market conditions, to secure an adequate supply of quality green coffee. We also utilize forward contracts and futures contracts to hedge "C" price exposure under our price-to-be-fixed green coffee contracts and our long-term forecasted coffee demand where underlying fixed-price and price-to-be-fixed contracts are not yet available. Total purchase commitments, together with existing inventory and anticipated future contracts, are expected to provide an adequate supply of green coffee through fiscal 2027.

We depend upon our relationships with coffee producers, outside trading companies, and exporters for our supply of green coffee. We believe, based on the established relationship and historical performance of our suppliers, that the risk of non-delivery on such purchase commitments is remote.

To help ensure the future supply of high-quality green coffee and to reinforce our leadership role in the coffee industry, Starbucks operates ten farmer support centers, which are staffed with agronomists and sustainability experts who work with coffee farming communities to promote best practices in coffee production designed to improve both coffee quality and yields as well as agronomy support to address climate change and other impacts.

In addition to coffee, we also purchase significant amounts of dairy, particularly fluid milk, and to a lesser degree, plant-based dairy-free alternative products, such as oat milk and almond milk, to support the needs of our company-operated coffeehouses. We believe, based on the established relationship and historical performance of our dairy and plant-based dairy-free suppliers, that the risk of non-delivery of sufficient fluid milk and plant-based dairy-free alternatives to support our coffeehouses generally is remote.

Products other than whole bean coffees and coffee beverages sold in Starbucks coffeehouses include tea and a number of ready-to-drink beverages that are purchased from several specialty suppliers, usually under long-term supply contracts. Food products, such as pastries, breakfast sandwiches, and lunch items, are purchased from national, regional, and local sources. We also purchase a broad range of paper and plastic products, such as cups and cutlery, from several companies to support the needs of our retail coffeehouses as well as our manufacturing and distribution operations. We believe, based on the established relationship and historical performance of our suppliers and manufacturers, that the risk of non-delivery of sufficient amounts of these items generally is remote.

Other Revenues

Other revenues primarily are recorded in our Channel Development segment and include sales of packaged coffee and tea, and ready-to-drink beverages to customers outside of our company-operated and licensed coffeehouses, as well as royalties received from Nestlé under the Global Coffee Alliance and other collaborative partnerships.

Competition

Our primary competitors for coffee beverage sales are specialty coffee retailers and shops. We believe that our customers choose among specialty coffee retailers and shops primarily on the basis of product quality, brand reputation, service, experience, and convenience, as well as price. We continue to experience direct competition from large competitors in the quick-service restaurant sector and the ready-to-drink coffee beverage market, in addition to both well-established and start-up companies in many international markets. We also compete with restaurants and other specialty retailers for prime retail locations and qualified personnel to operate both new and existing coffeehouses.

Our coffee and tea products sold through our Channel Development segment compete directly against specialty coffees and teas sold through grocery stores, warehouse clubs, specialty retailers, convenience stores, and foodservice accounts and also compete indirectly against all other coffees and teas on the market.

Trademarks, Copyrights, Patents, and Domain Names

Starbucks owns and has applied to register numerous trademarks and service marks in the U.S. and in other countries throughout the world. Some of our trademarks, including Starbucks, the Starbucks logo, Starbucks Reserve, and Frappuccino, are of material importance. The duration of trademark registrations varies from country to country. However, trademarks are generally valid and may be renewed indefinitely as long as they are in use and/or their registrations are properly maintained.

We own numerous copyrights for items such as product packaging, promotional materials, in-store graphics, and training materials. We also hold patents on certain products, systems, and designs, which have an average remaining duration of approximately fifteen years. In addition, Starbucks has registered and maintains numerous Internet domain names, including “Starbucks.com,” “Starbucks.net,” and “Starbucksreserve.com.”

Seasonality and Quarterly Results

Our business is subject to moderate seasonal fluctuations, of which our second fiscal quarter typically experiences lower revenues and operating income. Additionally, as Starbucks Cards are issued to, and loaded by, customers during the holiday season, we tend to have higher cash flows from operations during the first quarter of the fiscal year. However, since revenues from Starbucks Cards are recognized upon redemption and not when cash is loaded onto the Starbucks Cards, the impact of seasonal fluctuations on the consolidated statements of earnings is much less pronounced. As a result of moderate seasonal fluctuations, results for any quarter are not necessarily indicative of the results that may be achieved for the full fiscal year.

Government Regulation

As a company with global operations, we are subject to the laws and regulations of the United States and the multiple foreign jurisdictions in which we operate as well as the rules, reporting obligations, and interpretations of all such requirements and obligations by various governing bodies, which may differ among jurisdictions. In addition, changes to such laws, regulations, rules, reporting obligations, and related compliance obligations could result in significant costs but are not expected to have a material effect on our capital expenditures, results of operations, and competitive position as compared to prior periods.

Available Information

Starbucks Annual Report on Form 10-K reports, along with all other reports and amendments filed with or furnished to the SEC, are publicly available free of charge on the Investor Relations section of our website at investor.starbucks.com as soon as reasonably practicable after these materials are filed with or furnished to the SEC. In addition, the SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov. Our corporate governance policies, code of ethics, and Board committee charters and policies are also posted on the Investor Relations section of our website. We also use the Investor Relations section of our website and our social media channels as tools to disclose important information about the Company and comply with our disclosure obligations under Regulation Fair Disclosure. We encourage investors and others to review the information we make public on the Investor Relations section of our website and our social media channels, as such information could be deemed material information. The information on our website (or any webpages referenced in this Report) or our social media channels is not part of this or any other report Starbucks files with, or furnishes to, the SEC, and all website addresses in this report are intended to be inactive textual references only.

Item 1A. *Risk Factors*

You should carefully consider the risks described below in addition to the other information set forth in this Annual Report on Form 10-K, including the Management's Discussion and Analysis of Financial Conditions and Results of Operations section, the Quantitative and Qualitative Disclosures About Market Risk section, the Controls and Procedures section, and the consolidated financial statements and related notes. The risks described below are not the only risks facing the Company. The following risks, some of which have occurred and any of which may occur in the future, could materially and adversely affect our current and future business and financial performance. Risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and operating results.

Risks Related to Brand Relevance and Brand Execution

Our success depends substantially on the value of our brand, and failure to preserve its value could have a negative impact on our financial results.

The Starbucks brand is recognized throughout most of the world, and we have received high ratings in global brand value studies. To be successful in the future, we believe we must preserve, grow, and leverage the value of our brands across all sales channels.

Various factors, events, or conditions may result in a diminution or erosion of trust in our brand value. Adverse developments pertaining to the matters discussed elsewhere in this risk factors section may negatively impact the value of our brands. Such developments may include difficulties executing strategic initiatives, adapting to shifting consumer preferences, or managing global operations, and challenges stemming from macroeconomic volatility, supply chain pressures and disruptions, or an evolving competitive, regulatory, social, and geopolitical landscape. The impact of such developments on the value of our brands may be exacerbated if they receive considerable publicity or if they result in litigation. The value of our brands may be affected by actual or perceived developments, whether isolated or recurring, whether the result of actions by us or our business partners or the result of external developments, and whether such developments are in our control. Negative commentary about Starbucks, even if inaccurate or malicious, has in the past, and could in the future, damage the value of our brand, and adverse impacts may be compounded by traditional media, social media, video-sharing, artificial-intelligence enabled content, and messaging platforms that could dramatically increase the speed with which negative publicity may be disseminated, often before we have a meaningful opportunity to investigate, respond to, and address an issue. In addition, we cannot ensure that our coffeehouse partners, licensees, or other business partners will not act or refrain from acting in a manner that adversely affects the value and relevance of our brand. Because brand value is based in part on consumer perceptions on a variety of subjective qualities, it may be difficult to address developments negatively impacting the value of our brands in a timely and effective manner to mitigate harm.

The diminution of, or erosion of trust in, our brand value may have negative consequences for the Company. Consumer demand for our products and our brand value could diminish significantly if we or our employees, licensees, or other business partners fail to preserve the quality of our products, or act, or are perceived to act, in an unethical, illegal, or otherwise inappropriate manner. To the extent third parties object to actions or positions taken or perceived to have been taken by us, it may generate

negative sentiment around our business. Developments affecting the value of our brands have in the past, and may in the future, trigger boycotts of our coffeehouses, products, and brand. Each of these consequences, individually and collectively, could have potentially material impacts on our brand value, business performance, and financial results.

We may not be successful in our brand, marketing, promotional, advertising, and pricing strategies.

Our continued success depends on our ability to adapt brand, marketing, promotional, advertising, loyalty, and pricing strategies to shifting economic conditions, competitive pressures, value perception, and evolving customer preferences. We operate in a complex and costly marketing environment. Decisions to collaborate or refrain from collaborating with certain parties may impact our brand image and, consequently, our financial performance. Our programs may not always reach consumers as intended, particularly given the wide range of generational, geographical, cultural, and socioeconomic characteristics and channels of communication used by our customers, and effective resource allocation across channels, including digital, is critical. Additionally, factors such as operating costs, competitor strategies, and inflation may affect our pricing decisions, which could impact demand. For example, there is no guarantee future cost increases will be absorbed by customers. If our marketing or pricing strategies underperform relative to competitors, our sales and market share could decline. Likewise, if we do not continuously strengthen our capabilities in marketing, data analytics (including artificial intelligence and machine learning) and innovation to understand and maintain or grow consumer interest, brand loyalty, and market share while strategically expanding into other profitable categories of the commercial beverage industry, our business could be negatively affected.

Risks Related to Our Business

We may not be successful in implementing important strategic initiatives (including our restructuring plans), effectively managing growth, or executing strategic transactions, any of which may have an adverse impact on our business and financial results.

We may not be able to implement important strategic initiatives in accordance with our expectations or that generate expected returns, which may result in an adverse impact on our business and financial results. In conjunction with our broader Back to Starbucks strategy and any related restructuring or coffeehouse portfolio actions, these strategic initiatives are designed to create growth, improve our results of operations, and drive long-term shareholder value. Such initiatives include improving our service model, and further transforming our non-retail support organization; enhancing partner investment to improve the customer experience; closing, renovating, and redesigning coffeehouses; strengthening our leadership in coffee; expanding digital engagement through mobile, loyalty, delivery, and international platforms; simplifying coffeehouse operations; and responsibly growing our global footprint. We have in the past and may in the future undertake restructuring initiatives, which have resulted, and may continue to result, in the incurrence of significant additional costs, and our ability to achieve the anticipated cost savings and other benefits from these actions is subject to many estimates and assumptions, which are subject to uncertainties. Such initiatives may be disruptive both internally and to our customers and may be viewed negatively by our stakeholders.

We undertake these initiatives in the context of ongoing efforts to adapt to shifting consumer behaviors amid economic volatility, optimize our mix of licensed and company-operated coffeehouses, expand relevant product offerings across dayparts, and drive growth in cold beverages and Channel Development partnerships, while also advancing appropriate sustainability efforts, managing climate-related risks, and reducing operating costs. Risks to successful and timely implementation of these initiatives include delays or cancellations of coffeehouse openings due to labor or material shortages, permit procurement issues, or lack of suitable real estate; supply chain scalability and sustainability challenges; underperformance or delays in product innovation; remodel disruptions or cost overruns; coordination and execution challenges; failure to realize cost savings; increased taxation; regulatory constraints, including public health mandates; credit rating deterioration; and geopolitical instability. If these initiatives fail to deliver expected results or we do not fully realize their intended benefits, our financial performance may suffer. Additionally, prioritizing these efforts over other organizational needs or misallocating resources could materially impact our business and operating results.

Managing growth—particularly in international markets—requires balancing local autonomy with consistency in our goals, policies, and standards. Ineffectively balancing these imperatives could materially harm our business results and financial performance.

Furthermore, we may be unsuccessful in implementing strategic initiatives through large acquisitions, integrations, divestitures, partnerships, joint ventures, transitions to licensed or joint venture operating models, or other strategic transactions. If we are unable to complete such transactions or successfully integrate and develop acquired businesses, including the effective management of integration activities, we could fail to achieve the expected increases in revenues and operating results or the anticipated synergies and cost savings. If our joint ventures are unable to appropriately manage and develop business opportunities, we could fail to achieve the expected increases in operating results or the anticipated synergies and

cost savings. In the past we have been, and in the future we may be, unable to realize the expected benefits of strategic transactions, or it may also take longer than expected to realize the expected benefits. This has in the past required, and may in the future require, us to assess potential impairment of assets, including goodwill and intangibles. Any resulting impairment charges could materially affect our financial results.

In addition, the comparability of our results may be affected by the implementation of our strategic initiatives, including any restructuring plans, coffeehouse portfolio actions, acquisitions, dispositions, and transitions between company-operated, licensed and joint venture operating models. Such actions may have non-recurring impacts, such as restructuring, disposition and impairment charges, that disproportionately affect our results of operations in the period in which they are implemented. They may also have recurring impacts, such as to net revenues, operating expenses, and operating margin, that may make it difficult to compare the underlying performance of our business in the current or future periods to prior periods. For example, following the divestiture of our retail operations in China through our joint venture with Boyu Capital, we transitioned from recording revenues and expenses of such operations to recording our share of income from the joint venture, recognized as income from equity investees under the equity method of accounting, which we expect to continue to drive lower revenues and higher operating margin as compared to the historical, company-operated model of that business. Our restructuring plans announced in fiscal 2025 and fiscal 2026 have resulted in, and may continue to result in, restructuring and impairment charges, cost savings, and changes in our coffeehouse base, to varying degrees across periods. Accordingly, period-over-period comparisons of our results of operations may not be meaningful and investors should not rely on our historical results as indicative of our future performance.

Evolving consumer preferences and tastes, as well as adverse public or medical opinions about the health effects of consuming our products, may adversely affect our business.

Our success depends on attracting and retaining customers. Financial performance may be adversely affected by reduced discretionary spending, lack of acceptance of new products, brands, or platforms, or declining demand for existing offerings. We have previously been, and may in the future be, unable to accurately predict consumer demand for our products. This has resulted, and may in the future result, in insufficient or excess inventory, increased inventory markdowns, and higher costs. Any of these outcomes could adversely affect our results of operations and financial condition.

Additionally, health concerns related to ingredients such as caffeine, dairy, sugar, allergens, or additives—whether accurate or not—along with increased litigation, regulation and regulatory scrutiny, or taxes on certain food components, ingredients, or additives, could reduce demand and harm our results. Shifts in consumer behavior, including increased focus on wellness, nutrition, functional ingredients, or weight-management products and services (such as widespread use of targeted weight-loss medications) may also impact sales.

If our business partners and third-party providers do not satisfactorily fulfill their responsibilities and commitments, it could damage our brand, and our financial results could suffer.

Our global business strategy, including our plans for new coffeehouses, branded products, and other initiatives, relies significantly on a variety of business partners, including licensees, joint venture partners, third-party manufacturers, distributors, and retailers, particularly for our entire global Channel Development business. These partners are often authorized to use our logos and deliver branded products directly to customers. To maintain consistent customer experience, we provide training and oversight to certain partners; however, factors beyond our control—such as financial instability, labor shortages, or noncompliance with sanitation protocols—may affect the quality of their service and products. We also rely on third-party service providers to perform certain business processes, and failures in the performance, oversight, or integration of these outsourced activities could adversely affect our operations, financial reporting, or internal controls. We do not have direct control over these partners and providers and may lack visibility into their operations.

We source products from a broad network of domestic and international business partners, and in some cases, licensees source products independently. We do not monitor the quality of non-Starbucks products served by authorized foodservice operators. Failures by business partners to comply with applicable laws or meet brand standards may negatively impact our business. Additionally, inconsistent use or inadequate protection of our brand and intellectual property could erode consumer trust and materially affect our financial results.

Reported incidents involving food- or beverage-borne illnesses, tampering, adulteration, contamination, or mislabeling, whether or not accurate, could harm our business.

We may experience food or beverage-safety incidents such as contamination, mislabeling, or adulteration during any stage of production or preparation. We rely on third-party suppliers for many of our ingredients and finished products. A failure to meet quality standards—even if due to factors beyond our control—could result in public exposure, regulatory scrutiny or action,

litigation (including product liability claims and class actions), or temporary coffeehouse closures, which could materially harm our business. Additionally, clean water is essential for beverage preparation, and access may be limited in certain international markets. As we expand our offerings requiring temperature control, the risk of food-safety incidents increases if proper conditions are not maintained due to mechanical failure or human error. Such incidents may harm our brand and reputation and could negatively impact our business and financial performance.

Reports—whether accurate or not—of food- or beverage-safety issues such as contamination, mislabeling, or adulteration during any stage of production or preparation have historically harmed the reputations of companies in our industry. Any perceived association with such incidents, even if unfounded, could harm our reputation and materially impact our business and financial performance. Food-safety incidents involving competitors or shared suppliers, even if unrelated to Starbucks, could generate negative publicity and impact our sales regionally or globally. In addition, real or perceived concerns about food safety issues, such as phthalates, per- and polyfluoroalkyl substances (PFAS), microplastics or heavy metals in the U.S. food supply chain, could impact consumers' confidence in our offerings. Confirmed food-safety issues may also result in product recalls. A widespread product recall could lead to significant financial losses from recall costs, inventory destruction, lost sales, and reputational damage. Declines in customer traffic due to safety concerns, negative publicity, or coffeehouse closures could adversely affect our operations.

If we are unable to meet our projections for new coffeehouse openings or efficiently maintain the attractiveness of our existing coffeehouses, our operating results could suffer.

Our growth depends in part on our ability to open new coffeehouses and operate them profitably within projected timelines. Coffeehouse development costs have risen due to construction labor inflation and increased material and equipment expenses. Each new coffeehouse involves substantial startup costs and a ramp-up period during which profitability may be delayed as we train partners and build a customer base. If we fail to attract sufficient customers or offset higher startup costs, new coffeehouses may underperform relative to existing ones.

Coffeehouse development is subject to risks including site selection, lease negotiations, permitting and regulatory compliance, contractor availability, labor and material costs, and external disruptions such as weather events, natural disasters, or pandemics. We also face competition for prime locations, contractors, and qualified personnel. Additionally, new coffeehouses may cannibalize sales from nearby existing locations. Failure to manage these risks could result in increased costs and lower-than-expected sales and earnings, materially affecting our operating results.

We also invest in remodeling and maintaining existing coffeehouses. If costs exceed projections, closures last longer than planned, or remodeled coffeehouses underperform, we may not achieve expected returns, which could negatively impact our financial results.

Risks Related to Operating a Global Business

We are highly dependent on the financial performance of our North America operating segment.

Our financial performance is substantially dependent on our North America operating segment, which accounted for approximately 76% of total net revenues in fiscal 2026. A slowdown or decline in this segment—particularly in the U.S.—has in the past, and could in the future, materially impact our overall business, as other segments may not offset the shortfall. Given its maturity and role as the primary source of operating cash flow, reduced performance in North America could limit our ability to fund international expansion, strategic initiatives, and shareholder returns.

We are dependent on the performance of licensed and company-owned international markets to achieve our growth targets.

The International segment is an important profit center. Achievement of our growth targets is partially dependent on sustained performance and growth internationally, particularly in the markets operated by our larger regional licensees and in key company-owned markets outside North America. If one or more of these international markets fail to achieve stable revenues and earnings—due to economic downturns or other factors—our consolidated results could be materially impacted.

In addition to the risks that apply to our business generally, wherever conducted, our International business may also be subject to certain additional risks, as well as risks that take on a different magnitude or character in the context of our international business. Success in international markets can depend on factors distinct from those in the U.S., including regional taste preferences, varying consumer acceptance of our products, and differing regulatory regimes across markets. International operations may also face higher occupancy and operating costs due to elevated rents and regulatory compliance. Finally, because many markets are in earlier development stages, operating expenses as a percentage of revenue tend to be higher than in more established markets. Each of these factors presents risks to our business performance and financial results.

We face risks as a global business that could adversely affect our financial performance.

Operating in 91 global markets, we face diverse cultural, regulatory, geopolitical, and economic environments. Our success depends on navigating these differences effectively and leveraging operational strengths across markets. However, planned initiatives may not uniformly resonate with customers and could lead to unexpected shifts in perception or market share. Our international operations are also subject to additional inherent risks of conducting business abroad, such as:

- Uncertainty in economic, legal, regulatory, social, and political conditions, including rising anti-American sentiment in certain markets;
- Governmental trade and investment restrictions, such as tariffs, export duties, ownership limits, and favoritism toward local competitors;
- Economic or trade sanctions limiting product sourcing or business operations;
- Delays in coffeehouse openings due to external factors, competition, or limited access to affordable real estate, potentially impacting financial performance;
- Operational and supply chain challenges abroad, including staffing, logistics, product consistency, and cultural or language barriers;
- Slower-than-expected growth in disposable income in developing economies;
- Complex and varying interpretations of laws and regulations, including those related to taxes, labor, privacy, artificial intelligence, and responsible business matters;
- Local employment laws increasing the cost and complexity of hiring and termination;
- Labor disruptions due to geopolitical instability or social unrest;
- Health and safety regulations affecting coffeehouse operations;
- Challenges in enforcing intellectual property and contract rights;
- Foreign currency fluctuations and restrictions on currency use or fund repatriation; and
- Licensing and import requirements that may hinder business operations.

Moreover, many of the foregoing risks are particularly acute in developing markets, which are important to our long-term growth prospects. An inability to effectively manage the risks associated with our international operations could adversely affect our business performance and financial results.

Our reliance on key business partners may adversely affect our business and operations.

Our growth depends on the ability of licensee partners to execute our strategies and implement our growth platforms and product innovations. Success also relies on negotiating, maintaining, and enforcing commercial agreements, and on partner performance under those agreements. International licensees may face legal or financial constraints that limit expansion. Our Channel Development business is heavily reliant on Nestlé, which holds global rights to distribute certain Starbucks branded packaged goods. If Nestlé fails to meet its obligations or support our brand, it could materially impact Channel Development and our overall financial results. Additionally, our retail licensed operations are concentrated among a few large licensees, and their inability to access capital or grow effectively, including their inability to meet coffeehouse development and renovation targets, could adversely affect performance in key markets. A failure by any of our large regional licensees or Channel Development business partners to grow the relevant Starbucks business, or otherwise perform its obligations under agreements with us, could adversely affect our performance. We may not have the ability to offset such poor performance or non-performance in the markets or verticals into which these parties extend Starbucks brand. If we are unable to maintain and grow our relationships with these licensees and business partners, it could adversely affect our business performance and financial results.

Risks Related to Supply Chain

Increases in the cost of high-quality arabica coffee beans or other commodities or decreases in the availability of high-quality arabica coffee beans or other commodities could have an adverse impact on our business operations and financial results.

The availability and price of coffee beans and other commodities are highly volatile. We purchase, roast, and sell high-quality *arabica* coffee, which typically trades at a premium above the "C" commodity price. This premium varies based on supply and demand and can significantly impact our ability to secure fixed-price contracts. We often enter supply agreements with defined quality, quantity, and delivery terms, but with pricing tied to future "C" market rates.

Coffee supply and pricing are influenced by factors in producing countries, including weather and extreme weather events, water availability, natural disasters, crop disease, input costs, inventory levels, political and economic conditions, and actions

by organizations seeking to influence global prices. Climate change may intensify these risks—for example, droughts or frosts in Brazil have in the past driven price increases. Speculative trading also contributes to volatility. Changes in applicable tariffs have also affected, and in the future may affect, our costs to procure coffee. Given coffee's central role in our operations and our limited ability to fully hedge against price increases, rising costs or supply shortages could materially impact our profitability and ability to meet customer demand. We supply strategic products, including coffee, to our licensees, and we may have limited ability to pass along increased costs.

We also rely on significant quantities of dairy products and plant-based alternatives, such as oat and almond milk, as well as other commodities (including tea and matcha, cocoa, produce, meats, eggs, and energy) and packaging materials (including cups and lids). Price increases or supply disruptions—whether due to shortages, processing delays, tariffs, or other factors—could materially affect our operations or profitability, particularly in international markets.

Our supply chain may be unable to fully support current and future business needs.

Even without acute disruptions, our supply chain may not fully meet current or future business needs. We cannot guarantee that suppliers will support our growth or continue providing products at current volumes or favorable prices and other terms. Delays or cost inefficiencies in supply could impair growth and adversely affect our business, financial condition, and results. Inaccurate sales forecasting or insufficient inventory may lead to expedited shipping costs, stockouts, and diminished customer and partner satisfaction. Conversely, overestimating demand—especially for new products—can result in inventory write-offs. Failure to scale and improve forecasting, planning, production, and logistics could frustrate customers, reduce sales, and harm our brand reputation.

We are subject to risks from changes to the trade policies and tariff and import/export regulations by the U.S. and other foreign governments.

Changes in the import and export policies, including trade restrictions such as new, increased, threatened, or retaliatory tariffs or quotas, embargoes, sanctions and countersanctions, safeguards, or customs restrictions by the U.S. and foreign governments, have in the past required, and could in the future require, us to change the way we conduct business and such changes have in the past adversely affected, and could in the future adversely affect, our financial condition, results of operations, reputation, and our relationships with customers, suppliers, and employees in the short- or long-term. It may be time-consuming and expensive for us to alter our business operations to adapt to or comply with any such changes. Likewise, changes in laws and policies governing foreign trade, manufacturing, development, and investment in the territories or countries where we currently sell our products or conduct our business could adversely affect our business.

Interruption of our supply chain and our reliance on suppliers could affect our ability to produce or deliver our products and could negatively impact our business and profitability.

Any material disruption to our supply chain—such as the loss of a roasting plant, logistics interruptions, trade restrictions, pandemics, labor shortages, natural disasters, or geopolitical conflicts—could materially impact our business and profitability. We rely on a broad network of domestic and international suppliers to provide high-quality products in compliance with applicable laws, and in certain cases, products are sourced by our licensees directly. As we update our fresh and prepared food offerings, sourcing from regions with limited infrastructure or political instability may present additional challenges. For certain products, we depend on a limited number of suppliers, and their failure to meet our standards, deliver on time, or comply with regulations—factors often beyond our control—could materially harm our operations and financial results.

Risks Related to Macroeconomic Conditions

Our financial condition and results of operations have been, and may continue to be, adversely affected by a number of macroeconomic and other factors, many of which are largely outside our control.

As a retailer reliant on discretionary spending, our financial results are sensitive to macroeconomic conditions. A prolonged downturn or slow recovery may reduce consumer spending, leading to lower demand or shifts to lower-priced products. Factors such as job loss, inflation, interest rate changes, taxation, credit access, public health crises, trade disputes, and geopolitical instability can all impact consumer behavior, including spending and routines, potentially affecting demand for our products. Reduced customer traffic or transaction value without corresponding cost reductions could pressure margins. If economic uncertainty persists, consumers may adopt lasting changes in spending habits, potentially affecting our sales, profitability, and growth plans.

Our operating results have been, and will continue to be, subject to a number of other macroeconomic and other factors, many of which are largely outside our control. Any one or more of the factors listed below could have a material adverse impact on our business, financial condition, or results of operations:

- Rising real estate costs in certain domestic and international markets;
- Supply chain disruptions;
- Extreme weather events and longer-term changes in weather patterns that impact consumers' behaviors or the costs and availability of inputs in our products;
- Material changes in U.S. or foreign tax laws and government regulations;
- Adverse litigation outcomes;
- Inflation and interest rate fluctuations;
- Natural or man-made disasters disrupting major markets;
- Government shutdowns and election-related impacts globally, including regime change and political and civil unrest;
- Tariffs imposed on commodities or goods, including recent tariffs imposed or threatened to be imposed by the U.S. on other countries, retaliation measures taken by such countries, and changes to or terminations of existing trade agreements with the countries in which we operate;
- Labor unrest, geopolitical instability, terrorism, anti-American sentiment, or public health crises—especially in key markets; and
- Foreign currency exchange rate volatility.

A disruption in the credit markets or a downgrade of our current credit rating could increase our future borrowing costs and impair our ability to access capital and credit markets on terms commercially acceptable to us, which could adversely affect our liquidity and capital resources or significantly increase our cost of capital. Furthermore, unfavorable economic conditions could also adversely affect our suppliers and licensees, who in turn could experience cash flow problems, more costly or unavailable financing, credit defaults, and other financial hardships. This could lead to supplier or licensee insolvency, increase our bad debt expense, or cause us to increase the levels of unsecured credit that we provide to suppliers and licensees. Additionally, the insolvency of any of our licensees could result in disrupted operations or our exit from a particular market and negatively impact our reputation.

Failure to meet market expectations for our financial performance or any announced guidance will likely adversely affect the market price and increase the volatility of our stock, and fluctuations in the stock market as a whole may also impact the market price and volatility of our stock.

We have in the past failed, and may in the future fail, to meet announced guidance or market expectations, which has adversely affected, and could in the future adversely affect, the market price of our stock. Any guidance we provide is based on certain assumptions, which may or may not prove to be correct. Failure to meet announced guidance or market expectations going forward, particularly with respect to our operational and financial results, shareholder returns, and expectations regarding the success of our Back to Starbucks strategy and related guidance, whether due to our assumptions not being met or the impact of various risks and uncertainties, will likely result in either or both a decline in or increased volatility in the market price of our stock. In addition, price and volume fluctuations in the stock market as a whole may affect the market price of our stock in ways that may be unrelated to our financial performance.

We have in the past engaged, and may in the future engage, in the repurchase of our common stock. Similarly, the Board may, at its sole discretion, declare dividends subject to various factors, including the Company's financial condition. Any changes to, suspension of, or failure to meet investor expectations regarding our dividends or share repurchases may increase the volatility or affect the market price of our stock.

Risks Related to Human Capital

The loss of key personnel, difficulties with recruiting and retaining qualified personnel, or ineffectively managing changes in our workforce could adversely impact our business and financial results.

Much of our future success depends on the continued availability and service of key personnel and employees. The loss of any of our executive officers, including our chief executive officer or other key senior management personnel, could harm our business. Our success also depends substantially on the contributions and abilities of our retail coffeehouse employees we rely on to give customers a superior in-coffeehouse experience and elevate our brand. Accordingly, our performance depends on our ability, and the ability of our licensees and franchisees, to recruit and retain high-quality management personnel and other employees to work in and manage our coffeehouses, both domestically and internationally. Our ability to do so has been and may continue to be impacted by challenges in the labor market (which has experienced, and may continue to experience, wage inflation and labor shortages), our position with respect to unions and the unionization of partners, increased employee turnover, changes in availability of our workforce, and shifts in remote or hybrid work arrangements. Our ability to attract and

retain corporate, retail, and other personnel is also acutely impacted in certain international and domestic markets where the competition for a relatively small number of qualified employees is intense or in markets where large high-tech companies are able to offer more competitive salaries and benefits. These factors and others have also made, and may continue to make, it more difficult to maintain an effective system of operational internal controls for a dispersed workforce, and to train partners to deliver a consistently high-quality product and customer experience.

Additionally, there is intense competition for qualified technology systems developers, who are necessary to develop and implement new technologies for our growth initiatives, including increasing our digital relationships with customers and adopting artificial intelligence. If we are unable to recruit, retain, and motivate employees sufficiently to maintain our current business and support our projected growth, our business and financial performance may be adversely affected.

Changes in the availability and cost of labor could adversely affect our business.

Our business could be adversely impacted by increases in labor costs, including wages and benefits, which, in a retail business such as ours, are two of our most significant costs, both domestically and internationally. Such increases could be triggered by state and federal legislation and regulatory actions regarding wages, scheduling, and benefits; increases in healthcare and workers' compensation insurance costs; and increases in wages and costs of other benefits necessary to attract and retain high-quality employees with the right skill sets. Changes in labor regulations could have a significant impact on the classification of employees as being exempt from overtime and add to our labor costs. The growth of our business can make it increasingly difficult to locate and hire sufficient numbers of employees, to maintain an effective system of operational internal controls for a globally dispersed enterprise, and to train employees worldwide to deliver a consistently high-quality product and customer experience; the failure to do so could materially harm our business and results of operations. Furthermore, we have experienced, and could continue to experience, a shortage of labor for coffeehouse positions, and the increased availability of alternative telecommuting employment options by other employers could decrease the pool of available qualified talent for other key functions. In addition, our wages and benefits programs may be insufficient to attract and retain the best talent.

Starting in September 2021, Starbucks partners at a number of company-operated coffeehouses sought union representation through elections conducted by the National Labor Relations Board. Unions have secured representation rights at around 6% of our U.S. company-operated coffeehouses, with potentially more to follow, and Starbucks has been engaged in collective bargaining for initial collective bargaining agreements for these coffeehouses. If we encounter difficulties negotiating collective bargaining agreements, are unsuccessful in those efforts, or obtain contracts with unfavorable terms, then we could incur additional costs, change our employee culture, decrease our flexibility, and increase our operational complexity. These risks could also present the potential to disrupt our current operational model by affecting our ability to fully implement operational changes to enhance our efficiency and adapt to changing business needs.

The law places limitations on unilateral actions taken with respect to employees who are represented by unions because, in certain circumstances, the law requires the employer to notify and to bargain with the union prior to making certain operational or other changes that may affect employee wages, hours, or other terms and conditions of employment. Moreover, where a petition for representation has been filed by a union, the employer is also constrained from making changes in wages, hours, and working conditions. These limitations could also negatively affect our costs, change our employee culture, decrease our flexibility, and increase our operational complexity. They also present the potential to disrupt our current operational model by affecting our ability to fully implement operational changes to enhance our efficiency and adapt to changing business needs.

Moreover, we have experienced work stoppages and other disruptions caused by union activities or organizing efforts in some company-operated coffeehouses. Such stoppages and other disruptions have the potential to negatively impact our operations, third-party providers upon whom we rely to deliver product, our sales and customer flow in impacted locations, our costs, and can also have a negative impact on our reputation and brand.

Additionally, while we respect the rights of partners to organize, our position with respect to unions and the unionization of partners, and our actions or responses to work stoppages and other disruptions caused by union activities, could negatively impact how our brand is perceived and could have material adverse effects on our business, including on our financial results. These positions could also expose us to legal risk, causing us to incur costs to defend legal and regulatory actions, potential penalties and restrictions, and reputational harm.

Risks Related to Competition

We face intense competition in each of our channels and markets, which could lead to reduced profitability.

The specialty coffee market is highly competitive across product quality, innovation, service, convenience (including delivery, mobile ordering, speed of service, personalization and digital engagement), value perception, and price. We face increasing

competition in all channels and markets and do not hold leadership positions in every segment. In the U.S., large quick-service competitors offering coffee, tea, and other competitive products may reduce customer traffic and transaction value. Globally, competition from established brands, new entrants, and smaller specialty operators may hinder growth and impact sales. Furthermore, our competitors may attempt to gain market share by offering products at prices at or below those typically offered by our company, which may require us to increase spending on advertising and promotions and/or reduce prices. In packaged coffee, tea, and ready-to-drink segments, competition from well-funded players may affect Channel Development profitability.

Our ability to compete depends on product improvement and innovation, pricing, customer experience, and strategic investments in coffeehouse development, technology, and digital engagement. If we are unable to respond to consumer demand for healthy beverages and foods, or our competitors respond more effectively, this could have a negative effect on our business. However, our competitive strategies may not always succeed and could have unintended consequences. Declines in consumer demand—due to shifting preferences, economic pressures, or changes in routines—could also negatively affect our business.

Risks Related to Responsible Business Matters

Climate change may have an adverse impact on our business.

We recognize that climate-related risks are inherent to global business operations. Climate change can affect the supply and pricing of coffee and other non-coffee inputs due to weather volatility, water scarcity, and other environmental factors in producing regions. It may also impact the availability of water and other key commodities across our supply chain and markets. Operating in 91 global markets, our properties and operations are increasingly vulnerable to extreme weather events—such as wildfires and droughts—which may disrupt operations, close coffeehouses, affect customers and suppliers, and increase costs, potentially resulting in financial losses.

Our business is subject to evolving regulatory and stakeholder demands and expectations, including with respect to responsible business matters, that could expose us to numerous risks.

We are subject to evolving and increasingly complex laws and regulations from various authorities and regulatory bodies. These regulatory requirements and expectations—often inconsistent across jurisdictions—can increase compliance uncertainty and administrative costs, as well as operational and financial risks. For example, implementing responsible business initiatives and reporting progress can be costly, complex, and subject to evolving standards, assumptions, and governance and regulatory requirements and expectations. Compliance with evolving regulatory requirements, such as the EU's Corporate Sustainability Reporting Directive, or the product packaging regulations adopted or contemplated by several states and numerous international jurisdictions has become increasingly complex. At the same time, certain regulators and lawmakers in the U.S. have scrutinized and may continue to scrutinize our responsible business initiatives and related disclosures. The evolving and diverging regulatory obligations and expectations have and may continue to increase compliance complexity, costs and the risk of actual or perceived noncompliance, especially where regulations vary by jurisdiction.

We are also subject to evolving and diverging regulations and voluntary disclosure frameworks from various stakeholders. Public disclosures may be criticized for accuracy or completeness, and previously reported data may require future adjustments. Actual or perceived failure to meet targets or goals adopted in connection with our responsible business initiatives (including updates, adjustments or retirement of such targets or goals), actual or perceived changes to the scope or extent of such initiatives (or any discontinuation thereof), or actual or perceived inadequate progress on such initiatives, or other actual or perceived failure to respond to stakeholder expectations on these topics (including the perception that our initiatives are inappropriate because they are insufficient or because they are too extensive) could harm our reputation, reduce customer loyalty, and adversely affect our business performance. Such developments may also erode trust, trigger negative publicity, litigation, or boycotts, and expose us to civil or criminal liability. Objections from third parties or governments may result in reputational harm, administrative, or public backlash, or other adverse action, and could negatively impact our financial results or business performance. Given the increasing intensity of, and divergence in, expectations on many responsible business topics from regulators, customers, partners, investors, and other stakeholders, the risk that we will fail to meet at least some stakeholder expectations increases, and the risks described in this section may increase as a result.

We regularly engage with shareholders to strengthen the Company and enhance long-term value. However, activist campaigns can result in significant costs, including legal expenses and diversion of management and Board attention. Public activism may also create uncertainty about our strategic direction, strain relationships with stakeholders, hinder talent recruitment, and cause stock price volatility unrelated to business fundamentals. Shareholders with substantial holdings may influence key decisions, including director elections, mergers, and amendments to governing documents. These risks could materially affect our business and operating results.

Risks Related to Regulation and Litigation

Failure to comply with applicable laws and changing legal and regulatory requirements could harm our business and financial results.

Our policies and procedures are designed to ensure compliance with all applicable laws, regulations, and reporting requirements, including those imposed by the SEC, Nasdaq, and foreign jurisdictions. This includes trade, labor, tax, healthcare, food and beverage, data privacy, cybersecurity, artificial intelligence, sanitation, safety, environmental, labeling, anti-bribery and corruption, and merchandise laws. These legal frameworks are complex and often subject to varying interpretations, which may result in inadvertent non-compliance. Regulatory shifts—such as changes in enforcement priorities—can increase compliance costs and expand reporting obligations. Failure to comply with such laws and regulations could result in the imposition of civil or criminal liability.

Environmental regulations are evolving, with new or expanded rules targeting carbon emissions, plastic use, and commercial water consumption. These changes may lead to higher compliance costs, capital expenditures, and other financial obligations for us and our partners, potentially affecting profitability. Additional emerging regulations, such as import tariffs tied to alleged human rights violations, may also impact operations. Certain jurisdictions have enacted or proposed taxes or other restrictions or requirements on the manufacture, distribution, or sale of certain of our products, particularly beverages containing caloric sweeteners. These taxes and other measures vary in structure and may apply broadly or selectively. Additionally, environmentally focused taxes or other measures, such as plastic packaging levies or extended producer responsibility laws, are gaining traction. These measures can adversely affect our financial performance by raising product costs, reducing consumption, or generating negative publicity.

Separately, changes in U.S. and foreign tax laws, including global minimum tax regimes, may increase compliance costs, create uncertainty, or adversely affect our effective tax rate, cash flows, or results of operations.

Overall, the regulatory environment is growing more complex due to evolving laws, market expansion, and jurisdictional conflicts. Due to evolving technologies, such as artificial intelligence technologies, the legal and regulatory landscape is uncertain and evolving, and may impose compliance obligations that could increase our costs or limit how we may use these technologies. Moreover, the costs of monitoring and responding to such regulations could have an adverse effect on our operations or financial condition. Non-compliance—whether by us or our partners—can result in litigation, liability, fines, reputational harm, and financial restatements, all of which may adversely affect our business and results of operations.

We have been, and could continue to be, party to litigation or other legal proceedings that could adversely affect our business, results, operations, and reputation.

We are, and may continue to be, subject to litigation and legal proceedings that could adversely affect our business. These may involve claims from employees, customers, regulators, suppliers, shareholders, or others, including class or collective actions. Allegations have included claims related to employment practices, food safety and product defects, data privacy, discrimination, personal injury, advertising, intellectual property disputes, securities violations, and other matters. A judgment significantly in excess of any applicable insurance coverage or third-party indemnity could materially adversely affect our financial condition or results of operations. Even unfounded claims can result in substantial legal costs, management distraction, and potential settlements or penalties. Litigation may also generate negative publicity, harming our reputation, customer relationships, and financial performance. See Note 16, Commitments and Contingencies, to the consolidated financial statements included in Item 8 of Part II of this 10-K for information regarding certain legal proceedings in which we are involved.

Risks Related to Cybersecurity, Data Privacy, and Information Technology

The unauthorized access, use, theft, or destruction of customer or employee data (personal, financial, or other), or of Starbucks proprietary or confidential information, that is stored in our information systems or by third parties could impact our reputation and brand and expose us to potential liability and loss of revenues.

Our information technology systems and those of our third-party service providers, business partners, and licensees—including those supporting point-of-sale, mobile platforms, payment systems, delivery, rewards, and administrative functions—store personal, financial, and confidential data from customers, employees, business partners, and licensees, as well as proprietary business information. Although we have put in place policies, procedures, and technological safeguards designed to protect the security of this information, we cannot guarantee that this information will not be improperly disclosed or accessed. Like other prominent retail companies, we have experienced cyber-attacks (e.g., phishing) and other attempts to breach or gain

unauthorized access to our systems, as have our third-party service providers, business partners, and licensees. We expect such threats to continue and evolve, especially with the rapid evolution and increased adoption of artificial intelligence, including artificial-intelligence-enabled social engineering, automated reconnaissance, credential attacks, and impersonation techniques.

Unauthorized access, theft, or destruction of data or any breach, ransomware attack or other incident affecting our systems—whether through external attacks or internal methods—could result in reputational harm, loss of customers, business disruption, regulatory investigations, litigation (including class actions), and significant financial costs. It may take considerable time for us to investigate and evaluate the full impact of incidents, particularly for sophisticated attacks. Responding to cybersecurity incidents may require substantial investments in technology, personnel, legal compliance, and customer support, including notification and credit monitoring. These costs could materially impact our financial results and divert resources from strategic initiatives. Media reports of actual or perceived vulnerabilities—whether involving us or our third-party service providers, business partners, or licensees—can damage our brand and business, regardless of an incident's scope or validity.

Failure to maintain satisfactory compliance with certain privacy and data protection laws and regulations may result in substantial negative financial consequences, reputational harm, and civil or criminal penalties.

We are subject to a complex and rapidly evolving landscape of local, national, and international laws and regulations governing the collection, use, retention, protection, disclosure, transfer, and other processing of personal data, including U.S. national security regulations on customer and partner data. These laws and regulations are frequently amended, reinterpreted, and increasingly enforced, often resulting in heightened compliance obligations, litigation risk, and operational costs. Regulatory scrutiny is intensifying, with agencies such as the Federal Trade Commission and state attorneys general applying consumer protection laws to online data practices. The legal landscape remains fluid, with privacy and data protection laws potentially limiting data use, requiring changes to processing practices, exposing us to fines, litigation, or other penalties, or impacting our ability to develop new services. Regulatory changes may include new legislation, invalidation of existing rules, or increased penalties, all of which can impact our ability to develop and offer new products and services. For example, the EU's General Data Protection Regulation (GDPR) and the U.K. equivalent impose strict data protection requirements and significant penalties for noncompliance. China's Personal Information Protection Law (PIPL) and Data Security Law similarly regulate personal and non-personal data processing activities and establish data subject rights and obligations for personal information processors, with civil and criminal liabilities for violations. Other jurisdictions served by Starbucks and its licensees are enacting or proposing comparable laws, including restrictions on cross-border data transfers and enhanced data safeguards, which may increase compliance costs and affect business operations.

In the U.S., the California Consumer Privacy Act (CCPA) and numerous other state privacy laws impose disclosure obligations and grant consumers rights over their personal data. Some such laws include private rights of action. These state laws require ongoing investment in compliance infrastructure. Privacy and data protection laws, such as those referenced above, may also affect emerging business models that rely on Starbucks acting as a data controller in licensed markets. In such cases, Starbucks may bear primary responsibility for compliance with applicable privacy regulations.

The increasing adoption of artificial intelligence technologies has led data protection authorities around the world to consider and adopt new and evolving interpretations of privacy and data protection laws, including obligations related to personal data processing, automated decision-making, notices, consents, opt-outs, and governance controls.

Claims we have allegedly failed to comply with applicable privacy and data protection laws or to adequately safeguard personal data, even if unfounded, may result in regulatory investigations, enforcement actions, litigation (including class actions), reputational harm, and financial penalties, any of which could materially affect our operations and financial performance.

We rely heavily on information technology in our operations and growth initiatives, and any material failure, inadequacy, interruption, or security failure of that technology could harm our ability to effectively operate and grow our business and could adversely affect our financial results.

We rely extensively on interconnected information technology systems to support our operations, including point-of-sale, mobile ordering, payments, supply chain management, loyalty programs, and administrative functions. We also depend on third-party providers for key systems and services, which may lack full redundancy within or across markets. Our growth initiatives—particularly those involving digital engagement and convenience-led formats—depend heavily on the reliability and performance of these systems. Our contractual and operational safeguards may not be effective in preventing the failure of these systems or services to operate effectively and be available. Any failure, inadequacy, inefficiency, or interruption could disrupt operations and adversely affect financial results—whether due to outages, cyber-attacks, software flaws, misconfigurations, or other disruptions—could materially impact product availability, operational efficiency, and financial performance. If our incident response and recovery plans are ineffective or delayed, remediation efforts may incur significant, unplanned costs.

Emerging technologies, including technologies employing artificial intelligence and machine learning, and changes to our mobile order, loyalty, delivery integration, or payment systems, may not deliver expected efficiencies and could introduce new risks, such as those related to cybersecurity, data privacy, inaccuracies, hallucinations, bias or discrimination, prolonged outages and intellectual property infringement, which may become more pronounced as the Company's reliance on such technologies increases.

Risks Related to Intellectual Property

Failure to adequately protect our intellectual property or ensure that we are not infringing on the intellectual property of others could harm the value of our brand and our business.

Our brand names, trademarks, and other intellectual property are critical assets that support brand awareness and product development across domestic and international markets. We protect these assets through a combination of trademarks, copyrights, service marks, trade secrets, patents, and other intellectual property rights. While we have registered certain trademarks in the U.S. and abroad, not all of our trademarks are registered in every market where we operate or may operate in the future, and some may never be registered.

Securing and enforcing intellectual property rights across markets and technologies can be costly and time-consuming. Additionally, the laws and enforcement mechanisms we rely on to protect our intellectual property from unauthorized use may be inadequate. Our competitive position may be adversely affected by our possible inability to effectively protect our intellectual property.

We also seek to maintain certain intellectual property as trade secrets. The secrecy of such trade secrets and other sensitive information could be compromised, which could cause us to lose the competitive advantage resulting from these trade secrets.

Additionally, we also face the risk of infringing third-party intellectual property rights. Any infringement claims, even unmerited claims, can be time consuming to defend and disruptive to our ability to generate revenues or enter into new market opportunities. Further, such claims may lead to expensive and disruptive litigation or significantly increased costs as a result of our attempt to license the intellectual property rights to avoid infringement or a claim of infringement of third-party rights. Additionally, licensees and other third parties who hold licenses to our intellectual property may take actions that diminish the value of our intellectual property, further exposing us to reputational and financial risk.

Item 1B. *Unresolved Staff Comments*

None.

Item 1C. *Cybersecurity*

Risk Management and Strategy

Starbucks has implemented a cybersecurity program that leverages industry-standard cybersecurity frameworks, such as the National Institute of Standards and Technology Cybersecurity Framework, to assess, identify, and manage cybersecurity risk. Our cybersecurity program is integrated with the Enterprise Risk Management ("ERM") framework and governance processes utilized by management, our Board, and its committees to oversee our various top enterprise risks. Our internal audit function periodically evaluates our cybersecurity program and selected aspects of it.

We have implemented various processes and tools to identify cybersecurity threats, detect potential attacks, and protect our data and information technology. We periodically evaluate evolving cybersecurity risks and legal and compliance requirements, and we make ongoing strategic investments to address those evolving risks and requirements. We also participate in multiple cybersecurity forums that share threat intelligence and best practices.

Starbucks assesses, measures, and reports on cybersecurity risk at operational, program or management, and strategic or executive oversight levels. We maintain and periodically update written cybersecurity policies, standards, and controls, which are reviewed by a cross-functional management-level committee and designed to align with business objectives, regulatory requirements, and industry best practices. We train our employees through annual cybersecurity awareness training, which includes information about how to report cybersecurity concerns and incidents, as well as phishing simulations and periodic communications about timely cybersecurity topics and threats. We also implement a variety of tools to monitor our systems and network activity, and we conduct various simulated attacks and penetration tests to assess the effectiveness of these tools.

We maintain an incident response plan that guides us in identifying, evaluating, responding to, and recovering from cybersecurity incidents. The plan provides for the creation of a cross-functional, tailored incident response team, led by dedicated incident responders, that may include both Company personnel and third-party service providers, as appropriate. The incident response plan includes incident classification and escalation protocols, including a process for informing senior management and the Board, as appropriate, as well as processes to assess and comply with applicable legal obligations. We periodically test the effectiveness of the plan, and review and update it, as appropriate.

Where appropriate, we engage third-party assessors, consultants, and other cybersecurity experts to support our cybersecurity program, including assessments and testing. We also maintain insurance coverage that, subject to its terms and conditions, is intended to help us mitigate certain costs associated with cybersecurity incidents.

We engage third-party security experts, as appropriate, to support our processes for assessing, identifying, and managing cybersecurity risks, including, for example, periodic evaluations of our cybersecurity program from a design and effectiveness perspective, penetration testing, vulnerability scanning, employee awareness training, phishing simulations, and incident monitoring and response.

To address cybersecurity risk arising from our relationships with our third-party business partners and service providers, we maintain a third-party risk management program, which takes a risk-based approach and includes elements such as conducting cybersecurity assessments, including cybersecurity-related obligations in agreements, and utilizing external monitoring sources.

In addition, we maintain a global privacy program to identify, assess, and manage privacy risks related to how we are collecting, using, sharing, storing, and otherwise processing personal data.

As of the date of this filing, we have not identified any cybersecurity threats or incidents that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition. However, there can be no assurance that we, or our third-party business partners or service providers, will not experience a cybersecurity threat or incident in the future that could materially adversely affect our business strategy, results of operations, or financial condition. For further discussion of the risks related to cybersecurity, see the risk factors discussed under “Risks Related to Cybersecurity, Data Privacy, and Information Technology” in our Risk Factors in Item 1A of this Form 10-K.

Governance

Our cybersecurity program is led by our senior vice president, chief information security officer (“ciso”), who is responsible for identifying, assessing, and managing our collective information security and technology risks. Our ciso has more than 20 years of experience in the information security and technology fields, including various leadership roles in several large companies across multiple industries. Those roles have included leading various cybersecurity capabilities and managing information security, business intelligence, and data analytics teams.

The ciso is informed about the prevention, detection, mitigation, and remediation of cybersecurity incidents through management of, and participation in, the cybersecurity program described above, including through reports prepared by our internal cybersecurity team and the operation of our incident response plan. The ciso meets regularly with leaders of our various information technology management teams to review and discuss our cybersecurity and other information technology risks and opportunities.

Our Board has ultimate cybersecurity and data privacy risk oversight responsibility for the Company and administers this responsibility both directly and with assistance from the Audit and Compliance Committee (“Audit Committee”). The Audit Committee oversees our cybersecurity and technology risks, along with our data privacy risks, all of which are integrated into our overall ERM program. The Audit Committee actively reviews and discusses our cybersecurity and technology risk management programs and regularly reports out to the full Board on our relevant strengths and opportunities. The Audit Committee also reviews our data privacy risk management programs and reports out to the full Board on our relevant strengths and opportunities.

The Audit Committee receives regular updates from the ciso or other members of the ciso’s team with responsibility for oversight of our key cybersecurity program components. These updates include, as appropriate, ongoing changes in our external and internal cybersecurity threat landscape, new technology trends and regulatory developments, evolving internal policies and practices used to manage and mitigate cybersecurity and technology-related risks, cybersecurity incidents and our response to them, and trends in various metrics that are used to help assess our overall cybersecurity program effectiveness.

Item 2. *Properties*

The material properties used by Starbucks in connection with its roasting, manufacturing, warehousing, distribution, and corporate administrative operations, serving all segments, are as follows:

Location	Approximate Size in Square Feet	Purpose
York, PA	1,957,000	Roasting, warehousing and distribution
Seattle, WA	1,294,000	Corporate administrative
Minden, NV (Carson Valley)	1,080,000	Roasting, warehousing and distribution
Auburn, WA	750,000	Warehousing and distribution
Lebanon, TN	680,000	Warehousing and distribution
Kunshan, China	630,000	Roasting, warehousing and distribution
Kent, WA	510,000	Roasting and distribution
Romeoville, IL	400,000	Warehousing and distribution
Nashville, TN [(1)]	366,000	Corporate administrative

(1) Included in this total is a 250,000-square-foot corporate office in Nashville, Tennessee, for which we executed a lease in March 2026, but we do not yet have possession. This location will support the continued growth of our North American operations.

We own most of our roasting facilities and lease the majority of our warehousing and distribution locations. As of September 27, 2026, Starbucks had 13,397 company-operated coffeehouses, almost all of which are leased. We also lease space in various locations worldwide for regional, district, and other administrative offices, training facilities, and storage. In addition to the locations listed above, we hold inventory at various locations managed by third-party warehouses. We believe our existing facilities, both owned and leased, are in good condition and suitable for the conduct of our business.

Item 3. *Legal Proceedings*

See Note 16, Commitments and Contingencies, to the consolidated financial statements included in Item 8 of Part II of this 10-K for information regarding certain legal proceedings in which we are involved.

Item 4. *Mine Safety Disclosures*

Not applicable.

PART II

Item 5. *Market for the Registrant's Common Equity, Related Shareholder Matters, and Issuer Purchases of Equity Securities*

Refer to Part III, Item 12 of this 10-K for information about our equity compensation plans, which is incorporated by reference herein.

SHAREHOLDER INFORMATION

As of November 5, 2026, we had approximately 16,000 shareholders of record. This does not include persons whose stock is in nominee or "street name" accounts through brokers.

MARKET INFORMATION AND DIVIDEND POLICY

Starbucks common stock is traded on Nasdaq, under the symbol "SBUX."

Future decisions to pay comparable cash dividends to those paid in the past continue to be at the discretion of the Board and will be dependent on our operating performance, financial condition, capital expenditure requirements and other factors that the Board considers relevant.

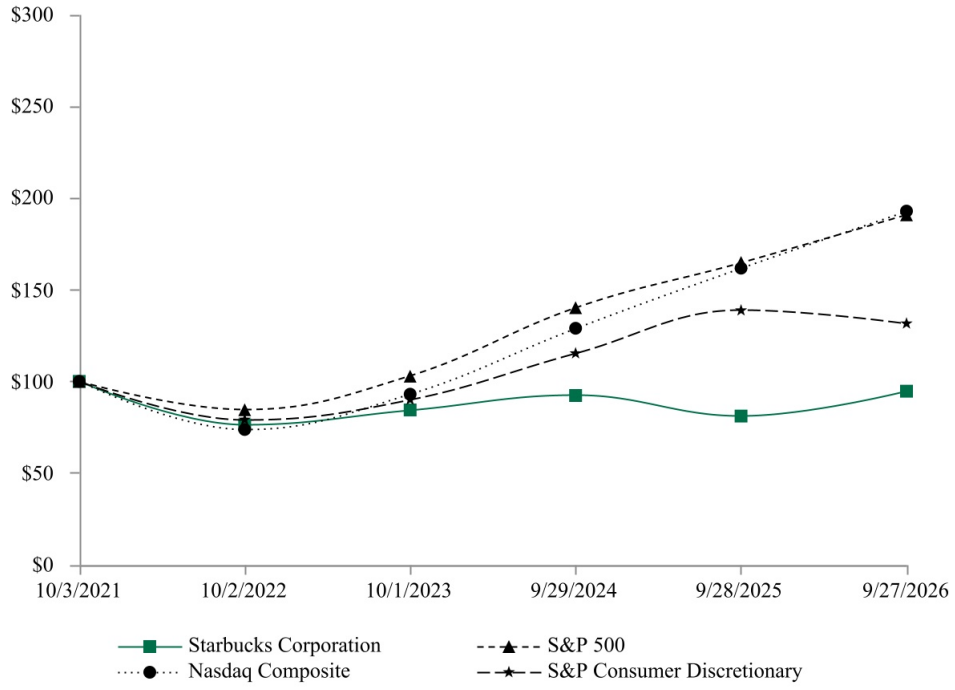
ISSUER PURCHASES OF EQUITY SECURITIES

Shares under our ongoing share repurchase program, first announced in September 2001 and most recently reauthorized in September 2026, may be repurchased in open market transactions, including pursuant to a trading plan adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or through privately negotiated transactions. The timing, manner, price, and amount of repurchases will be determined at our discretion and the share repurchase program may be suspended, terminated, or modified at any time for any reason. During the fiscal fourth quarter ended September 27, 2026, there was no share repurchase activity. As of September 27, 2026, 29.8 million shares remained available for repurchase under current authorizations.

Performance Comparison Graph

The following graph shall not be deemed "filed" for purposes of section 18 of the Exchange Act, or otherwise subject to the liabilities under that section and shall not be deemed to be incorporated by reference into any filing of Starbucks Corporation under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

The following graph depicts the total return to shareholders from October 3, 2021, through September 27, 2026, relative to the performance of the Standard & Poor's 500 Index, the Nasdaq Composite Index and the Standard & Poor's 500 Consumer Discretionary Sector, a peer group that includes Starbucks. All indices shown in the graph have been reset to a base of 100 as of October 3, 2021, and assume an investment of $100 on that date and the reinvestment of dividends paid since that date. The stock price performance shown in the graph is not necessarily indicative of future stock price performance.



	Oct 3, 2021	Oct 2, 2022	Oct 1, 2023	Sep 29, 2024	Sep 28, 2025	Sep 27, 2026
Starbucks Corporation	$ 100.00	$ 76.28	$ 84.38	$ 92.28	$ 81.08	$ 94.60
S&P 500	100.00	84.53	102.80	140.17	164.84	190.78
Nasdaq Composite	100.00	73.75	93.00	128.94	161.71	192.83
S&P Consumer Discretionary	100.00	79.11	90.00	115.25	138.66	131.52

Item 6. [Reserved]

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

You should read the following discussion of our financial condition and results of operations in conjunction with the financial statements and the notes thereto included elsewhere in this 10-K. The following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Readers are cautioned that these forward-looking statements are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified above, under Risk Factors in Part I, Item 1A of this 10-K, and elsewhere herein. Therefore, our actual results could differ materially from those discussed in the forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason. Please also see the cautionary language at the beginning of Part I of this 10-K regarding forward-looking statements.

General

Our fiscal year ends on the Sunday closest to September 30. All references to coffeehouse counts, including data for new coffeehouse openings, are reported net of related coffeehouse closures, unless otherwise noted. Fiscal years 2026, 2025, and 2024 included 52 weeks.

The discussion of our financial condition and results of operations for the fiscal year ended September 29, 2024, included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") can be found in the Annual Report on Form 10-K for the fiscal year ended September 28, 2025.

Overview

We have three reportable operating segments: 1) North America, which is inclusive of the U.S. and Canada; 2) International, which is inclusive of China, Japan, Asia Pacific, Europe, Middle East, Africa, Latin America, and the Caribbean; and 3) Channel Development. Unallocated corporate expenses are reported within Corporate and Other.

We believe our financial results and long-term growth model will continue to be driven by new coffeehouse openings, comparable coffeehouse sales, and operating margin management, underpinned by disciplined capital allocation. The comparable coffeehouse sales metric includes company-operated coffeehouses open 13 months or longer, and excludes the effects of foreign currency exchange rates. Coffeehouses that are temporarily closed for fewer than three weeks or operating at reduced hours remain in comparable coffeehouse sales while permanent coffeehouse closures are removed in the month following closure. We analyze comparable coffeehouse sales on a constant currency basis as this helps identify underlying business trends without distortion from the effects of currency movements.

Throughout this MD&A, we commonly discuss the following key operating metrics, which we believe are useful to investors because management uses these metrics to assess the growth of our business and the effectiveness of our marketing and operational strategies:

- New coffeehouse openings and coffeehouse count
- Comparable coffeehouse sales
- Operating margin

Starbucks results for fiscal 2026 reflected continued progress on key initiatives supporting our "Back to Starbucks" strategy, including investments in the coffeehouse experience and our partners, as we continue to build a stronger Starbucks and transition from a strategy focused on business transformation into our plan for long-term growth. These investments include the Green Apron Service model, and additional investments in staffing and hours at the right times to deliver enhanced customer service. Consolidated net revenues increased 2% to $37.9 billion in fiscal 2026 compared to $37.2 billion in fiscal 2025, primarily driven by higher comparable coffeehouse sales, higher revenues from our international licensed coffeehouse business, including the newly formed China joint venture, and an increase in revenue in the Global Coffee Alliance. This increase was partially offset by lower company-operated coffeehouse revenues in our International segment following the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026.

Divestiture of Starbucks Retail Operations in China

In the first quarter of fiscal 2026, we announced that the Company entered into an agreement to form a joint venture with Boyu Capital to operate Starbucks retail in China (the "disposal group"), marking a significant milestone in the Company's long-term strategy to unlock sustainable, disciplined growth in one of the Company's critical growth markets.

In the third quarter of fiscal 2026, the transaction closed, and under the terms of the agreement, Boyu Capital acquired a 60% stake in Starbucks China retail operations, while Starbucks retained a 40% ownership interest and continues to own and license the brand and intellectual property to the joint venture. The disposal group was deconsolidated from our financial statements and we transitioned from recording revenues and expenses of the disposal group to recording our share of income from the joint venture, recognized as income from equity investees under the equity method of accounting, and recording revenues related to product sales to, and royalty revenues from, the joint venture. We expect that the conversion to our licensed joint venture model will continue to drive lower revenues and higher operating margin for Starbucks, as compared to the historical, company-

operated model. We expect this transition to affect the comparability of our International segment results between periods that include pre-transition results and periods following the transition.

We used a portion of our transaction proceeds for debt reduction, strengthening our balance sheet and allowing us to execute our long-term growth strategy with greater financial flexibility. The joint venture is expected to reinvigorate sustainable growth in China through a focus on expansion, innovation and elevated customer experiences, with a shared long-term aspiration to grow to as many as 20,000 locations in China over time. By bringing together the trusted Starbucks brand, and Boyu Capital's deep local expertise, we believe we will be able to serve more customers, enter more cities, strengthen profitability, and better compete in China's dynamic and evolving market.

Restructuring

In support of our "Back to Starbucks" strategy, as part of the restructuring plan announced and executed in the fourth quarter of fiscal 2025, we closed coffeehouses that did not demonstrate a viable path to profitability or meet our standards of delivering a warm, welcoming space for our customers and partners. Those coffeehouse closures in North America were substantially completed in fiscal 2025, and the majority of those International coffeehouse closures were completed in the first quarter of fiscal 2026.

In the second quarter of fiscal 2026, management approved and executed a restructuring plan to relocate certain functions of our support organization to an additional office in Nashville, Tennessee, further supporting the Company's "Back to Starbucks" strategy and the intention to establish a more strategic presence in the Southeast region of the United States. Our new office in Nashville reflects three key advantages: proximity to key suppliers, access to a deep and growing talent pool in the region, notably in technology, and alignment with where we expect future coffeehouse growth.

In the third quarter of fiscal 2026, we announced and executed an additional fiscal 2026 restructuring plan focused on further transformation of our global support organization and non-retail facilities, as well as reducing the future operational complexity of our Starbucks Reserve and Roastery locations resulting in a reassessment and impairment of the associated asset group. Under the plan, the Company expects to capture cost savings through a more streamlined support structure, and a simplified operating model for Starbucks Reserve and Roastery locations.

In the fourth quarter of fiscal 2026, we announced and executed an additional fiscal 2026 restructuring plan involving the further closure of coffeehouses. As part of this plan, we conducted an additional assessment of our existing North America coffeehouse portfolio and closed, or plan to close, coffeehouses that did not deliver the coffeehouse experience and financial performance expected of the brand. These actions are intended to support a healthier coffeehouse portfolio in North America.

Strategic Initiatives

We will continue to refine and execute our initiatives in support of our "Back to Starbucks" strategy to drive topline momentum and build sales leverage while investing in our coffeehouses and customer experience. Our focus will be on executing the fundamentals by working to deliver exceptional service with speed, driving greater operating precision, providing seamless and more personalized digital experiences, reimagining the drive-thru to make it faster, more convenient and more personal, strengthening our supply chain, enabling technological efficiencies — including the use of artificial intelligence to enhance our digital and drive-thru channels — and improvements related to our staffing, scheduling and point-of-sale systems. We will continue to amplify our brand, engaging with our customers authentically and distinctly as Starbucks, through broad-based marketing, menu innovation designed to make our menu more relevant throughout the day, and Starbucks Rewards engagement, with the goal of deepening customer connection, brand loyalty and affinity. We will also continue to create more opportunity for our coffeehouse partners, supported by additional training, development opportunities, and better tools for leaders to build and manage strong teams.

We will apply continued discipline to how we grow our global footprint, with a focus on ensuring new coffeehouses meet our expectations for returns and long-term growth. As our international business shifts toward a more predominantly licensed model, we will continue evolving how we support our licensed business partners. We expect our international business to continue to lead our global coffeehouse growth, supported by our licensed business model and significant opportunities for development in markets globally. In North America, we will continue to grow our licensed business and invest in uplifts across our existing company-operated coffeehouse portfolio, while rebuilding our coffeehouse development capabilities to meet our standards, which we expect to result in fewer company-operated coffeehouse openings in fiscal 2027.

We expect moderation in net revenues in fiscal 2027, primarily driven by our International segment as we lap the divestiture of Starbucks retail operations in China and the impact of recent North America coffeehouse closures. While we believe we are making the right strategic investments to improve our operating foundations, our focus going forward will continue to be on driving consistency at scale while balancing and maintaining a healthier cost structure. We will continue to test, learn, and refine our approach to deliver the best of Starbucks to drive durable, profitable, long-term growth.

Financial Highlights

- Total net revenues increased 2% to $37.9 billion in fiscal 2026 compared to $37.2 billion in fiscal 2025.
- Consolidated operating income increased to $3.7 billion in fiscal 2026 compared to $2.9 billion in fiscal 2025. Fiscal 2026 operating margin was 9.7% compared to 7.9% in fiscal 2025. Operating margin expansion of 180 basis points was primarily due to sales leverage (approximately 210 basis points), partially offset by labor investments largely in support of our "Back to Starbucks" strategy (approximately 130 basis points).
- Diluted earnings per share ("EPS") for fiscal 2026 increased to $2.21, compared to EPS of $1.63 in fiscal 2025. The increase was primarily driven by the net gain resulting from the divestiture of Starbucks retail operations in China in the third quarter of fiscal 2026 and the expansion in operating margin due to sales leverage, partially offset by labor investments largely in support of the "Back to Starbucks" strategy. Also offsetting the increase were tax impacts from changes in indefinite reinvestment assertions as a result of classifying our Starbucks retail operations in China as held for sale in the first quarter of 2026.
- Capital expenditures were $1.3 billion in fiscal 2026 and $2.3 billion in fiscal 2025.
- We returned $2.8 billion to our shareholders in both fiscal 2026 and fiscal 2025, through dividends.

Acquisitions and Divestitures

See Note 2, Acquisitions and Divestitures, to the consolidated financial statements included in Item 8 of Part II of this 10-K for information regarding acquisitions and divestitures.

RESULTS OF OPERATIONS — FISCAL 2026 COMPARED TO FISCAL 2025

Consolidated results of operations *(in millions)*:

Revenues

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	% Change
Net revenues:			
Company-operated coffeehouses	$ 30,940.2	$ 30,744.8	0.6 %
Licensed coffeehouses	4,615.8	4,350.4	6.1
Other	2,354.6	2,089.2	12.7
Total net revenues	**$ 37,910.6**	**$ 37,184.4**	**2.0 %**

Total net revenues increased $726 million, or 2%, over fiscal 2025, primarily due to higher revenues from licensed coffeehouses ($265 million), other revenues ($265 million), and company-operated coffeehouses ($195 million).

Company-operated coffeehouse revenue increased $195 million, primarily driven by a 6.2% increase in comparable coffeehouse sales ($1.7 billion) attributable to a 3.2% increase in comparable transactions and a 3.0% increase in average ticket. This was partially offset by the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026 ($1.5 billion).

Licensed coffeehouses revenue increased $265 million, primarily driven by higher product sales to, and royalty revenues from, our existing licensees in our International segment ($217 million) and our newly formed China joint venture ($105 million) following the conversion of Starbucks retail operations in China to our licensed joint venture model. This was partially offset by lower equipment sales to our licensees globally ($56 million).

Other revenues increased $265 million, primarily due to an increase in revenue in the Global Coffee Alliance ($266 million) largely due to elevated coffee prices.

Operating Expenses

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 27, 2026	Sep 28, 2025
			As a % of Total Net Revenues	
Product and distribution costs	$ 12,235.2	$ 11,658.2	32.3 %	31.4 %
Coffeehouse operating expenses	17,189.8	17,058.9	45.3	45.9
Other operating expenses	544.5	584.6	1.4	1.6
Depreciation and amortization expenses	1,483.3	1,684.7	3.9	4.5
General and administrative expenses	2,372.9	2,617.2	6.3	7.0
Restructuring and impairments	688.6	892.0	1.8	2.4
Total operating expenses	34,514.3	34,495.6	91.0	92.8
Income from equity investees	294.8	247.8	0.8	0.7
Operating income	**$ 3,691.1**	**$ 2,936.6**	**9.7 %**	**7.9 %**
Coffeehouse operating expenses as a % of related revenues			55.6 %	55.5 %

Product and distribution costs as a percentage of total net revenues increased 90 basis points largely due to mix shifts (90 basis points).

Coffeehouse operating expenses as a percentage of total net revenues decreased 60 basis points. Coffeehouse operating expenses as a percentage of company-operated coffeehouse revenues increased 10 basis points, primarily due to labor investments largely in support of our "Back to Starbucks" strategy (approximately 210 basis points), partially offset by sales leverage.

Other operating expenses decreased $40 million, primarily due to savings from simplifying our licensed business support organization.

Depreciation and amortization expenses as a percentage of total net revenues decreased 60 basis points, primarily driven by ceasing depreciation upon classifying our Starbucks retail operations in China as held for sale in the first quarter of fiscal 2026 and converting Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026.

General and administrative expenses decreased $244 million, largely due to restructuring-related savings and operational efficiencies ($292 million), the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026 ($83 million), and lapping of the Leadership Experience 2025 ($81 million). This was partially offset by increases in performance-based compensation ($152 million), and transaction and transition-related expenses for the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026 ($71 million).

Restructuring and impairments decreased $203 million, driven by lower impacts compared to the prior year associated with the simplification of our support organization and the closure of coffeehouses, partially offset by increased costs associated with the current year impairment of Starbucks Reserve and Roastery ("Siren Retail") coffeehouse locations. See Note 18, Restructuring and Impairments, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for further discussion.

Income from equity investees increased $47 million, primarily due to income from our China joint venture, which was formed upon the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026.

The combination of these changes resulted in an overall increase in operating margin of 180 basis points in fiscal 2026 when compared to fiscal 2025.

Other Income and Expenses

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 27, 2026	Sep 28, 2025
			As a % of Total Net Revenues	
Operating income	$ 3,691.1	$ 2,936.6	9.7 %	7.9 %
Net gain resulting from divestiture of certain operations	536.3	—	1.4	—
Interest income and other, net	145.0	113.3	0.4	0.3
Interest expense	(531.3)	(542.6)	(1.4)	(1.5)
Earnings before income taxes	3,841.1	2,507.3	10.1	6.7
Income tax expense	1,315.0	650.6	3.5	1.7
Net earnings including noncontrolling interests	2,526.1	1,856.7	6.7	5.0
Net earnings/(loss) attributable to noncontrolling interests	(0.6)	0.3	0.0	0.0
Net earnings attributable to Starbucks	**$ 2,526.7**	**$ 1,856.4**	**6.7 %**	**5.0 %**
Effective tax rate including noncontrolling interests			34.2 %	25.9 %

Net gain resulting from divestiture of certain operations was $536.3 million, due to the divestiture of Starbucks retail operations in China during the third quarter of fiscal 2026.

Interest income and other, net increased $32 million, primarily due to unrealized gains on non-core equity method investments.

Interest expense decreased $11 million, primarily due to reduced debt balances in the current year, partially offset by reduced savings from cross-currency interest rate hedging.

The effective tax rate for fiscal 2026 was 34.2% compared to 25.9% for fiscal 2025. The increase was primarily due to the $273 million discrete impact of changes in indefinite reinvestment assertions as a result of classifying Starbucks retail operations in China as held for sale in the first quarter of fiscal 2026 (approximately 420 basis points), impacts resulting from the divestiture of Starbucks retail operations in China during the third quarter of fiscal 2026 (approximately 240 basis points), and lapping the discrete impact of a tax status change for a certain foreign entity in the first quarter of fiscal 2025 (approximately 120 basis points). See Note 14, Income Taxes, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for further discussion.

Segment Information

Results of operations by segment *(in millions)*:

North America

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 27, 2026	Sep 28, 2025
			As a % of North America Total Net Revenues	
Net revenues:				
Company-operated coffeehouses	$ 26,363.9	$ 24,793.0	91.2 %	90.6 %
Licensed coffeehouses	2,529.1	2,575.6	8.8	9.4
Other	4.8	4.5	0.0	0.0
Total net revenues	**28,897.8**	**27,373.1**	**100.0**	**100.0**
Product and distribution costs	8,279.3	7,628.7	28.7	27.9
Coffeehouse operating expenses	14,878.9	13,973.3	51.5	51.0
Other operating expenses	228.7	281.6	0.8	1.0
Depreciation and amortization expenses	1,192.6	1,196.3	4.1	4.4
General and administrative expenses	374.3	483.3	1.3	1.8
Restructuring and impairments	489.8	653.2	1.7	2.4
Total operating expenses	25,443.6	24,216.4	88.0	88.5
Operating income	**$ 3,454.2**	**$ 3,156.7**	**12.0 %**	**11.5 %**
Coffeehouse operating expenses as a % of related revenues			56.4 %	56.4 %

Revenues

North America total net revenues for fiscal 2026 increased $1.5 billion, or 6%, primarily driven by an increase in company-operated coffeehouses revenue due to a 6.6% increase in comparable coffeehouse sales ($1.6 billion), driven by a 3.6% increase in comparable transactions and a 3.0% increase in average ticket, primarily due to higher delivery sales, pricing, product mix and customer food attach.

Operating Margin

North America operating income for fiscal 2026 increased 9% to $3.5 billion, compared to $3.2 billion in fiscal 2025. Operating margin expanded 50 basis points to 12.0%, primarily driven by sales leverage (approximately 290 basis points), partially offset by labor investments largely in support of our “Back to Starbucks” strategy (approximately 180 basis points).

International

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 27, 2026	Sep 28, 2025
			As a % of International Total Net Revenues	
Net revenues:				
Company-operated coffeehouses	$ 4,576.3	$ 5,951.8	67.9 %	76.1 %
Licensed coffeehouses	2,086.7	1,774.8	30.9	22.7
Other	81.4	93.3	1.2	1.2
Total net revenues	**6,744.4**	**7,819.9**	**100.0**	**100.0**
Product and distribution costs	2,520.7	2,749.8	37.4	35.2
Coffeehouse operating expenses	2,310.9	3,085.6	34.3	39.5
Other operating expenses	244.3	242.0	3.6	3.1
Depreciation and amortization expenses	169.5	363.9	2.5	4.7
General and administrative expenses	255.7	344.3	3.8	4.4
Restructuring and impairments	95.0	82.5	1.4	1.1
Total operating expenses	5,596.1	6,868.1	83.0	87.8
Income/(loss) from equity investees	42.8	(1.8)	0.6	0.0
Operating income	**$ 1,191.1**	**$ 950.0**	**17.7 %**	**12.1 %**
Coffeehouse operating expenses as a % of related revenues			50.5 %	51.8 %

Revenues

International total net revenues for fiscal 2026 decreased $1.1 billion, or 14%, primarily driven by lower company-operated coffeehouse revenues following the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026 ($1.5 billion). This decline was partially offset by higher product sales to, and royalty revenues from licensees, including existing licensees ($217 million) and our newly formed China joint venture ($105 million) and an increase in company-operated coffeehouses revenue due to a 3.7% increase in comparable coffeehouse sales ($152 million), driven by a 2.0% increase in average ticket and a 1.6% increase in comparable transactions.

Operating Margin

International operating income for fiscal 2026 increased 25% to $1.2 billion, compared to $950.0 million in fiscal 2025. Operating margin expanded 560 basis points to 17.7%, primarily due to the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026 (approximately 330 basis points) and lower coffeehouse operating and depreciation and amortization costs after classifying assets for Starbucks retail operations in China as held for sale in the first and second quarters of fiscal 2026 (approximately 200 basis points).

Channel Development

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 27, 2026	Sep 28, 2025
			As a % of Channel Development Total Net Revenues	
Net revenues	$ 2,172.7	$ 1,871.7		
Product and distribution costs	1,343.4	1,168.3	61.8 %	62.4 %
Other operating expenses	61.8	60.2	2.8	3.2
General and administrative expenses	3.4	5.8	0.2	0.3
Restructuring and impairments	(0.1)	1.9	—	0.1
Total operating expenses	1,408.5	1,236.2	64.8	66.0
Income from equity investees	252.0	249.6	11.6	13.3
Operating income	**$ 1,016.2**	**$ 885.1**	**46.8 %**	**47.3 %**

Revenues

Channel Development total net revenues for fiscal 2026 increased $301 million, or 16%, compared to fiscal 2025, primarily due to an increase in revenue in the Global Coffee Alliance ($266 million) driven largely by elevated coffee prices.

Operating Margin

Channel Development operating income for fiscal 2026 increased 15% to $1.0 billion, compared to $885 million in fiscal 2025. Operating margin contracted 50 basis points to 46.8%, primarily driven by lower North American Coffee Partnership joint venture income (Refer to Note 6, Equity Investments, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for further discussion) growth relative to segment revenue growth (approximately 170 basis points).

Corporate and Other

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	% Change
Net revenues:			
Other	$ 95.7	$ 119.7	(20.1) %
Total net revenues	**95.7**	**119.7**	**(20.1)**
Product and distribution costs	91.8	111.4	(17.6)
Other operating expenses	9.7	0.8	nm
Depreciation and amortization expenses	121.2	124.5	(2.7)
General and administrative expenses	1,739.5	1,783.8	(2.5)
Restructuring and impairments	103.9	154.4	(32.7)
Total operating expenses	2,066.1	2,174.9	(5.0)
Operating loss	**$ (1,970.4)**	**$ (2,055.2)**	**(4.1) %**

Corporate and Other primarily consists of our unallocated corporate expenses and sales of cocoa butter to third parties. Unallocated corporate expenses include corporate administrative functions that support the operating segments but are not specifically attributable to or managed by any segment and are not included in the reported financial results of the operating segments.

Corporate and Other operating loss decreased 4% to $2.0 billion for fiscal 2026 compared to $2.1 billion for fiscal 2025, primarily due to restructuring-related savings and operational efficiencies ($227 million) and lower restructuring costs in support of our "Back to Starbucks" strategy ($51 million). This was partially offset by performance-based compensation ($114 million), and transaction and transition-related expenses for the conversion of Starbucks retail operations in China to our licensed joint venture model in the third quarter of fiscal 2026 ($66 million).

FINANCIAL CONDITION, LIQUIDITY, AND CAPITAL RESOURCES

Cash and Investment Overview

Our cash and investments were $4.2 billion and $3.7 billion as of September 27, 2026, and September 28, 2025, respectively. We actively manage our cash and investments in order to internally fund operating needs, make scheduled interest and principal payments on our borrowings, fund acquisitions, and return cash to shareholders through common stock cash dividend payments and share repurchases. Our investment portfolio primarily includes highly liquid available-for-sale securities, including corporate debt securities and U.S. government treasury securities. As of September 27, 2026, approximately $1.3 billion of cash and short-term investments were held in foreign subsidiaries.

Borrowing Capacity

Revolving Credit Facility

Our $3.0 billion unsecured five-year revolving credit facility (the "2025 credit facility"), of which $150.0 million may be used for issuances of letters of credit, is currently set to mature on June 13, 2030. The 2025 credit facility is available for working capital, capital expenditures, and other general corporate purposes, including acquisitions and share repurchases. We have the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $1.0 billion.

Borrowings under the 2025 credit facility will bear interest at a fluctuating rate based on the Term Secured Overnight Financing Rate ("Term SOFR"), and, for U.S. dollar-denominated loans under certain circumstances, a Base Rate (as defined in the 2025 credit facility), in each case plus an applicable rate. The applicable rate is based on the Company's long-term credit ratings assigned by Moody's and Standard & Poor's rating agencies. The 2025 credit facility contains alternative interest rate provisions specifying rate calculations to be used at such time Term SOFR ceases to be available as a benchmark due to reference rate reform. The "Base Rate" of interest is the highest of (i) the Federal Funds Rate plus 0.50%, (ii) Bank of America's prime rate, (iii) Term SOFR plus 1.00%, and (iv) 1.00%. Upon the occurrence of any event of default under the
2025 credit facility, interest on the outstanding amount of the indebtedness under the 2025 credit facility will bear interest at a rate per annum equal to 2% in excess of the interest then borne by such borrowings.

The 2025 credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As of September 27, 2026, we were in compliance with all applicable covenants. No amounts were outstanding under our 2025 credit facility as of September 27, 2026 or September 28, 2025.

Short-term Debt

Under our commercial paper program, we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of $3.0 billion, with individual maturities that may vary but not exceed 397 days from the date of issue. Amounts outstanding under the commercial paper program are required to be backstopped by available commitments under our 2025 credit facility. The proceeds from borrowings under our commercial paper program may be used for working capital needs, capital expenditures, and other corporate purposes, including, but not limited to, business expansion, payment of cash dividends on our common stock, and share repurchases. As of September 27, 2026, and September 28, 2025, we had no borrowings outstanding under our commercial paper program. Our total available contractual borrowing capacity for general corporate purposes was $3.0 billion as of September 27, 2026.

Additionally, we hold the following Japanese yen-denominated credit facilities that are available for working capital needs and capital expenditures within our Japanese market:

- A ¥5.0 billion, or $31.5 million, credit facility is currently set to mature on December 30, 2026. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on Tokyo Interbank Offered Rate ("TIBOR") plus an applicable margin of 0.400%.
- A ¥10.0 billion, or $62.9 million, credit facility is currently set to mature on March 27, 2027. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on TIBOR plus an applicable margin of 0.300%.

As of September 27, 2026 and September 28, 2025, we had no borrowings outstanding under these credit facilities.

See Note 9, Debt, to the consolidated financial statements included in Item 8 of Part II of this 10-K for details of the components of our long-term debt.

Long-Term Debt

In May 2026, the Company completed cash tender offers for certain series of its senior notes and repurchased approximately $1.3 billion aggregate principal amount of such notes using cash proceeds from the divestiture of Starbucks retail operations in China. The notes repurchased consisted of:

- $273.5 million of the $750.0 million, 4.500% Senior Notes (the "May 2028 notes")
- $321.8 million of the $500.0 million, 4.800% Senior Notes (the "May 2030 notes")
- $110.4 million of the $500.0 million, 5.000% Senior Notes (the "February 2034 notes")
- $410.2 million of the $500.0 million, 5.400% Senior Notes (the "May 2035 notes")
- $200.0 million of the $1.0 billion, 4.500% Senior Notes (the "November 2048 notes")

In connection with the repurchases, the Company recognized an immaterial gain on partial extinguishment of debt in the third quarter of fiscal 2026, which is included in Interest income and other, net in the consolidated statements of earnings. In determining the value of the gain, the Company expensed the proportional amount of the related unamortized discount, premium, and debt issuance costs attributable to the repurchased notes.

See Note 9, Debt, to the consolidated financial statements included in Item 8 of Part II of this 10-K for details of the components of our long-term debt.

Our ability to incur new liens and conduct sale and leaseback transactions on certain material properties is subject to compliance with terms of the indentures under which the long-term notes were issued. As of September 27, 2026, we were in compliance with all applicable covenants.

Use of Cash

We expect to use our available cash and investments, including, but not limited to, additional potential future borrowings under the credit facilities, commercial paper program, and the issuance of debt to support and invest in our core businesses, including investing in new ways to serve our customers and supporting our coffeehouse partners, repaying maturing debts, returning cash to shareholders through common stock cash dividend payments and discretionary share repurchases, and investing in new business opportunities related to our core and developing businesses. Furthermore, we may use our available cash resources to make proportionate capital contributions to our investees. We may also seek strategic acquisitions to leverage existing capabilities and further build our business. Acquisitions may include increasing our ownership interests in our investees. Any decisions to increase such ownership interests will be driven by valuation and fit with our ownership strategy.

We believe that net future cash flows generated from operations and existing cash and investments both domestically and internationally, combined with our ability to leverage our balance sheet through the issuance of debt, will be sufficient to

finance capital requirements for our core businesses as well as shareholder distributions for at least the next 12 months. We are currently not aware of any trends or demands, commitments, events, or uncertainties that will result in, or that are reasonably likely to result in, our liquidity increasing or decreasing in any material way that will impact our capital needs during or beyond the next 12 months. In the third quarter of fiscal 2026 we used a portion of the proceeds from our divestiture of Starbucks retail operations in China for debt reduction, strengthening our balance sheet and allowing us to execute our long-term growth strategy with greater financial flexibility.

We have borrowed funds and continue to believe we have the ability to do so at reasonable interest rates; however, additional borrowings would result in increased interest expense in the future. In this regard, we may incur additional debt, within targeted levels, as part of our plans to fund our capital programs, including cash returns to shareholders through future dividends and discretionary share repurchases, refinancing debt maturities, as well as investing in new business opportunities. If necessary, we may pursue additional sources of financing, including both short-term and long-term borrowings and debt issuances.

We regularly review our cash positions and our determination of partial indefinite reinvestment of foreign earnings. In the event we determine that all or another portion of such foreign earnings are no longer indefinitely reinvested, we may be subject to additional foreign withholding taxes, which could be material. Any foreign earnings that are not indefinitely reinvested may be repatriated at management's discretion. In the first quarter of fiscal 2026, we released all of our remaining indefinite reinvestment assertions and recorded a discrete tax expense of $266 million, which was subsequently increased in the second quarter of fiscal 2026 by $8 million. In connection with our divestiture of Starbucks retail operations in China in the third quarter of fiscal 2026 and the retained equity interest in the joint venture, we recorded $199.5 million of incremental income tax expense, as a component of the annual effective tax rate, of which approximately $147.8 million was recognized in the third quarter of fiscal 2026, with the remainder recognized in the fourth quarter of fiscal 2026. In future periods, any foreign earnings may be repatriated at management's discretion without any material, incremental tax consequences.

On February 20, 2026, the U.S. Supreme Court ruled that reciprocal tariffs imposed under the International Emergency Economic Powers Act (IEEPA) were unlawful. Starbucks imports were previously subject to such tariffs under IEEPA. Effective April 20, 2026, the U.S. Customs and Border Protection launched a platform for importers of record to begin submitting IEEPA tariff refund requests. Starbucks submitted refund requests in the third quarter of fiscal 2026 for qualifying tariffs paid and has received substantially all of the refunds requested, which were recorded in product and distribution costs within the consolidated statements of earnings. The refunds received during the third quarter of fiscal 2026 largely offset related tariffs incurred in the first three quarters of fiscal 2026.

During each of the first three quarters of fiscal 2025, we declared a cash dividend to shareholders of $0.61 per share. During the fourth quarter of fiscal 2025, and for each of the first three quarters of fiscal 2026, we declared a cash dividend of $0.62 per share. During the fourth quarter of fiscal 2026, we declared a cash dividend of $0.63 per share to be paid on November 27, 2026, with an expected payout of approximately $718.2 million. Dividends are generally paid in the quarter following the declaration date. Cash returned to shareholders through dividends in both fiscal 2026 and 2025 totaled $2.8 billion.

Shares under our ongoing share repurchase program, first announced in September 2001 and most recently reauthorized in September 2026, may be repurchased in open market transactions. During the fiscal years ended September 27, 2026 and September 28, 2025, we made no common stock share repurchases. As of September 27, 2026, 29.8 million shares remained available for repurchase under current authorizations.

Other than normal operating expenses, cash requirements for fiscal 2027 are expected to consist primarily of capital expenditures in our new and existing coffeehouses, our supply chain, and corporate facilities. Total capital expenditures for fiscal 2027 are expected to be higher than fiscal 2026.

The following table summarizes current and long-term material cash requirements as of September 27, 2026, which we expect to fund primarily with operating cash flows (*in millions*):

	Material Cash Requirements				
	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
Operating lease obligations[1]	$ 10,819.7	$ 1,690.2	$ 2,910.9	$ 2,337.2	$ 3,881.4
Debt obligations					
Principal payments	13,384.1	1,500.0	2,826.5	2,678.2	6,379.4
Interest payments	5,130.9	472.1	817.8	607.8	3,233.2
Purchase obligations[2]	922.5	847.4	75.1	—	—
Other obligations[3]	352.4	158.5	102.0	22.8	69.1
Total	$ 30,609.6	$ 4,668.2	$ 6,732.3	$ 5,646.0	$ 13,563.1

(1) Amounts include direct lease obligations, excluding any taxes, insurance, and other related expenses.
(2) Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding on Starbucks and that specify all significant terms. Green coffee purchase commitments comprise approximately 88% of total purchase obligations.
(3) Other obligations include other liabilities primarily consisting of long-term asset retirement obligations, non-core equity method investment contributions, and other contractural commitments.

Cash Flows

Cash provided by operating activities was $5.0 billion for fiscal 2026, compared to $4.7 billion for fiscal 2025. The change was primarily driven by higher net earnings and favorable changes in working capital, primarily related to income taxes payable and inventories, partially offset by the impact of non-cash adjustments to net earnings, primarily driven by the gain associated with the divestiture of our China retail operations, lower non-cash lease costs and lower disposal and impairment losses.

Cash provided by investing activities was $1.1 billion for fiscal 2026, compared to cash used of $2.5 billion for fiscal 2025. The change was primarily due to net proceeds of $2.5 billion from the divestiture of Starbucks retail operations in China in the third quarter of fiscal 2026, combined with $1.0 billion in lower capital expenditures, driven by a reduction in retail coffeehouse investments and renovations in North America and China.

Cash used in financing activities was $5.6 billion for fiscal 2026, compared to $2.3 billion for fiscal 2025. The $3.3 billion increase in cash used was primarily due to $2.8 billion in long-term debt repayments funded in part by proceeds from the divestiture of Starbucks retail operations in China, compared to $1.3 billion in debt repayments in fiscal 2025. Also contributing to the change was the absence of new debt issuances in fiscal 2026 compared to the $1.7 billion raised in fiscal 2025.

COMMODITY PRICES, AVAILABILITY, AND GENERAL RISK CONDITIONS

Commodity price risk represents our primary market risk, generated by our purchases of green coffee and dairy products, among other items. We purchase, roast, and sell high-quality *arabica* coffee and related products, and risk arises from the price volatility of green coffee. In addition to coffee, we also purchase significant amounts of dairy products to support the needs of our company-operated coffeehouses. The price and availability of these commodities, including impacts from volatility in green coffee prices and tariffs, directly impact our results of operations, and we expect commodity prices, particularly coffee, to continue to impact future results of operations. For additional details see Product Supply in Item 1 of Part I of this 10-K, as well as Risk Factors in Item 1A of Part I of this 10-K.

FINANCIAL RISK MANAGEMENT

Market risk is defined as the risk of losses due to changes in commodity prices, foreign currency exchange rates, equity security prices, and interest rates. We manage our exposure to various market-based risks according to a market price risk management policy. Under this policy, market-based risks are quantified and evaluated for potential mitigation strategies, such as entering into hedging transactions. The market price risk management policy governs how hedging instruments may be used to mitigate risk. Risk limits are set annually, and speculative trading activities are prohibited. We also monitor and limit the amount of associated counterparty credit risk, which we consider to be low. We use interest rate swap agreements and treasury locks to primarily hedge against changes in benchmark interest rates related to anticipated debt issuances. We also use cross-currency swaps to hedge against changes in the fair value of our net investments in foreign operations. Excluding interest rate hedging instruments and cross currency swaps, hedging instruments generally do not have maturities in excess of three years. Refer to Note 1, Summary of Significant Accounting Policies and Estimates, and Note 3, Derivative Financial Instruments, to the consolidated financial statements included in Item 8 of Part II of this 10-K for further discussion of our hedging instruments.

The sensitivity analyses disclosed below provide only a limited, point-in-time view of the market risk of the financial instruments discussed. The actual impact of the respective underlying rates and price changes on the financial instruments may differ significantly from those shown in the sensitivity analyses.

Commodity Price Risk

We purchase commodity inputs, primarily coffee, dairy products, diesel, cocoa, sugar, and other commodities, that are used in our operations and are subject to price fluctuations that impact our financial results. We use a combination of pricing features embedded within supply contracts, such as fixed-price and price-to-be-fixed contracts and financial derivatives, to manage our commodity price risk exposure.

The following table summarizes the potential impact as of September 27, 2026, to Starbucks future net earnings and other comprehensive income ("OCI") from changes in commodity prices. The information provided below relates only to the derivative hedging instruments and does not represent the corresponding changes in the underlying hedged items *(in millions)*:

	Increase/(Decrease) to Net Earnings		Increase/(Decrease) to OCI	
	10% Increase in Underlying Rate	10% Decrease in Underlying Rate	10% Increase in Underlying Rate	10% Decrease in Underlying Rate
Commodity hedges	$ —	$ —	$ 15	$ (15)

Foreign Currency Exchange Risk

The majority of our revenue, expense, and capital purchasing activities are transacted in U.S. dollars. However, because a portion of our operations consists of activities outside of the U.S., we have transactions in other currencies, primarily the Japanese yen, Chinese renminbi, Canadian dollar, British pound, South Korean won, and euro. To reduce cash flow volatility from foreign currency fluctuations, we enter into derivative instruments to hedge portions of cash flows of anticipated intercompany royalty payments, inventory purchases, intercompany borrowing, and lending activities, and certain other transactions in currencies other than the functional currency of the entity that is party to the arrangements, as well as the translation risk of certain balance sheet items and net investments in foreign operations. The volatility in the foreign exchange market may lead to significant fluctuation in foreign currency exchange rates and adversely impact our financial results in the case of weakening foreign currencies relative to the U.S. dollar.

The following table summarizes the potential impact as of September 27, 2026, to Starbucks future net earnings and other comprehensive income from changes in the fair value of these derivative financial instruments due to a change in the value of the U.S. dollar as compared to foreign exchange rates. The information provided below relates only to the derivative hedging instruments and does not represent the corresponding changes in the underlying hedged items (*in millions*):

	Increase/(Decrease) to Net Earnings		Increase/(Decrease) to OCI	
	10% Increase in Underlying Rate	10% Decrease in Underlying Rate	10% Increase in Underlying Rate	10% Decrease in Underlying Rate
Foreign currency hedges	$ 37	$ (37)	$ 235	$ (235)

Equity Security Price Risk

We have minimal exposure to price fluctuations on equity mutual funds, equity exchange-traded funds, and bond index funds within our marketable equity securities portfolio. Marketable equity securities are recorded at fair value and approximates a portion of our liability under our Management Deferred Compensation Plan ("MDCP"). Gains and losses from the portfolio and the change in our MDCP liability are recorded in our consolidated statements of earnings.

We performed a sensitivity analysis based on a 10% change in the underlying equity prices for equity mutual funds and exchange-traded funds, and a 100 basis point change in the underlying interest rate of our bond index funds as of September 27, 2026, and determined that such changes would not have a significant impact on the fair value of these instruments.

Interest Rate Risk

Long-term Debt

We utilize short-term and long-term financing and may use interest rate hedges to manage our overall interest expense related to our existing fixed-rate debt, as well as to hedge the variability in cash flows due to changes in benchmark interest rates related to anticipated debt issuances. See Note 3, Derivative Financial Instruments, and Note 9, Debt, to the consolidated financial statements included in Item 8 of Part II of this 10-K for further discussion of our interest rate hedge agreements and details of the components of our long-term debt, respectively, as of September 27, 2026.

The following table summarizes the impact of a change in interest rates as of September 27, 2026, on the fair value of Starbucks debt *(in millions)*:

	Fair Value	Decrease in Fair Value for a 100 Basis Point Increase in Underlying Rate
Long-term debt[(1)]	$ 11,629	$ (639)

(1) Amount disclosed is net of $9 million change in the fair value of our designated interest rate swaps. Refer to Note 3, Derivative Financial Instruments, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for additional information on our interest rate swap designated as a fair value hedge.

Available-for-Sale Debt Securities

Our available-for-sale securities comprise a diversified portfolio consisting mainly of investment-grade debt securities. The primary objective of these investments is to preserve capital and liquidity. Available-for-sale securities are recorded on the consolidated balance sheets at fair value with unrealized gains and losses reported as a component of accumulated other comprehensive income. We do not hedge the interest rate exposure on our investments. We performed a sensitivity analysis based on a 100 basis point change in the underlying interest rate of our available-for-sale securities as of September 27, 2026, and determined that such a change would not have a significant impact on the fair value of these instruments.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are those that management believes are the most important to the portrayal of our financial condition and results and require the most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Judgments and uncertainties may result in materially different amounts being reported under different conditions or using different assumptions.

Our significant accounting estimates are discussed in additional detail in Note 1, Summary of Significant Accounting Policies and Estimates, to the consolidated financial statements included in Item 8 of Part II of this 10-K. We consider financial reporting and disclosure practices and accounting policies quarterly to ensure that they provide accurate and transparent information relative to the current economic and business environment. During the past five fiscal years, we have not made any material changes to the accounting methodologies used to assess the areas discussed below, unless noted otherwise. We believe that our significant accounting estimates involve a higher degree of judgment and/or complexity for the reasons discussed below.

Property, Plant and Equipment and Other Finite-Lived Assets

We evaluate property, plant and equipment, operating lease right-of-use ("ROU") assets and other finite-lived assets for impairment when facts and circumstances indicate that the carrying values of such assets may not be recoverable. When evaluating for impairment, we first compare the carrying value of the asset to the asset's estimated future undiscounted cash flows. If the estimated undiscounted future cash flows are less than the carrying value of the asset, we determine if we have an impairment loss by comparing the carrying value of the asset to the asset's estimated fair value and recognize an impairment charge when the asset's carrying value exceeds its estimated fair value. The adjusted carrying amount of the asset becomes its new cost basis and is depreciated over the asset's remaining useful life.

Long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. For company-operated coffeehouse assets, the impairment test is performed at the individual coffeehouse asset group level, which is inclusive of property, plant and equipment and lease ROU assets. The fair value of a coffeehouse's assets is typically estimated using a discounted cash flow model. For other long-lived assets, fair value is determined using an approach that is appropriate based on the relevant facts and circumstances, which may include discounted cash flows, comparable transactions, or comparable company analyses.

Our impairment calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate future cash flows and asset fair values. Key assumptions used in estimating future cash flows and asset fair values include projected revenue growth and operating expenses, as well as forecasting asset useful lives and selecting an appropriate discount rate. For company-operated coffeehouses, estimates of revenue growth and operating expenses are based on internal projections and consider the coffeehouse's historical performance, the local market economics, and the business environment impacting the coffeehouse's performance. The discount rate is selected based on what we believe a buyer would assume when determining a purchase price for the coffeehouse. The fair value of a coffeehouse's ROU asset is estimated considering what a market participant would pay to lease the asset for its highest and best use. These estimates are subjective and our ability to realize future cash flows and asset fair values is affected by factors such as ongoing maintenance and improvement of the assets, changes in economic conditions, and changes in operating performance.

In the fourth quarter of fiscal 2025, as part of the "Back to Starbucks" strategy, the Company assessed its existing coffeehouse portfolio with respect to both whether coffeehouses had a viable path to offering the physical environment consistent with the brand and a clear path to financial performance, and we closed coffeehouses that did not meet these criteria.

For the fiscal year ended September 28, 2025, we recorded $352.8 million related to impairment and disposition of company-operated coffeehouse assets and $239.3 million primarily associated with accelerated amortization of ROU lease assets and other lease exit costs due to coffeehouse closures prior to the end of contractual lease terms. The costs were recorded in restructuring and impairments on the consolidated statements of earnings.

In the third quarter of fiscal 2026, as part of the "Back to Starbucks" strategy, the Company focused on further transformation of our non-retail facilities, as well as reducing the future operational complexity of our Starbucks Reserve and Roastery locations resulting in a reassessment and impairment of the associated asset group.

In the fourth quarter of fiscal 2026, we announced and executed an additional fiscal 2026 restructuring plan involving the further closure of coffeehouses. As part of this plan, we conducted an additional assessment of our existing North America coffeehouse portfolio and closed, or plan to close, coffeehouses that did not deliver the coffeehouse experience and financial performance expected of the brand.

For the fiscal year ended September 27, 2026, we recorded $372.5 million in restructuring and impairments on the consolidated statements of earnings related to impairment and disposition of company-operated coffeehouse and non-retail facility assets, including $113.0 million of ROU lease asset impairments, and $196.0 million primarily associated with accelerated amortization of ROU lease assets and other lease exit costs due to the closure of certain Starbucks company-operated coffeehouses and non-retail office locations prior to the end of contractual lease terms. Refer to Note 18, Restructuring and Impairments, to the consolidated financial statements included in Item 8 of Part II of this 10-K, for further discussion.

Asset impairment charges are discussed in Note 1, Summary of Significant Accounting Policies and Estimates, to the consolidated financial statements included in Item 8 of Part II of this 10-K.

Goodwill and Indefinite-Lived Intangible Assets

We evaluate goodwill and indefinite-lived intangible assets for impairment annually during our third fiscal quarter, or more frequently if an event occurs or circumstances change that would indicate impairment may exist. When evaluating these assets for impairment, we may first perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If we do not perform a qualitative assessment, or if we determine that it is not more likely than not that the fair value of the reporting unit exceeds its carrying amount, we calculate the estimated fair value of the reporting unit using discounted cash flows or a combination of discounted cash flow and market approaches.

When assessing goodwill for impairment, our decision to perform a qualitative impairment assessment for an individual reporting unit is influenced by a number of factors, inclusive of the carrying value of the reporting unit's goodwill, the significance of the excess of the reporting unit's estimated fair value over carrying value at the last quantitative assessment date, and the amount of time in between quantitative fair value assessments and the date of acquisition. If we perform a quantitative assessment of an individual reporting unit's goodwill, our impairment calculations contain uncertainties because they require management to make assumptions and to apply judgment when estimating future cash flows and asset fair values, including projected revenue growth and operating expenses related to existing businesses, product innovation, and new coffeehouse concepts, as well as utilizing valuation multiples of similar publicly traded companies and selecting an appropriate discount rate. Estimates of revenue growth and operating expenses are based on internal projections considering the reporting unit's past performance and forecasted growth, strategic initiatives, local market economics, and the local business environment impacting the reporting unit's performance. The discount rate is selected based on the estimated cost of capital for a market participant to operate the reporting unit in the region. These estimates, as well as the selection of comparable companies and valuation multiples used in the market approaches, are highly subjective, and our ability to realize the future cash flows used in our fair value calculations is affected by factors such as the success of strategic initiatives, changes in economic conditions, changes in our operating performance, and changes in our business strategies, including retail initiatives and international expansion. We continue to believe the fair value of each of our reporting units is significantly in excess of its carrying value, and absent a sustained multi-year global decline in our business in key markets such as the U.S., we do not anticipate incurring significant goodwill impairment in the next 12 months.

Our fiscal 2026 annual goodwill impairment testing was completed in the third fiscal quarter. Using the most recent quantitative assessment performed, the estimated fair value of our reporting units exceeded carrying value by approximately $120 billion.

When assessing indefinite-lived intangible assets for impairment, where we perform a qualitative assessment, we evaluate if changes in events or circumstances have occurred that indicate that impairment may exist. If we do not perform a qualitative impairment assessment or if changes in events and circumstances indicate that a quantitative assessment should be performed, management is required to calculate the fair value of the intangible asset group. The fair value calculation includes estimates of revenue growth, which are based on past performance and internal projections for the intangible asset group's forecasted growth and royalty rates, which are adjusted for our particular facts and circumstances. The discount rate is selected based on the estimated cost of capital that reflects the risk profile of the related business. These estimates are highly subjective, and our ability to achieve the forecasted cash flows used in our fair value calculations is affected by factors such as the success of strategic initiatives, changes in economic conditions, changes in our operating performance, and changes in our business strategies, including retail initiatives and international expansion. We do not anticipate recording significant impairment charges in the next 12 months.

Definite-lived intangible asset impairment charges are discussed in Note 8, Other Intangible Assets and Goodwill, to the consolidated financial statements included in Item 8 of Part II of this 10-K.

Income Taxes

We recognize deferred tax assets and liabilities based on the differences between the financial statement carrying amounts and the respective tax bases of our assets and liabilities. Deferred tax assets and liabilities are measured using current enacted tax rates expected to apply to taxable income in the years in which we expect the temporary differences to reverse. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized.

In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of operations. In projecting future taxable income, we consider historical results and incorporate assumptions about the amount of future state, federal, and foreign pre-tax operating income adjusted for items that do not have tax consequences. Our assumptions regarding future taxable income are consistent with the plans and estimates we use to manage our underlying businesses. In evaluating the objective evidence that historical results provide, we consider three years of cumulative operating income/(loss).

In addition, our income tax returns are periodically audited by domestic and foreign tax authorities. These audits include review of our tax filing positions, such as the timing and amount of deductions taken and the allocation of income between tax jurisdictions. We evaluate our exposures associated with our various tax filing positions and recognize a tax benefit only if it is more likely than not that the tax position will be sustained upon examination by the relevant taxing authorities, including resolutions of any related appeals or litigation processes, based on the technical merits of our position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. For uncertain tax positions that do not meet this threshold, we record a related liability. We adjust our unrecognized tax benefit liability and income tax expense in the period in which the uncertain

tax position is effectively settled, the statute of limitations expires for the relevant taxing authority to examine the tax position, or when new information becomes available.

We have generated income in certain foreign jurisdictions that may be subject to additional foreign withholding taxes and U.S. state income taxes. We regularly review our plans for reinvestment or repatriation of unremitted foreign earnings. We are not indefinitely reinvested in any foreign earnings and therefore our foreign earnings can be repatriated depending on our estimated working and other capital needs in jurisdictions where those earnings are generated. If these amounts are distributed to the U.S., in the form of dividends or otherwise, we may be subject to additional foreign withholding taxes and U.S. state income taxes, which are currently not expected to be material.

Our income tax expense and deferred tax assets and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. Deferred tax asset valuation allowances and our liabilities for unrecognized tax benefits require significant management judgment regarding applicable statutes and their related interpretation, the status of various income tax audits, and our particular facts and circumstances. Although we believe that the judgments and estimates discussed herein are reasonable, actual results, including forecasted business performance, could differ, and we may be exposed to losses or gains that could be material. To the extent we prevail in matters for which a liability has been established or are required to pay amounts in excess of our established liability, our effective income tax rate in a given financial statement period could be materially affected.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 1, Summary of Significant Accounting Policies and Estimates, to the consolidated financial statements included in Item 8 of Part II of this 10-K for a detailed description of recent accounting pronouncements.

Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*

The information required by this item is incorporated by reference to the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations — Commodity Prices, Availability, and General Risk Conditions" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial Risk Management" in Item 7 of this Report.

Item 8. *Financial Statements and Supplementary Data*

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS
(in millions, except per share data)

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Net revenues:			
Company-operated coffeehouses	$ 30,940.2	$ 30,744.8	$ 29,765.9
Licensed coffeehouses	4,615.8	4,350.4	4,505.1
Other	2,354.6	2,089.2	1,905.2
Total net revenues	37,910.6	37,184.4	36,176.2
Product and distribution costs	12,235.2	11,658.2	11,180.6
Coffeehouse operating expenses	17,189.8	17,058.9	15,286.5
Other operating expenses	544.5	584.6	565.6
Depreciation and amortization expenses	1,483.3	1,684.7	1,512.6
General and administrative expenses	2,372.9	2,617.2	2,523.3
Restructuring and impairments	688.6	892.0	—
Total operating expenses	34,514.3	34,495.6	31,068.6
Income from equity investees	294.8	247.8	301.2
Operating income	3,691.1	2,936.6	5,408.8
Net gain resulting from divestiture of certain operations	536.3	—	—
Interest income and other, net	145.0	113.3	122.8
Interest expense	(531.3)	(542.6)	(562.0)
Earnings before income taxes	3,841.1	2,507.3	4,969.6
Income tax expense	1,315.0	650.6	1,207.3
Net earnings including noncontrolling interests	2,526.1	1,856.7	3,762.3
Net earnings/(loss) attributable to noncontrolling interests	(0.6)	0.3	1.4
Net earnings attributable to Starbucks	$ 2,526.7	$ 1,856.4	$ 3,760.9
Earnings per share — basic	$ 2.22	$ 1.63	$ 3.32
Earnings per share — diluted	$ 2.21	$ 1.63	$ 3.31
Weighted average shares outstanding:			
Basic	1,139.3	1,136.0	1,133.8
Diluted	1,143.4	1,139.8	1,137.3

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Net earnings including noncontrolling interests	$ 2,526.1	$ 1,856.7	$ 3,762.3
Other comprehensive income/(loss):			
Unrealized holding gains/(losses) on available-for-sale debt securities	(7.0)	2.7	12.1
Tax (expense)/benefit	1.7	(0.8)	(3.0)
Unrealized gains/(losses) on cash flow hedging instruments	25.3	80.1	106.0
Tax (expense)/benefit	(5.6)	(17.9)	(16.2)
Unrealized gains/(losses) on net investment hedging instruments	60.8	255.9	55.7
Tax (expense)/benefit	(15.3)	(64.6)	(14.1)
Translation adjustment and other	54.3	(113.4)	225.9
Tax (expense)/benefit	(9.3)	—	(8.8)
Reclassification adjustment for net (gains)/losses realized in net earnings for available-for-sale securities, hedging instruments, translation adjustment, and other	264.6	(224.9)	(19.2)
Tax expense/(benefit)	2.9	52.4	11.0
Other comprehensive income/(loss), net of tax	372.4	(30.5)	349.4
Comprehensive income including noncontrolling interests	2,898.5	1,826.2	4,111.7
Comprehensive income/(loss) attributable to noncontrolling interests	(0.1)	0.1	1.8
Comprehensive income attributable to Starbucks	$ 2,898.6	$ 1,826.1	$ 4,109.9

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED BALANCE SHEETS
(in millions, except per share data)

	Sep 27, 2026	Sep 28, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,679.9	$ 3,219.8
Short-term investments	184.3	247.2
Accounts receivable, net	1,177.5	1,277.5
Inventories	2,243.4	2,185.6
Prepaid expenses and other current assets	386.3	452.2
Total current assets	7,671.4	7,382.3
Long-term investments	309.5	246.9
Equity investments	1,784.1	466.2
Property, plant and equipment, net	6,944.1	8,493.5
Operating lease, right-of-use asset	7,858.9	9,315.7
Deferred income taxes, net	1,611.9	1,826.9
Other long-term assets	791.2	752.5
Other intangible assets	169.6	166.8
Goodwill	1,249.2	3,368.9
TOTAL ASSETS	$ 28,389.9	$ 32,019.7
LIABILITIES AND SHAREHOLDERS' EQUITY/(DEFICIT)		
Current liabilities:		
Accounts payable	$ 1,868.5	$ 1,852.8
Accrued liabilities	2,752.3	2,359.7
Accrued payroll and benefits	891.3	1,093.9
Current portion of operating lease liability	1,344.3	1,564.5
Stored value card liability and current portion of deferred revenue	1,758.4	1,840.6
Current portion of long-term debt	1,499.0	1,498.9
Total current liabilities	10,113.8	10,210.4
Long-term debt	11,777.9	14,575.9
Operating lease liability	7,792.4	8,972.2
Deferred revenue	5,582.6	5,772.6
Other long-term liabilities	785.0	577.8
Total liabilities	36,051.7	40,108.9
Shareholders' deficit:		
Common stock ($0.001 par value) — authorized, 2,400.0 shares; issued and outstanding, 1,140.1 and 1,136.9 shares, respectively	1.1	1.1
Additional paid-in capital	1,000.4	634.1
Retained deficit	(8,583.7)	(8,272.5)
Accumulated other comprehensive income/(loss)	(86.9)	(459.3)
Total shareholders' deficit	(7,669.1)	(8,096.6)
Noncontrolling interests	7.3	7.4
Total deficit	(7,661.8)	(8,089.2)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY/(DEFICIT)	$ 28,389.9	$ 32,019.7

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
OPERATING ACTIVITIES:			
Net earnings including noncontrolling interests	$ 2,526.1	$ 1,856.7	$ 3,762.3
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	1,595.0	1,771.5	1,592.4
Deferred income taxes, net	144.4	(90.6)	(13.8)
Income earned from equity method investees, net	(297.7)	(274.2)	(306.4)
Distributions received from equity method investees	187.9	294.4	333.3
Net gain resulting from divestiture of certain operations	(536.3)	—	—
Stock-based compensation	368.6	318.3	308.3
Non-cash lease costs	1,303.0	1,513.8	1,314.9
Loss on disposal, impairment, and accelerated amortization of assets	685.5	834.7	121.5
Other	4.8	17.3	31.9
Cash provided by/(used in) changes in operating assets and liabilities:			
Accounts receivable	(2.6)	(89.7)	18.4
Inventories	(176.4)	(408.4)	42.8
Income taxes payable	427.3	103.8	(61.9)
Accounts payable	224.1	261.0	28.0
Deferred revenue	(62.7)	(120.7)	(72.2)
Operating lease liability	(1,630.5)	(1,576.7)	(1,294.9)
Other operating assets and liabilities	227.9	336.3	291.0
Net cash provided by/(used in) operating activities	4,988.4	4,747.5	6,095.6
INVESTING ACTIVITIES:			
Purchases of investments	(182.4)	(333.6)	(627.5)
Sales of investments	25.6	1.1	10.3
Maturities and calls of investments	165.0	391.8	768.2
Additions to property, plant and equipment	(1,263.6)	(2,305.5)	(2,777.5)
Acquisitions, net of cash acquired	—	(177.1)	—
Net proceeds from the divestiture of certain operations	2,544.2	—	—
Other	(176.2)	(62.1)	(72.7)
Net cash provided by/(used in) investing activities	1,112.6	(2,485.4)	(2,699.2)
FINANCING ACTIVITIES:			
Net proceeds from issuance of short-term debt	2.5	2.4	123.8
Repayments of short-term debt	—	(7.8)	(157.5)
Net proceeds from issuance of long-term debt	—	1,748.5	1,995.3
Repayments of long-term debt	(2,815.9)	(1,250.0)	(1,825.1)
Proceeds from issuance of common stock	66.4	77.0	108.0
Cash dividends paid	(2,824.7)	(2,771.4)	(2,585.0)
Repurchase of common stock	—	—	(1,266.7)
Minimum tax withholdings on share-based awards	(73.0)	(87.4)	(100.4)
Other	—	(9.3)	(10.6)
Net cash provided by/(used in) financing activities	(5,644.7)	(2,298.0)	(3,718.2)
Effect of exchange rate changes on cash and cash equivalents	3.8	(30.5)	56.5
Net increase/(decrease) in cash and cash equivalents	460.1	(66.4)	(265.3)
CASH AND CASH EQUIVALENTS:			
Beginning of period	3,219.8	3,286.2	3,551.5
End of period	$ 3,679.9	$ 3,219.8	$ 3,286.2
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest, net of capitalized interest	$ 603.0	$ 588.3	$ 570.7
Income taxes	$ 684.0	$ 715.6	$ 1,373.3

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EQUITY
(in millions, except per share data)

	Common Stock		Additional Paid-in Capital	Retained Earnings/(Deficit)	Accumulated Other Comprehensive Income/(Loss)	Shareholders' Equity/(Deficit)	Noncontrolling Interests	Total
	Shares	Amount						
Balance, October 1, 2023	1,142.6	$ 1.1	$ 38.1	$ (7,255.8)	$ (778.2)	$ (7,994.8)	$ 7.0	$ (7,987.8)
Net earnings	—	—	—	3,760.9	—	3,760.9	1.4	3,762.3
Other comprehensive income/(loss)	—	—	—	—	349.0	349.0	0.4	349.4
Stock-based compensation expense	—	—	312.0	—	—	312.0	—	312.0
Exercise of stock options/vesting of RSUs	3.1	—	(47.6)	—	—	(47.6)	—	(47.6)
Sale of common stock	0.6	—	55.3	—	—	55.3	—	55.3
Repurchase of common stock[1]	(12.8)	—	(35.2)	(1,223.9)	—	(1,259.1)	—	(1,259.1)
Cash dividends declared, $2.32 per share	—	—	—	(2,625.0)	—	(2,625.0)	—	(2,625.0)
Purchase of noncontrolling interests and other	—	—	—	—	0.4	0.4	(1.5)	(1.1)
Balance, September 29, 2024	1,133.5	$ 1.1	$ 322.6	$ (7,343.8)	$ (428.8)	$ (7,448.9)	$ 7.3	$ (7,441.6)
Net earnings	—	—	—	1,856.4	—	1,856.4	0.3	1,856.7
Other comprehensive income/(loss)	—	—	—	—	(30.3)	(30.3)	(0.2)	(30.5)
Stock-based compensation expense	—	—	321.9	—	—	321.9	—	321.9
Exercise of stock options/vesting of RSUs	2.8	—	(63.0)	—	—	(63.0)	—	(63.0)
Sale of common stock	0.6	—	52.6	—	—	52.6	—	52.6
Repurchase of common stock[1]	—	—	—	—	—	—	—	—
Cash dividends declared, $2.45 per share	—	—	—	(2,785.0)	—	(2,785.0)	—	(2,785.0)
Purchase of noncontrolling interests and other	—	—	—	(0.1)	(0.2)	(0.3)	—	(0.3)
Balance, September 28, 2025	1,136.9	$ 1.1	$ 634.1	$ (8,272.5)	$ (459.3)	$ (8,096.6)	$ 7.4	$ (8,089.2)
Net earnings	—	—	—	2,526.7	—	2,526.7	(0.6)	2,526.1
Other comprehensive income/(loss)	—	—	—	—	371.9	371.9	0.5	372.4
Stock-based compensation expense	—	—	372.9	—	—	372.9	—	372.9
Exercise of stock options/vesting of RSUs	2.6	—	(52.6)	—	—	(52.6)	—	(52.6)
Sale of common stock	0.6	—	46.0	—	—	46.0	—	46.0
Repurchase of common stock[1]	—	—	—	—	—	—	—	—
Cash dividends declared, $2.49 per share	—	—	—	(2,837.9)	—	(2,837.9)	—	(2,837.9)
Purchase of noncontrolling interests and other	—	—	—	—	0.5	0.5	—	0.5
Balance, September 27, 2026	1,140.1	$ 1.1	$ 1,000.4	$ (8,583.7)	$ (86.9)	$ (7,669.1)	$ 7.3	$ (7,661.8)

[1] Includes excise tax on share repurchases.

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
INDEX FOR NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1	Summary of Significant Accounting Policies and Estimates	51
Note 2	Acquisitions and Divestitures	62
Note 3	Derivative Financial Instruments	62
Note 4	Fair Value Measurements	67
Note 5	Inventories	69
Note 6	Equity Investments	70
Note 7	Supplemental Balance Sheets and Statements of Earnings Information	71
Note 8	Other Intangible Assets and Goodwill	72
Note 9	Debt	73
Note 10	Leases	75
Note 11	Deferred Revenue	76
Note 12	Equity	77
Note 13	Employee Stock and Benefit Plans	78
Note 14	Income Taxes	79
Note 15	Earnings per Share	83
Note 16	Commitments and Contingencies	83
Note 17	Segment Reporting	83
Note 18	Restructuring and Impairments	86

STARBUCKS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Fiscal Years ended September 27, 2026, September 28, 2025, and September 29, 2024

Note 1: Summary of Significant Accounting Policies and Estimates

Description of Business

We purchase and roast high-quality coffees that we sell, along with handcrafted coffee, tea, and other beverages and a variety of high-quality food items through our company-operated coffeehouses. We also sell a variety of coffee and tea products and license our trademarks through other channels, such as licensed coffeehouses as well as grocery and foodservice through our Global Coffee Alliance with Nestlé S.A. ("Nestlé"). In addition to our flagship Starbucks Coffee® brand, we sell goods and services under the following brands: Teavana®, Ethos®, and Starbucks Reserve®.

In this Annual Report on Form 10-K ("10-K" or "Report") for the fiscal year ended September 27, 2026 ("fiscal 2026"), Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us," or "our."

Segment information is prepared on the same basis that our ceo, who is our Chief Operating Decision Maker ("CODM"), manages the segments, evaluates financial results, and makes key operating decisions.

We have three reportable operating segments: 1) North America, which is inclusive of the U.S. and Canada; 2) International, which is inclusive of China, Japan, Asia Pacific, Europe, Middle East, Africa, Latin America, and the Caribbean; and 3) Channel Development. Unallocated corporate expenses are reported within Corporate and Other.

Additional details on the nature of our business and our reportable operating segments are included in Note 17, Segment Reporting.

Principles of Consolidation

Our consolidated financial statements reflect the financial position and operating results of Starbucks, including wholly-owned subsidiaries and investees that we control. Intercompany transactions and balances have been eliminated.

Fiscal Year End

Our fiscal year ends on the Sunday closest to September 30. Fiscal years 2026, 2025, and 2024 included 52 weeks.

Estimates and Assumptions

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Examples include, but are not limited to, estimates for inventory reserves, asset and goodwill impairments, assumptions underlying self-insurance reserves, income from unredeemed stored value cards, stock-based compensation forfeiture rates, future asset retirement obligations, commitments and contingencies, and the potential outcome of future tax consequences of events that have been recognized in the financial statements. Actual results and outcomes may differ from these estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment.

Restructuring

In the fourth quarter of fiscal 2024, we announced our "Back to Starbucks" strategy, which was implemented with the goal to bring customers back to our coffeehouses and return to growth by revitalizing coffeehouses, enhancing the customer experience, and improving efficiency. As part of the Company's "Back to Starbucks" strategy, the following restructuring plans were approved and executed.

Fiscal 2025 Restructuring Plans

In the second quarter of fiscal 2025, we announced and executed a fiscal 2025 restructuring plan to restructure our support organization in an effort to operate more efficiently, increase accountability, reduce complexity, and drive better integration, which resulted in a reduction in our support partner workforce.

In the fourth quarter of fiscal 2025, we announced and executed an additional fiscal 2025 restructuring plan involving the closure of coffeehouses and the further transformation of our support organization. We assessed our existing coffeehouse portfolio with respect to both whether coffeehouses had a viable path to offering the physical environment consistent with the brand and a clear path to financial performance, and we closed coffeehouses that did not meet these criteria.

Fiscal 2026 Restructuring Plans

In the second quarter of fiscal 2026, management approved and executed a fiscal 2026 restructuring plan to relocate certain functions of our support organization to an additional office in Nashville, Tennessee, with the intention to establish a more strategic presence in the Southeast region of the United States.

In the third quarter of fiscal 2026, we announced an additional fiscal 2026 restructuring plan focused on further transformation of our global support organization and non-retail facilities, as well as reducing the future operational complexity of our Starbucks Reserve and Roastery locations resulting in a reassessment and impairment of the associated asset group.

In the fourth quarter of fiscal 2026, we announced an additional fiscal 2026 restructuring plan involving the further closure of coffeehouses. As part of this plan, we conducted an additional assessment of our existing North America coffeehouse portfolio and closed, or plan to close, coffeehouses that did not deliver the coffeehouse experience and financial performance expected of the brand.

Refer to Note 18, Restructuring and Impairments, for further discussion.

Assets Held for Sale

We classify long-lived assets or disposal groups as held for sale in the period when all of the following conditions have been met:

- we have approved and committed to a plan to sell the assets or disposal group;
- the asset or disposal group is available for immediate sale in its present condition;
- an active program to locate a buyer and other actions required to complete the sale have been initiated;
- the sale of the asset or disposal group is probable and expected to be completed within one year;
- the asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

We initially measure a long-lived asset or disposal group classified as held for sale at the lower of its carrying value or fair value less any costs to sell, and we recognize any resulting loss in the period in which the held-for-sale criteria are met. Gains are not recognized until the date of sale. We cease depreciation and amortization of a long-lived asset, or assets within a disposal group, upon their designation as held for sale and subsequently assess fair value less any costs to sell at each reporting period until the asset or disposal group is no longer classified as held for sale.

In the first quarter of fiscal 2026, the Company announced an agreement to form a joint venture with Boyu Capital to operate Starbucks retail in China (the "disposal group"). During the first and second quarters of fiscal 2026, we classified the assets and liabilities of the disposal group as held for sale on the consolidated balance sheets, which required us to cease property, plant, and equipment depreciation and operating lease right-of-use ("ROU") asset amortization of the related long-lived assets, resulting in reduced depreciation and amortization and coffeehouse operating expenses. We also changed our indefinite reinvestment assertions upon classification as held for sale, resulting in an increase in our income tax expense. No impairment was recorded upon the classification of the disposal group as held for sale.

On March 30, 2026, in the third quarter of fiscal 2026, the previously announced transaction closed, and as such, the disposal group was no longer classified as held for sale on the consolidated balance sheets. Refer to Note 2, Acquisitions and Divestitures, for further discussion.

Cash and Cash Equivalents

We consider all highly liquid instruments with maturities of three months or less at the time of purchase, as well as credit card receivables and third-party payment processing receivables for sales to customers in our company-operated coffeehouses that generally settle within two to five business days, to be cash equivalents. We maintain cash and cash equivalent balances with financial institutions that exceed federally-insured limits. We have not experienced any losses related to these balances, and we believe credit risk to be minimal.

Our cash management system provides for the funding of all major bank disbursement accounts on a daily basis as checks are presented for payment. Under this system, outstanding checks are in excess of the cash balances at certain banks, which creates book overdrafts. Book overdrafts are presented as a current liability in accrued liabilities on our consolidated balance sheets.

Investments

Available-for-sale Debt Securities

Our short-term and long-term investments include investment-grade debt securities, all of which are classified as available-for-sale. Available-for-sale debt securities are recorded at fair value, and unrealized holding gains and losses are recorded, net of tax, as a component of accumulated other comprehensive income. Available-for-sale debt securities with remaining maturities of less than one year and those identified by management at the time of purchase to be used to fund operations within one year are classified as short-term. All other available-for-sale debt securities are classified as long-term. We evaluate our available-for-sale debt securities for impairment on a quarterly basis. If we intend to sell a security, or will more likely than not be required to sell it before recovery of its amortized cost basis, we write the security down to fair value through interest income and other, net. Otherwise, credit-related impairment is recognized through an allowance for credit losses, limited to the amount by which fair value is less than amortized cost, with a corresponding charge to interest income and other, net. Impairment not recognized through the allowance for credit losses is recognized in other comprehensive income, net of applicable taxes. Realized gains and losses are accounted for using the specific identification method. Purchases and sales are recorded on a trade date basis. Refer to Note 4, Fair Value Measurements, for further discussion.

Marketable Equity Securities

We also have a marketable equity securities portfolio, which is comprised of marketable equity mutual funds and equity exchange-traded funds. Marketable equity securities are recorded at fair value and approximate a portion of our liability under our Management Deferred Compensation Plan ("MDCP"). Gains or losses from the portfolio and the change in our MDCP liability are recorded in general and administrative expenses in our consolidated statements of earnings. Refer to Note 4, Fair Value Measurements, for further discussion of our MDCP liability.

Equity Investments

Equity investments are accounted for under the equity method if we are able to exercise significant influence, but not control, over an investee. Our share of the earnings or losses as reported by the investees is classified as income from equity investees on our consolidated statements of earnings. The investments are evaluated for impairment annually and when facts and circumstances indicate that the carrying value may not be recoverable. If a decline in fair value is determined to be other than temporary, an impairment charge is recorded in interest income and other, net on our consolidated statements of earnings.

We account for equity investments over which we do not have significant influence and that do not have readily determinable fair values at cost, adjusted for observable changes in price or impairment, as permitted by the measurement alternative. Investments for which the measurement alternative has been elected are assessed for impairment quarterly, or if a triggering event indicates impairment may be present. Any adjustments as a result of price changes or impairments are recorded in interest income and other, net on our consolidated statements of earnings. Refer to Note 6, Equity Investments, for further discussion.

Fair Value

Fair value is the price we would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For assets and liabilities recorded or disclosed at fair value on a recurring basis, we determine fair value based on the following:

Level 1: The carrying value of cash and cash equivalents approximates fair value because of the short-term nature of these instruments. For equity and U.S. government treasury securities and commodity futures contracts, we use quoted prices in active markets for identical assets to determine fair value.

Level 2: When quoted prices in active markets for identical assets are not available, we determine the fair value of certain assets based upon factors such as the quoted market price of similar assets or a discounted cash flow model using readily observable market data, which may include interest rate curves and forward and spot prices for currencies and commodities, depending on the nature of the investment. The fair value of our long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities.

Level 3: We determine the fair value of private equity instruments using valuation models, including Black Scholes' option pricing model and discounted cash flow models. Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

Assets and liabilities recognized or disclosed at fair value on a nonrecurring basis may include items such as property, plant and equipment, ROU assets, goodwill and other intangible assets, equity and other investments, and other assets. We determine the fair value of these items using Level 3 inputs, as described in the related sections below.

Derivative Instruments

We manage our exposure to various risks within our consolidated financial statements according to a market price risk management policy. Under this policy, we may engage in transactions involving various derivative instruments to hedge interest rates, commodity prices, foreign currency-denominated revenue streams, inventory purchases, and assets, liabilities, and investments in certain foreign operations. In order to manage our exposure to these risks, we use various types of derivative instruments including forward contracts, commodity futures contracts, and swaps. Forward contracts and commodity futures contracts are agreements to buy or sell a quantity of a currency or commodity at a predetermined future date and at a predetermined rate or price. A swap agreement is a contract between two parties to exchange cash flows based on specified underlying notional amounts, assets, and/or indices. We do not enter into derivative instruments for speculative purposes.

We record all derivatives on our consolidated balance sheets at fair value and typically do not offset derivative assets and liabilities. Cash flows from derivative financial instruments and the related gains and losses are classified as cash flows from operating activities on the consolidated statements of cash flows. Excluding interest rate hedging instruments and cross-currency swaps, we generally do not enter into derivative instruments with maturities longer than three years. We are allowed to net settle transactions with respective counterparties for certain derivative contracts, inclusive of interest rate swaps and foreign currency forwards, with a single, net amount payable by one party to the other. As of September 27, 2026, and September 28, 2025, cash collateral pledged as part of our commodity derivative margin requirements was $22.0 million and $37.9 million, respectively, and is included in prepaid expenses and other current assets on our consolidated balance sheets. The potential effects of netting arrangements with our derivative contracts, excluding the effects of collateral, would not have had a material impact on our consolidated balance sheets. We also hold cash and cash equivalents from various settled-to-market exchange traded futures related to coffee hedging.

By using these derivative instruments, we expose ourselves to potential credit risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. We minimize this credit risk by entering into transactions with carefully selected, credit-worthy counterparties and distribute contracts among several financial institutions to reduce the concentration of credit risk. We also enter into collateral security arrangements that provide for collateral to be received or posted when the net fair value of certain financial instruments fluctuates from contractually established thresholds. As of September 27, 2026, and September 28, 2025, cash collateral received under collateral security arrangements was $390.9 million and $187.0 million, respectively, and is included in other long-term liabilities on our consolidated balance sheets.

Cash Flow Hedges

For derivative instruments that are designated and qualify as a cash flow hedge, the derivative's gain or loss is reported as a component of other comprehensive income ("OCI") and recorded in accumulated other comprehensive income ("AOCI") on our consolidated balance sheets. The gain or loss is subsequently reclassified into net earnings when the hedged exposure affects net earnings, in the same line item as the underlying hedged item on our consolidated statements of earnings. Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge. Cash flows from hedging transactions are classified in the same categories as the cash flows from the respective hedged items. For de-designated cash flow hedges in which the underlying transactions are no longer probable of occurring or where price variability in the underlying cash flow ceases to exist, the related accumulated derivative gains or losses are recognized in interest income and other, net on our consolidated statements of earnings. These derivatives may be accounted for prospectively as non-designated derivatives until maturity, re-designated to new hedging relationships, or terminated early. We continue to believe transactions related to our designated cash flow hedges are probable to occur.

Net Investment Hedges

For derivative instruments that are designated and qualify as a net investment hedge, the derivative's, or qualifying non-derivative instrument's, gain or loss is reported as a component of OCI and recorded in AOCI. The gain or loss will be subsequently reclassified into net earnings when the hedged net investment is either sold or substantially liquidated. Gains and losses from these derivatives, representing hedged components excluded from the assessment of effectiveness, are amortized over the life of the hedging instrument using a systematic and rational method and recognized in interest expense.

Fair Value Hedges

For derivative instruments that are designated and qualify as a fair value hedge, the changes in fair value of the derivative instrument and the offsetting changes in fair value of the underlying hedged item due to changes in the hedged risk are recorded in interest income and other, net or interest expense on our consolidated statements of earnings.

Derivatives Not Designated As Hedging Instruments

We also enter into certain foreign currency forward contracts, commodity futures contracts, and swaps that are not designated as hedging instruments for accounting purposes. The changes in the fair values of these contracts are immediately recognized in interest income and other, net, except for non-designated interest rate contracts, for which changes in fair value are recognized in interest expense on our consolidated statements of earnings.

Normal Purchase Normal Sale

We enter into fixed-price and price-to-be-fixed green coffee purchase commitments, which we expect will result in physical delivery and utilization in the ordinary course of business in a reasonable period of time. Since these types of purchase commitments qualify for the normal purchase normal sale exemption, they are not recorded as derivative instruments on our consolidated balance sheets.

Refer to Note 3, Derivative Financial Instruments, and Note 5, Inventories, for further discussion of our derivative instruments and green coffee purchase commitments.

Receivables, net of Allowance for Credit Losses

Our receivables are mainly generated from product and equipment sales to, and royalties from, our licensees, as well as from our Global Coffee Alliance and other Channel Development customers. The primary indicators of the credit quality of our receivables are aging, payment history, economic sector information, and outside credit monitoring. These indicators are assessed on a quarterly basis. Our credit loss exposure is mainly concentrated in our accounts receivable portfolio. Our allowance for credit losses is calculated using a loss-rate method based on historical experience, current market conditions, and reasonable forecasts.

For the fiscal year ended September 27, 2026, we did not observe a significant deterioration of our receivable portfolio that required a significant increase in our allowance for credit losses. As of September 27, 2026, and September 28, 2025, our allowance for credit losses was $29.1 million and $24.0 million, respectively.

Inventories

Inventories are stated at the lower of cost (primarily moving average cost) or net realizable value. We record inventory reserves for obsolete and slow-moving inventory and for estimated shrinkage between physical inventory counts. Inventory reserves are based on inventory obsolescence trends, historical experience, and application of the specific identification method. As of September 27, 2026, and September 28, 2025, inventory reserves were $58.1 million and $56.6 million, respectively.

Property, Plant and Equipment

Property, plant and equipment is carried at cost less accumulated depreciation. Cost includes all direct costs necessary to acquire and prepare assets for use or to develop or obtain internal-use software, including internal labor and overhead in some cases. Depreciation is computed using the straight-line method over estimated useful lives of the assets, generally ranging from 2 to 15 years for equipment, 30 to 40 years for buildings, and 2 to 8 years for capitalized software. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease life, generally 10 years. For leases with renewal periods at our option, we generally use the original lease term, excluding renewal option periods, to determine estimated useful lives. If failure to exercise a renewal option imposes a significant economic penalty to us, we may determine at the inception of the lease that renewal is reasonably assured and include the renewal option period in the determination of the appropriate estimated useful lives.

Capitalized software includes the costs of developing or obtaining internal-use software, such as external direct costs of materials and services, payroll and benefits costs, interest costs, and costs to develop or obtain software that allows for access or conversion of historical data by new systems. We capitalize costs when the preliminary project stage is complete, management has authorized and committed to funding the software project, it is probable that the software project will be completed, and it is probable that the software will be used to perform the intended function.

The portion of depreciation expense related to production and distribution facilities is included in product and distribution costs on our consolidated statements of earnings. The costs of repairs and maintenance are expensed when incurred. Expenditures for refurbishments and improvements that provide additional future economic benefits by significantly enhancing an asset’s functionality, capacity, or useful life are capitalized. When assets are disposed of, whether through retirement or sale, the net

gain or loss is recognized in net earnings. Long-lived assets to be disposed of are reported at the lower of their carrying amount or fair value less estimated costs to sell.

We evaluate property, plant and equipment for impairment when facts and circumstances indicate that the carrying values of such assets may not be recoverable. When evaluating for impairment, we first compare the carrying value of the asset to the asset's estimated future undiscounted cash flows. If the estimated undiscounted future cash flows are less than the carrying value of the asset, we determine if we have an impairment loss by comparing the carrying value of the asset to the asset's estimated fair value and recognize an impairment charge when the asset's carrying value exceeds its estimated fair value. The fair value of the asset is estimated using a discounted cash flow model based on forecasted future revenues and operating costs, using internal projections. Property, plant and equipment assets and ROU assets related to the coffeehouse lease are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. For company-operated coffeehouse assets, the impairment test is performed at the individual coffeehouse asset group level.

We recognized net disposition and impairment charges of $369.8 million, $595.3 million, and $94.0 million in fiscal 2026, 2025, and 2024, respectively. Included in these amounts, we recorded $66.0 million, $102.2 million, and $23.3 million of impairment losses within coffeehouse operating expenses on our consolidated statements of earnings during the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024, respectively. Further, of the total net impairment and disposition charges recorded in fiscal 2026 and 2025, $259.5 million and $352.8 million, respectively, excluding impairment of ROU assets discussed further below, were restructuring-related and recorded in restructuring and impairments on our consolidated statements of earnings. See Note 18, Restructuring and Impairments, for further discussion. Unless it is restructuring-related, the nature of the underlying asset that is impaired or disposed of will determine the operating expense line on which the related impact is recorded on our consolidated statements of earnings.

Leases

The majority of our leases are operating leases for our company-operated retail coffeehouse locations. We also lease, among other things, roasting, distribution and warehouse facilities, and office space for corporate administrative purposes.

We categorize leases as either operating or finance leases at the commencement date of the lease. Operating lease agreements may contain tenant improvement allowances, rent holidays, rent escalation clauses, and/or contingent rent provisions. We have lease agreements with lease and non-lease components, which are accounted for together as a single lease component for all underlying classes of assets.

We recognize a ROU asset and lease liability for each operating and finance lease with a contractual term greater than 12 months at the time of lease commencement. We do not record leases with an initial term of 12 months or less on our consolidated balance sheets but continue to record rent expense on a straight-line basis over the lease term. We review contracts for identified assets where we have the right to direct the use of the asset and record those agreements as embedded leases on our consolidated balance sheets. Our leases often include options to extend or terminate at our sole discretion, which are included in the determination of lease term when they are reasonably certain to be exercised.

Our lease liability represents the present value of future lease payments over the lease term. Given our policy election to combine lease and non-lease components, we also consider fixed common area maintenance ("CAM") part of our fixed future lease payments; therefore, fixed CAM is also included in our lease liability.

We generally cannot determine the interest rate implicit in each of our leases. Therefore, we typically use market and term-specific incremental borrowing rates. Our incremental borrowing rate for a lease is the rate of interest we expect to pay on a collateralized basis to borrow an amount under similar terms. Because we do not borrow on a collateralized basis, we consider a combination of factors, including our credit-adjusted risk-free interest rate, the risk profile and funding cost of the specific geographic market of the lease, the lease term, and the effect of adjusting the rate to reflect consideration of collateral. Our credit-adjusted risk-free rate takes into consideration interest rates we pay on our unsecured long-term bonds as well as quoted interest rates obtained from financial institutions.

Total lease costs recorded as rent and other occupancy costs include fixed operating lease costs, variable lease costs, and short-term lease costs. Most of our real estate leases require we pay certain expenses, such as CAM costs, real estate taxes, and other executory costs, of which the fixed portion is included in operating lease costs. We recognize operating lease costs on a straight-line basis over the lease term. In addition to the above costs, variable lease costs also include amounts based on a percentage of gross sales in excess of specified levels, the costs of which are recognized when probable and are not included in determining the present value of our lease liability. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. A significant majority of our leases are related to our company-operated coffeehouses, and the related costs are recorded within coffeehouse operating expenses.

The ROU asset is measured at the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, initial direct costs, and any tenant improvement allowances received. For operating leases, ROU assets are reduced over the lease term by the recognized straight-line lease expense less the amount of accretion of the lease liability

determined using the effective interest method. For finance leases, ROU assets are amortized on a straight-line basis over the shorter of the useful life of the leased asset or the lease term. Interest expense on each finance lease liability is recognized utilizing the effective interest method. ROU assets are tested for impairment in the same manner as long-lived assets.

Additionally, we monitor for events or changes in circumstances that may require a reassessment of one of our leases and determine if a remeasurement is required. See Note 10, Leases, for additional details. For the fiscal years ended September 27, 2026 and September 28, 2025, total lease costs of $309.0 million and $239.3 million, respectively, were recorded in restructuring and impairments on the consolidated statements of earnings. Lease costs associated with our restructuring efforts primarily relate to the impairment of ROU assets and the closure of certain Starbucks company-operated coffeehouses and non-retail office locations. See Note 18, Restructuring and Impairments, for further discussion.

Goodwill

We evaluate goodwill for impairment annually during our third fiscal quarter, or more frequently if an event occurs or circumstances change, such as material deterioration in performance or a significant number of coffeehouse closures, indicating that the carrying value of our goodwill may not be recoverable. When evaluating goodwill for impairment, we may first perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If we do not perform a qualitative assessment, or if we determine that it is not more likely than not that the fair value of the reporting unit exceeds its carrying amount, we calculate the estimated fair value of the reporting unit. Fair value is typically calculated using a discounted cash flow model. For certain reporting units, where deemed appropriate, we may also utilize a market approach for estimating fair value. If the carrying amount of the reporting unit exceeds the estimated fair value, an impairment charge is recorded to reduce the carrying value to the estimated fair value.

As part of our ongoing operations, we may close certain coffeehouses within a reporting unit containing goodwill due to underperformance of the coffeehouse or inability to renew our lease, among other reasons. We may abandon certain assets associated with a closed coffeehouse, including leasehold improvements and other non-transferable assets. When a portion of a reporting unit that constitutes a business is to be disposed of, goodwill associated with the business is included in the carrying amount of the business in determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating coffeehouse meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of activities (substantive processes) and assets that are capable of being managed for the purpose of providing a return to investors. As a result, when closing individual coffeehouses, we do not include goodwill in the calculation of any loss on disposal of the related assets.

There were no significant goodwill impairment charges recorded during fiscal 2026, fiscal 2025, and fiscal 2024. See Note 8, Other Intangible Assets and Goodwill, for further information.

Other Intangible Assets

Other intangible assets include finite-lived intangible assets, which mainly consist of trade names, acquired and reacquired rights, trade secrets, licensing agreements, contract-based patents, and copyrights. These assets are amortized over their estimated useful lives and are tested for impairment using a similar methodology to our property, plant and equipment, as described above.

Indefinite-lived intangibles, which consist primarily of trade names and trademarks, are tested for impairment annually during the third fiscal quarter, or more frequently if an event occurs or circumstances change, indicating that the carrying value of the intangibles may not be recoverable. When evaluating other intangible assets for impairment, we may first perform a qualitative assessment to determine whether it is more likely than not that an intangible asset group is impaired. If we do not perform the qualitative assessment, or if we determine that it is not more likely than not that the fair value of the intangible asset group exceeds its carrying amount, we calculate the estimated fair value of the intangible asset group. Fair value is the price a willing buyer would pay for the intangible asset group and is typically calculated using an income approach, such as a relief-from-royalty model. If the carrying amount of the intangible asset group exceeds the estimated fair value, an impairment charge is recorded to reduce the carrying value to the estimated fair value. In addition, we continuously monitor and may revise our intangible asset useful lives if and when facts and circumstances change.

There were no significant other intangible asset impairment charges recorded during fiscal years 2026, 2025, and 2024. See Note 8, Other Intangible Assets and Goodwill, for further information.

Insurance Reserves

We use a combination of insurance and self-insurance mechanisms, including a wholly-owned captive insurance entity and participation in a reinsurance treaty, to provide for the potential liabilities for certain risks, including general liability, workers' compensation, healthcare benefits, and property insurance. Liabilities associated with the risks that are retained by us are not

discounted and are estimated, in part, by considering historical claims experience, demographics, exposure and severity factors, and other actuarial assumptions.

Revenue Recognition

Consolidated revenues are presented net of discounts, returns, allowances, and sales incentives, including coupon redemptions and rebates. Transactions between consolidated entities are eliminated. For licensees accounted for under the equity method, licensed coffeehouse revenues include product sales to, and royalty and other fees from, those licensees proportionate to the joint venture partner's ownership interest.

Company-operated Coffeehouse Revenues

Company-operated coffeehouse revenues are recognized when payment is tendered at the point-of-sale as the performance obligation has been satisfied. For products sold via delivery platforms, contractual terms are evaluated for each service provider to determine gross versus net presentation, and revenues are also recognized when control of products are transferred to the customers. Delivery service fees were immaterial in the periods presented. Company-operated coffeehouse revenues are reported excluding sales, use, or other transaction taxes that are collected from customers and remitted to taxing authorities.

Licensed Coffeehouse Revenues

Licensed coffeehouse revenues consist of product and equipment sales, royalties, and other fees paid by licensees using the Starbucks brand. Sales of coffee, tea, food, and related products are generally recognized upon shipment to licensees, depending on contract terms. Shipping charges billed to licensees are also recognized as revenue, and the related shipping costs are included in product and distribution costs on our consolidated statements of earnings.

We consider pre-opening services, including site evaluation and selection, coffeehouse architecture, design and development, and operational training, to be performance obligations that are separate from the license to operate under the Starbucks brand. These services provide distinct value to our licensees, including business and industry insight and knowledge that transfers value apart from the license. Revenues associated with pre-opening services are recognized upon completion of the related performance obligations, generally when a coffeehouse is opened. Royalty revenues are recognized based upon a percentage of reported sales, and other continuing fees, such as marketing and service fees, are recognized as the performance obligations are met.

Stored Value Cards

Stored value cards can be activated through various channels, including at our company-operated and most licensed coffeehouse locations, online at Starbucks.com, or via mobile devices held by our customers and at certain other third-party websites and locations, such as grocery stores, although they cannot be reloaded at these third-party websites or locations. Amounts loaded onto stored value cards are initially recorded as deferred revenue and recognized as revenue upon redemption. Historically, the majority of stored value cards are redeemed within one year.

In many of our company-operated markets, including the U.S., our stored value cards do not have an expiration date, nor do we charge service fees that cause a decrement to customer balances. Based on historical redemption rates, a portion of stored value cards is not expected to be redeemed and will be recognized as breakage over time in proportion to stored value card redemptions. The redemption rates are based on historical redemption patterns for each market, including the timing and business channel in which the card was activated or reloaded, and remittance to government agencies under unclaimed property laws, if applicable.

Breakage is recognized as company-operated coffeehouses and licensed coffeehouses revenue within the consolidated statements of earnings. For the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024, we recognized breakage revenue of $198.2 million, $200.4 million, and $187.6 million in company-operated coffeehouse revenues, respectively, and $24.0 million, $22.0 million, and $20.0 million in licensed coffeehouse revenues, respectively.

Loyalty Program

Customers in the U.S., Canada, and certain other countries who register their stored value card are automatically enrolled in the Starbucks Rewards program, which is primarily a spend-based loyalty program. They earn loyalty points (“Stars”) in a variety of ways, including with each purchase at participating Starbucks coffeehouses. Starbucks Rewards members can earn Stars by paying with cash, credit or debit cards, or selected mobile wallets at company-operated and certain participating licensed coffeehouses in the U.S. and Canada. After accumulating a certain number of Stars, the customer earns a reward that can be redeemed for free product that, regardless of where the related Stars were earned within that country, will be honored at company-operated coffeehouses and certain participating licensed coffeehouse locations in that same country.

We defer revenue associated with the estimated selling price of Stars earned by Starbucks Rewards members towards free products as each Star is earned and a corresponding liability is established in deferred revenue. This deferral is based on the estimated value of the product for which the reward is expected to be redeemed, net of estimated unredeemed Stars. In North

America, Star expiration is based on Starbucks Rewards membership tier. Green level member Stars expire after six months with option to extend expiration by one month with qualifying monthly activity; Gold and Reserve level members are eligible for non-expiring Stars. In other markets, Stars generally expire between twelve and twenty-four months after being earned.

When a customer redeems an earned reward, we recognize revenue for the redeemed product and reduce the related deferred revenue.

Other Revenues

Other revenues primarily include royalty revenues, sales of packaged coffee and tea, and a variety of ready-to-drink beverages and single-serve coffee and tea products to customers outside of our company-operated and licensed coffeehouses. Sales of these products are generally recognized upon shipment to customers, depending on contract terms.

Other revenues also include product sales to, and licensing revenue from, Nestlé related to our Global Coffee Alliance. Product sales to Nestlé are generally recognized when the product is shipped, whereas royalty revenues are recognized based on a percentage of reported sales.

Deferred Revenues

Our deferred revenue primarily consists of the up-front prepaid royalty from Nestlé, for which we have continuing performance obligations to support the Global Coffee Alliance, and our unredeemed stored value card liability and unredeemed Stars associated with our loyalty program. See Note 11, Deferred Revenue, for further information.

Disaggregation of Revenues

Revenues disaggregated by segment, product type, and geographic area are disclosed in Note 17, Segment Reporting.

Product and Distribution Costs

Product and distribution costs primarily include expenses related to raw materials, purchased goods, packaging, delivery, and tariff impacts, along with operational costs of our supply chain organization. This encompasses wages, benefits, occupancy costs, and depreciation associated with sourcing, procuring, manufacturing, warehousing, and transportation of products sold at our company-operated and licensed coffeehouses, as well as through Channel Development and our other businesses. Additionally, it includes costs related to inventory and supply chain asset impairments.

Coffeehouse Operating Expenses

Coffeehouse operating expenses consist of costs incurred in our company-operated coffeehouses, primarily wages and benefits related to coffeehouse partners (employees), occupancy costs, marketing, delivery commissions, and other costs that directly support the operation and sales-related activities of those coffeehouses.

General and Administrative Expenses

General and administrative expenses primarily consist of wages and benefits, professional service fees, and occupancy costs for corporate headquarters and regional offices that support our corporate functions.

Advertising

We expense most advertising costs as they are incurred, except for certain production costs that are expensed the first time the advertising takes place. Advertising expenses totaled $794.3 million, $869.5 million, and $597.3 million in fiscal 2026, 2025, and 2024, respectively.

Coffeehouse Preopening Expenses

Costs incurred in connection with the start-up and promotion of new company-operated coffeehouse openings are expensed as incurred.

Asset Retirement Obligations

We recognize a liability for the fair value of required asset retirement obligations ("ARO") when such obligations are incurred. Our AROs are primarily associated with leasehold improvements, which, at the end of a lease, we are contractually obligated to remove to comply with the lease agreement. At the inception of a lease with such conditions, we record an ARO liability and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. We estimate the liability using a number of assumptions, including coffeehouse closing costs, cost inflation rates, and discount rates, and accrete the liability to its projected future value over time. The capitalized asset is depreciated using the same depreciation convention as leasehold improvement assets. Upon satisfaction of the ARO conditions, any difference between the recorded ARO liability and the actual retirement costs incurred is recognized as a gain or loss in coffeehouse operating expenses on our consolidated statements of earnings.

As of September 27, 2026, and September 28, 2025, our net ARO assets included in property, plant and equipment were $19.2 million and $25.5 million, respectively, and our net ARO liabilities included in other long-term liabilities were $102.4 million and $126.3 million, respectively.

Stock-based Compensation

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs"), or stock appreciation rights to employees, non-employee directors, and consultants; stock options have not been broadly used as part of our compensation strategy in recent years. We also have an employee stock purchase plan ("ESPP"). RSUs issued by us are equivalent to nonvested shares under the applicable accounting guidance.

We record stock-based compensation expense based on the fair value of stock awards at the grant date and recognize the expense over the related service period following a graded vesting expense schedule. Expense for performance-based RSUs is recognized when it is probable the performance goal will be achieved. Performance goals are determined by the Board and may include measures such as earnings per share, comparable coffeehouse sales, operating income, return on invested capital, total shareholder return, operating expense savings, and metrics focused on achievement of key components of the "Back to Starbucks" strategy.

The fair value of RSUs is based on the closing price of Starbucks common stock on the award date, less the present value of the dividends expected to be paid on the underlying shares during the vesting period. The fair value of each stock option granted is estimated on the grant date using the Black-Scholes-Merton option valuation model. The assumptions used to calculate the fair value of options granted are evaluated and revised, as necessary, to reflect market conditions and our historical experience. If applicable, our total shareholder return relative to our peer group is incorporated into the underlying assumptions using a Monte Carlo simulation valuation model to calculate grant date fair value. The related assumptions used in the Monte Carlo simulation valuation model include expected term, volatility, dividend yield, and risk-free interest rate.

Compensation expense is recognized over the requisite service period for each separately vesting portion of the award, and only for those awards expected to vest, with forfeitures estimated at the date of grant based on our historical experience and future expectations.

Foreign Currency Translation

Our international operations generally use their local currency as their functional currency. Assets and liabilities are translated at exchange rates in effect at the balance sheet date. Income and expense accounts are translated at the average monthly exchange rates during the year. Resulting translation adjustments are reported as a component of OCI and recorded in AOCI on our consolidated balance sheets.

Income Taxes

We compute income taxes using the asset and liability method, under which deferred income taxes are recognized based on the differences between the financial statement carrying amounts and the respective tax bases of our assets and liabilities. Deferred tax assets and liabilities are measured using current enacted tax rates expected to apply to taxable income in the years in which we expect the temporary differences to reverse. The effect of a change in tax rates on deferred taxes is recognized in income in the period that includes the enactment date.

We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized. In evaluating our ability to recover our deferred tax assets within the jurisdictions from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

In addition, our income tax returns are periodically audited by domestic and foreign tax authorities. These audits include review of our tax filing positions, including the timing and amount of deductions taken and the allocation of income between tax jurisdictions. We evaluate our exposures associated with our various tax filing positions and recognize a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by the relevant taxing authorities, including resolutions of any related appeals or litigation processes, based on the technical merits of our position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. For uncertain tax positions that do not meet this threshold, we record a related liability. We adjust our unrecognized tax benefit liability and income tax expense in the period in which the uncertain tax position is effectively settled, the statute of limitations expires for the relevant taxing authority to examine the tax position, or when new information becomes available.

Starbucks recognizes interest and penalties related to income tax matters in income tax expense on our consolidated statements of earnings. Accrued interest and penalties are included within the related tax balances on our consolidated balance sheets.

Global intangible low-taxed income ("GILTI") provisions are applied, providing an incremental tax on foreign income. We have made a policy election to classify taxes due under the GILTI provision as a current period expense.

Earnings per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock and the effect of dilutive potential common shares outstanding during the period, calculated using the treasury stock method. Dilutive potential common shares include outstanding stock options and RSUs. Performance-based RSUs are considered dilutive when the related performance criterion has been met.

Common Stock Share Repurchases

We may repurchase shares of Starbucks common stock under a program authorized by our Board, including pursuant to a contract, instruction, or written plan meeting the requirements of Rule 10b5-1(c)(1) of the Exchange Act. Under applicable Washington State law, shares repurchased are retired and not displayed separately as treasury stock on the financial statements. Instead, the par value of repurchased shares is deducted from common stock, and the excess repurchase price over par value is deducted from additional paid-in capital and from retained earnings (deficit).

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In the fourth quarter of fiscal 2025, we adopted the Financial Accounting Standards Board ("FASB") issued guidance expanding segment disclosure requirements. The amendments require enhanced disclosure for certain segment items and disclosure on how our CODM uses reported measures to assess segment performance. The amendments do not change how segments are determined, aggregated, or how thresholds are applied to determine reportable segments. The adoption of this guidance did not have a significant impact on our consolidated financial statement disclosures. Refer to Note 17, Segment Reporting, for our segment disclosures including enhancements as a result of the amendments.

In the fourth quarter of fiscal 2026, we adopted the FASB issued guidance expanding disclosure requirements related to income taxes on a prospective basis. The amendments require enhanced jurisdictional disclosure for the income tax rate reconciliation and related to cash income taxes paid. Additionally, certain disclosures related to unrecognized tax benefits and indefinite reinvestment assertions were removed. The adoption of this guidance did not have a material impact on our consolidated financial statements. Refer to Note 14, Income Taxes, for our annual income tax disclosures including enhancements as a result of the amendments.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued guidance expanding disclosure requirements related to certain income statement expenses. The amendments require tabular disclosure of certain operating expenses disaggregated into categories, such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The amendments are effective for our fiscal year ending October 1, 2028, and may be applied retrospectively. While we are still evaluating the specific impacts and adoption method, we anticipate this guidance will have a significant impact on our consolidated financial statement disclosures.

In July 2025, the FASB issued guidance providing a practical expedient for measuring expected credit losses on current accounts receivable and current contract assets arising from revenue transactions. The amendment is effective for our fiscal year ending October 3, 2027. While we are still evaluating the specific impacts, we anticipate the impact to be limited to the simplification of the estimation process, with no material impact on the allowance for credit losses.

Note 2: Acquisitions and Divestitures

Fiscal 2026

On March 30, 2026, we completed the divestiture of Starbucks retail operations in China ("the disposal group"), which marked a significant milestone in the Company's long-term strategy to unlock sustainable, disciplined growth in China.

Under the agreement, Boyu Capital acquired a 60% interest in Starbucks retail operations in China based on a cash-free, debt-free mutually agreed-upon total enterprise value of approximately $4 billion. The transaction was partially financed with debt issued by the newly formed joint venture and we received total consideration with respect to the transaction of $3.1 billion, inclusive of our share of the debt proceeds. We retained a 40% interest of approximately $1.2 billion, accounted for under the equity method of accounting. Our carrying value of the retained investment includes the impact of debt raised by the joint venture in conjunction with the transaction. The Company derecognized net assets with a carrying value of $3.4 billion, and reclassified approximately $282.8 million of cumulative translation adjustment ("CTA") losses and net investment hedge losses of $99.7 million from accumulated other comprehensive income into earnings. As a result, we recognized a pre-tax gain of $536.3 million in the third quarter of fiscal 2026, which was included in net gain resulting from divestiture of certain operations on our consolidated statements of earnings.

Total incremental income tax expense associated with the divestiture gain is approximately $199.5 million, of which approximately $147.8 million was recognized in the third quarter of fiscal 2026, with the remainder recognized in the fourth quarter of fiscal 2026. The income tax expense is a component of the estimated annual effective tax rate and, accordingly, is recognized in proportion to year-to-date ordinary pre-tax income. We also recognized transaction and transition costs of approximately $79.3 million for the year ended September 27, 2026, which was included in general and administrative expenses on our consolidated statements of earnings.

Upon completion of the divestiture, the disposal group was deconsolidated from our financial statements and 7,991 company-operated coffeehouses previously included in the disposal group were converted to licensed coffeehouses within our International segment. We will continue to own and license the Starbucks brand and intellectual property to the joint venture.

We transitioned from recording revenues and expenses of the disposal group to recording our share of income from the joint venture, recognized as income from equity investees under the equity method of accounting, and recording revenues related to product sales to, and royalty revenues from, the joint venture. Refer to Note 6, Equity Investments, for further discussion.

Fiscal 2025

On October 14, 2024, we acquired a 100% ownership interest in 23.5 Degrees Topco Limited, a U.K. licensed business partner, to expand our portfolio of company-operated coffeehouses and enhance the coffeehouse experience for customers. The acquisition converted 113 licensed coffeehouses to company-operated coffeehouses within our International operating segment.

The assets acquired and liabilities assumed are included in our International operating segment. Assets acquired primarily include operating lease right-of-use assets, intangible assets, goodwill, and property, plant and equipment. The intangible assets acquired as part of this transaction include reacquired licensee agreement rights, which will be amortized over the estimated useful life. In addition, we assumed various liabilities, primarily consisting of operating lease liabilities. The transaction was not material to our consolidated financial statements.

Note 3: Derivative Financial Instruments

Interest Rates

From time to time, we enter into designated cash flow hedges to manage the variability in cash flows due to changes in benchmark interest rates. We enter into interest rate swap agreements, including forward-starting interest rate swaps and treasury locks, settled in cash based upon the difference between an agreed-upon benchmark rate and the prevailing benchmark rate at settlement. These agreements are generally settled around the time of the pricing of the related debt. Each derivative agreement's gain or loss is recorded in accumulated other comprehensive income ("AOCI") and is subsequently reclassified to interest expense over the life of the related debt.

To hedge the exposure to changes in the fair value of our fixed-rate debt, we enter into interest rate swap agreements, which are designated as fair value hedges. The changes in fair values of these derivative instruments and the offsetting changes in fair values of the underlying hedged debt due to changes in the relevant benchmark interest rates are recorded in interest expense. Refer to Note 9, Debt, for additional information on our long-term debt.

Foreign Currency

To reduce cash flow volatility from foreign currency fluctuations, we enter into forward and swap contracts to hedge portions of cash flows of anticipated royalty revenue, inventory purchases, and intercompany borrowing and lending activities. The resulting gains and losses from these derivatives are recorded in AOCI and subsequently reclassified to revenue, product and distribution costs, or interest income and other, net, respectively, when the hedged exposures affect net earnings.

From time to time, we may enter into financial instruments, including, but not limited to, forward and swap contracts or foreign currency-denominated debt, to hedge the currency exposure of our net investments in certain international operations. The resulting gains and losses from these derivatives are recorded in AOCI and are subsequently reclassified to net earnings when the hedged net investment is either sold or substantially liquidated. Gains and losses from these derivatives, representing hedged components excluded from the assessment of effectiveness, are amortized over the life of the hedging instrument using a systematic and rational method and recognized in interest expense.

Foreign currency forward and swap contracts not designated as hedging instruments are used to mitigate the foreign exchange risk of certain other balance sheet items. Gains and losses from these derivatives are largely offset by the financial impact of translating foreign currency-denominated payables and receivables, and these gains and losses are recorded in interest income and other, net.

Commodities

Depending on market conditions, we may enter into coffee forward contracts and futures contracts to hedge anticipated cash flows under our price-to-be-fixed green coffee contracts, which are described further in Note 5, Inventories, or our longer-dated forecasted coffee demand where underlying fixed price and price-to-be-fixed contracts are not yet available. The resulting gains and losses are recorded in AOCI and are subsequently reclassified to product and distribution costs when the hedged exposure affects net earnings.

Depending on market conditions, we may also enter into dairy forward contracts and futures contracts to hedge a portion of anticipated cash flows under our dairy purchase contracts and our forecasted dairy demand. The resulting gains or losses are recorded in AOCI and are subsequently reclassified to product and distribution costs when the hedged exposure affects net earnings.

Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge. Cash flows from hedging transactions are classified in the same categories as the cash flows from the respective hedged items. For de-designated cash flow hedges in which the underlying transactions are no longer probable of occurring or where price variability in the underlying cash flow ceases to exist, the related accumulated derivative gains or losses are recognized in interest income and other, net on our consolidated statements of earnings. These derivatives may be accounted for prospectively as non-designated derivatives until maturity, re-designated to new hedging relationships, or terminated early. We continue to believe transactions related to our designated cash flow hedges are probable to occur.

To mitigate the price uncertainty of a portion of our future purchases, including diesel fuel and other commodities, we enter into swap and futures contracts that are not designated as hedging instruments. The resulting gains and losses are recorded in interest income and other, net to help offset price fluctuations on our beverage, food, packaging, and transportation costs, which are included in product and distribution costs on our consolidated statements of earnings.

Gains and losses on derivative contracts and foreign currency-denominated debt designated as hedging instruments included in AOCI and expected to be reclassified into earnings within 12 months, net of tax (*in millions*):

	Net Gains/(Losses) Included in AOCI			Net Gains/(Losses) Expected to be Reclassified from AOCI into Earnings within 12 Months	Outstanding Contract/Debt Remaining Maturity (Months)
	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024		
Cash Flow Hedges:					
Coffee	$ 14.7	$ 23.3	$ 60.1	$ 14.7	6
Cross-currency swaps	—	—	0.5	—	0
Dairy	—	—	2.0	—	0
Foreign currency - other	11.5	19.0	11.5	9.8	33
Interest rates	2.7	(1.4)	(3.6)	(3.3)	0
Net Investment Hedges:					
Cross-currency swaps	266.0	206.2	96.5		90
Foreign currency	17.2	16.0	16.0		0
Foreign currency debt	135.2	135.2	135.2		0

Pre-tax gains and losses on derivative contracts and foreign currency-denominated long-term debt designated as hedging instruments recognized in OCI and reclassifications from AOCI to earnings (*in millions*):

	Year Ended						
	Gains/(Losses) Recognized in OCI Before Reclassifications			Gains/(Losses) Reclassified from AOCI to Earnings			Location of gain/(loss)
	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024	
Cash Flow Hedges:							
Coffee	$ 7.1	$ 40.4	$ 100.8	$ 17.1	$ 86.5	$ (61.2)	Product and distribution costs
Cross-currency swaps	—	0.9	2.7	—	—	1.4	Interest expense
				—	1.4	0.1	Interest income and other, net
Dairy	—	(1.3)	1.3	—	1.4	(3.8)	Product and distribution costs
Foreign currency - other				22.7	22.5	28.2	Licensed coffeehouses revenues
	18.2	41.4	1.2	5.8	9.1	10.0	Product and distribution costs
				(0.1)	—	—	Income from equity investees
Interest rates	—	(1.3)	—	(5.6)	(4.1)	(4.0)	Interest expense
Net Investment Hedges:							
Cross-currency swaps [1]				78.8	109.0	49.6	Interest expense
	60.8	255.9	62.0				
				(98.1)	—	—	Net gain resulting from divestiture of certain operations [2]
Foreign currency	—	—	—	(1.6)	—	—	Net gain resulting from divestiture of certain operations [2]
Foreign currency debt	—	—	(6.3)	—	—	—	

[1] Gains and losses recognized in earnings relate to components excluded from the assessment of effectiveness.

[2] Net investment hedge losses accumulated in AOCI were reclassified to earnings due to the divestiture of Starbucks retail operations in China in the third quarter of fiscal 2026.

Pre-tax gains and losses on non-designated derivatives and designated fair value hedging instruments and the related fair value hedged item recognized in earnings (*in millions*):

	Location of gain/(loss) recognized in earnings	Gains/(Losses) Recognized in Earnings Year Ended Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Non-Designated Derivatives:				
Dairy	Interest income and other, net	$ —	$ 0.1	$ (0.1)
Cross-currency swaps	Interest income and other, net	(2.0)	—	—
Diesel fuel and other commodities	Interest income and other, net	—	0.1	(1.9)
Foreign currency - other	Interest income and other, net	1.9	2.4	0.1
Interest Rates	Interest expense	(2.0)	—	—
Fair Value Hedges:				
Interest rate swaps	Interest expense	(12.3)	(7.1)	9.9
Long-term debt (hedged item)	Interest expense	5.9	(2.0)	(22.3)

Notional amounts of outstanding derivative contracts *(in millions)*:

	Sep 27, 2026	Sep 28, 2025
Coffee	$ 147	$ 387
Cross-currency swaps[1]	1,697	4,197
Diesel fuel and other commodities	—	2
Foreign currency - other	1,025	930
Interest rate swaps	350	350

[1] The reduction in hedged notional reflects the maturity and early termination of net investment hedges in the second quarter of fiscal 2026 related to the divestiture of Starbucks retail operations in China. The net investment hedge losses accumulated in AOCI were reclassified from AOCI to earnings in the third quarter of fiscal 2026 consistent with the timing of the transaction closing.

Fair value of outstanding derivative contracts (*in millions*) including the location of the asset and/or liability on the consolidated balance sheets:

		Derivative Assets	
	Balance Sheet Location	Sep 27, 2026	Sep 28, 2025
Designated Derivative Instruments[1]:			
Cross-currency swaps	Other long-term assets	$ 348.7	$ 271.9
Foreign currency - other	Prepaid expenses and other current assets	15.3	13.0
	Other long-term assets	5.3	6.7
Non-designated Derivative Instruments:			
Diesel fuel and other commodities	Prepaid expenses and other current assets	—	0.1
Foreign currency	Prepaid expenses and other current assets	3.3	2.7
	Other long-term assets	0.2	—

		Derivative Liabilities	
	Balance Sheet Location	Sep 27, 2026	Sep 28, 2025
Designated Derivative Instruments:			
Cross-currency swaps	Accrued liabilities	$ —	$ 5.8
	Other long-term liabilities	—	3.5
Foreign currency - other	Accrued liabilities	2.2	0.2
	Other long-term liabilities	4.0	0.2
Interest rate swaps	Other long-term liabilities	22.4	17.0
Non-designated Derivative Instruments:			
Foreign currency	Accrued liabilities	1.0	1.1
	Other long-term liabilities	—	0.2

[1] We also hold cash and cash equivalents from various settled-to-market exchange traded futures related to coffee hedging.

The following amounts were recorded on the consolidated balance sheets related to fixed-to-floating interest rate swaps designated in fair value hedging relationships *(in millions)*:

	Carrying amount of hedged item		Cumulative amount of fair value hedging adjustment included in the carrying amount	
	Sep 27, 2026	Sep 28, 2025	Sep 27, 2026	Sep 28, 2025
Location on the balance sheet				
Long-term debt	$ 328.3	$ 334.1	$ (21.7)	$ (15.9)

Additional disclosures related to cash flow gains and losses included in AOCI, as well as subsequent reclassifications to earnings, are included in Note 12, Equity.

Note 4: Fair Value Measurements

Assets and liabilities measured at fair value on a recurring basis (*in millions*):

		Fair Value Measurements at Reporting Date Using		
	Balance at Sep 27, 2026	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 3,679.9	$ 3,679.9	$ —	$ —
Short-term investments:				
Available-for-sale debt securities:				
Corporate debt securities	49.6	—	36.8	12.8
Mortgage and other asset-backed securities	2.3	—	2.3	—
State and local government obligations	2.7	—	2.7	—
U.S. government treasury securities	16.2	16.2	—	—
Total available-for-sale debt securities	70.8	16.2	41.8	12.8
Marketable equity securities	113.5	113.5	—	—
Total short-term investments	184.3	129.7	41.8	12.8
Prepaid expenses and other current assets:				
Derivative assets	18.6	—	18.6	—
Long-term investments:				
Available-for-sale debt securities:				
Corporate debt securities	152.7	—	123.0	29.7
Mortgage and other asset-backed securities	69.9	—	69.9	—
U.S. government treasury securities	86.9	86.9	—	—
Total available-for-sale debt securities	309.5	86.9	192.9	29.7
Total long-term investments	309.5	86.9	192.9	29.7
Other long-term assets:				
Derivative assets	354.2	—	354.2	—
Total assets	$ 4,546.5	$ 3,896.5	$ 607.5	$ 42.5
Liabilities:				
Accrued liabilities:				
Derivative liabilities	$ 3.2	$ —	$ 3.2	$ —
Other long-term liabilities:				
Derivative liabilities	26.4	—	26.4	—
Total liabilities	$ 29.6	$ —	$ 29.6	$ —

	Balance at Sep 28, 2025	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 3,219.8	$ 3,219.8	$ —	$ —
Short-term investments:				
Available-for-sale debt securities				
Corporate debt securities	67.8	—	55.9	11.9
Mortgage and other asset-backed securities	0.4	—	0.4	—
State and local government obligations	1.1	—	1.1	—
U.S. government treasury securities	82.6	82.6	—	—
Total available-for-sale debt securities	151.9	82.6	57.4	11.9
Marketable equity securities	95.3	95.3	—	—
Total short-term investments	247.2	177.9	57.4	11.9
Prepaid expenses and other current assets:				
Derivative assets	15.9	—	15.9	—
Long-term investments:				
Available-for-sale debt securities				
Corporate debt securities	132.2	—	105.5	26.7
Mortgage and other asset-backed securities	75.7	—	75.7	—
State and local government obligations	2.7	—	2.7	—
U.S. government treasury securities	36.3	36.3	—	—
Total available-for-sale debt securities	246.9	36.3	183.9	26.7
Total long-term investments	246.9	36.3	183.9	26.7
Other long-term assets:				
Derivative assets	278.6	—	278.6	—
Total assets	$ 4,008.4	$ 3,434.0	$ 535.8	$ 38.6
Liabilities:				
Accrued liabilities:				
Derivative liabilities	$ 7.1	$ —	$ 7.1	$ —
Other long-term liabilities:				
Derivative liabilities	20.9	—	20.9	—
Total liabilities	$ 28.0	$ —	$ 28.0	$ —

There were no material transfers between levels, and there was no significant activity within Level 3 instruments during the periods presented. The fair values of any financial instruments presented above exclude the impact of netting assets and liabilities when a legally enforceable master netting agreement exists.

Available-for-sale Debt Securities

The majority of long-term investments mature within 5 years. Proceeds from sales of securities and realized gains and losses were not material for fiscal years 2026, 2025, and 2024. Gross unrealized holding gains and losses were not material as of September 27, 2026, September 28, 2025, and September 29, 2024.

Marketable Equity Securities

Marketable equity securities include equity mutual funds and exchange-traded funds. Our marketable equity securities portfolio approximates a portion of our liability under our MDCP, a defined contribution plan. Our MDCP liability was $102.0 million and $115.6 million as of September 27, 2026, and September 28, 2025, respectively. The changes in net unrealized holding gains and losses in the marketable equity securities portfolio included in earnings for fiscal 2026, 2025, and 2024 were not material. Gross unrealized holding gains and losses on marketable equity securities were not material as of September 27, 2026, and September 28, 2025.

Derivative Assets and Liabilities

Derivative assets and liabilities are described further in Note 3, Derivative Financial Instruments.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on the consolidated financial statements on a nonrecurring basis include items such as property, plant and equipment, ROU assets, goodwill and other intangible assets, equity and other investments, and other assets. These assets are measured at fair value if determined to be impaired. Impairment of property, plant and equipment and ROU assets is included in Note 1, Summary of Significant Accounting Policies and Estimates.

We recognized impairments during fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024. See Note 1, Summary of Significant Accounting Policies and Estimates, and Note 18, Restructuring and Impairments, for additional discussion of these impairments.

Fair Value of Other Financial Instruments

The estimated fair value of our long-term debt based on the quoted market price (Level 2) is included at Note 9, Debt. There were no material fair value adjustments during the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024.

Note 5: Inventories *(in millions)*

	Sep 27, 2026[1]	Sep 28, 2025
Coffee:		
Unroasted	$ 897.8	$ 911.2
Roasted	370.2	342.0
Other merchandise held for sale [2]	418.1	399.7
Packaging and other supplies	557.3	532.7
Total	$ 2,243.4	$ 2,185.6

(1) Balances exclude Starbucks retail operations in China that were divested during the third quarter of fiscal 2026.

(2) "Other merchandise held for sale" includes, among other items, food, serveware, and tea. Inventory levels vary due to seasonality, commodity market supply, and price fluctuations.

As of September 27, 2026, we had committed to purchasing green coffee totaling $279.6 million under fixed-price contracts and an estimated $533.9 million under price-to-be-fixed contracts. A portion of our price-to-be-fixed contracts are effectively fixed through the use of futures. See Note 3, Derivative Financial Instruments, for further discussion. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date, and therefore the price, at which the base "C" coffee commodity price component will be fixed has not yet been established. For most contracts, either Starbucks or the seller has the option to "fix" the base "C" coffee commodity price prior to the delivery date. For other contracts, Starbucks and the seller may agree upon pricing parameters determined by the base "C" coffee commodity price. Until prices are fixed, we estimate the total cost of these purchase commitments. We believe, based on established relationships with our suppliers and continuous monitoring, the risk of non-delivery on these purchase commitments is remote.

Note 6: Equity Investments *(in millions)*

	Sep 27, 2026	Sep 28, 2025
Equity method investments	$ 1,761.3	$ 418.9
Other investments	22.8	47.3
Total	$ 1,784.1	$ 466.2

Equity Method Investments

On March 30, 2026, we completed the divestiture of Starbucks retail operations in China. Under the agreement, Boyu Capital acquired a 60% interest in Starbucks retail operations in China and Starbucks retained a 40% ownership interest in Starbucks Coffee (Cayman) Holdings Limited (China), with a carrying value of $1.2 billion as of September 27, 2026. As of September 27, 2026 and September 28, 2025, we had a 50% ownership interest in Tata Starbucks Limited (India), with a carrying value of $32.1 million and $39.3 million, respectively. Tata Starbucks Limited (India) and Starbucks Coffee (Cayman) Holdings Limited (China) operate licensed Starbucks® retail coffeehouses.

Additionally, we license the rights to produce and distribute Starbucks-branded products to our 50% owned joint venture, The North American Coffee Partnership with the Pepsi-Cola Company, which develops and distributes bottled Starbucks® beverages, including Frappuccino coffee drinks, Starbucks Doubleshot espresso drinks, Starbucks® Iced Espresso Classics, and Starbucks® Iced Coffee. As of September 27, 2026 and September 28, 2025, the carrying value of this investment was $162.0 million and $74.0 million, respectively.

Our share of income and losses from our equity method investments is included in income from equity investees on our consolidated statements of earnings. Also included in this line item is our proportionate share of gross profit resulting from coffee and other product sales to, and royalty and license fee revenues generated from, equity investees. Revenues generated from these entities were $191.4 million, $58.1 million, and $62.6 million in fiscal 2026, 2025, and 2024, respectively. Related product and distribution costs were $115.3 million, $57.7 million, and $58.6 million in fiscal 2026, 2025, and 2024, respectively. As of September 27, 2026, and September 28, 2025, there were $60.1 million and $17.3 million of accounts receivable from equity investees, respectively, on our consolidated balance sheets, primarily related to product sales and royalty revenues.

We also hold minority equity interests in other entities to support our corporate and investment strategies, which are not core to our business, including our limited partnership interest in Valor Siren Ventures I L.P. and Valor Siren Ventures II L.P, which are private equity funds investing in technologies, products, and solutions relating to food or retail. The total carrying value of these investments was $281.6 million and $242.4 million, as of September 27, 2026 and September 28, 2025, respectively. Our share of income and losses from these private equity interests is included in interest income and other, net on our consolidated statements of earnings. The related financial statement activities were not material during the periods presented.

Summarized combined financial information of our core and non-core equity method investees, which represent 100% of the investees' financial information *(in millions)*:

	Sep 27, 2026	Sep 28, 2025
Current assets	$ 1,265.0	$ 372.2
Noncurrent assets	7,146.2	1,339.9
Current liabilities	1,077.9	247.8
Noncurrent liabilities	2,334.2	8.0

	Year Ended		
	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Net revenues	$ 3,414.4	$ 1,725.1	$ 1,841.8
Operating income	471.8	482.9	544.1
Net earnings	827.6	614.6	635.6

Other Investments

We have equity interests in entities that develop and operate Starbucks licensed coffeehouses in several global markets, as well as in companies that support our strategic initiatives. We do not have significant influence over these entities, and their fair values are not readily determinable. Therefore, we elected to measure these investments at cost with adjustments for observable changes in price or impairment.

Note 7: Supplemental Balance Sheets and Statements of Earnings Information *(in millions)*

Property, Plant and Equipment, net

	Sep 27, 2026[1]	Sep 28, 2025
Land	$ 59.5	$ 54.9
Buildings	670.2	673.7
Leasehold improvements	10,345.8	11,762.4
Coffeehouse equipment	3,502.1	3,963.6
Roasting equipment	979.4	982.2
Capitalized software	1,039.1	1,177.7
Furniture, fixtures and other	727.5	893.9
Work in progress	314.2	334.3
Property, plant and equipment, gross	17,637.8	19,842.7
Accumulated depreciation	(10,693.7)	(11,349.2)
Property, plant and equipment, net	$ 6,944.1	$ 8,493.5

(1) Balances exclude Starbucks retail operations in China that were divested in the third quarter of fiscal 2026.

Accrued Liabilities

	Sep 27, 2026[1]	Sep 28, 2025
Accrued occupancy costs	$ 73.4	$ 89.5
Accrued dividends payable	718.2	704.8
Accrued capital and other operating expenditures	750.7	897.0
Insurance reserves	458.3	282.3
Income taxes payable	476.1	150.3
Accrued business taxes	275.6	235.8
Total accrued liabilities	$ 2,752.3	$ 2,359.7

(1) Balances exclude Starbucks retail operations in China that were divested in the third quarter of fiscal 2026.

Coffeehouse Operating Expenses

	Year Ended		
	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Wages and benefits	$ 10,195.0	$ 9,862.4	$ 8,828.6
Occupancy costs	3,013.9	3,318.6	3,050.6
Other expenses	3,980.9	3,877.9	3,407.3
Total coffeehouse operating expenses	$ 17,189.8	$ 17,058.9	$ 15,286.5

Note 8: Other Intangible Assets and Goodwill

Indefinite-Lived Intangible Assets

(in millions)	Sep 27, 2026	Sep 28, 2025
Trade names, trademarks, and patents	$ 79.5	$ 79.5

Finite-Lived Intangible Assets

	Sep 27, 2026			Sep 28, 2025		
(in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Acquired and reacquired rights [1]	$ 311.9	$ (237.0)	$ 74.9	$ 1,053.9	$ (974.9)	$ 79.0
Acquired trade secrets and processes	27.6	(27.6)	—	27.6	(27.6)	—
Trade names, trademarks, and patents	146.5	(131.3)	15.2	131.2	(122.9)	8.3
Licensing agreements	12.3	(12.3)	—	13.0	(13.0)	—
Other finite-lived intangible assets	2.3	(2.3)	—	20.5	(20.5)	—
Total finite-lived intangible assets	$ 500.6	$ (410.5)	$ 90.1	$ 1,246.2	$ (1,158.9)	$ 87.3

[1] The decrease in acquired and reacquired rights was a result of divesting Starbucks retail operations in China in the third quarter of fiscal 2026.

Amortization expense for finite-lived intangible assets was $8.4 million, $17.6 million, and $20.4 million during fiscal 2026, 2025, and 2024, respectively.

Estimated future amortization expense as of September 27, 2026 (*in millions*):

Fiscal Year	
2027	$ 12.0
2028	8.2
2029	4.8
2030	4.7
2031	4.5
Thereafter	55.9
Total estimated future amortization expense	$ 90.1

Goodwill

Changes in the carrying amount of goodwill by reportable operating segment *(in millions)*:

	North America	International	Channel Development	Corporate and Other	Total
Goodwill balance at September 29, 2024	$ 491.5	$ 2,788.5	$ 34.7	$ 1.0	$ 3,315.7
Acquisition [1]	—	105.7	—	—	105.7
Other [2]	(0.9)	(51.6)	—	—	(52.5)
Goodwill balance at September 28, 2025	490.6	2,842.6	34.7	1.0	3,368.9
Divestiture [3]	—	(2,146.3)	—	(1.0)	(2,147.3)
Other [2]	(0.4)	28.0	—	—	27.6
Goodwill balance at September 27, 2026	$ 490.2	$ 724.3	$ 34.7	$ —	$ 1,249.2

[1] Additions to goodwill include the acquisition of 23.5 Degrees Topco Limited in the first quarter of fiscal 2025.

[2] "Other" consists primarily of changes in the goodwill balance resulting from foreign currency translation.

[3] The decrease in the International segment was a result of divesting Starbucks retail operations in China in the third quarter of fiscal 2026.

During the fiscal year ended September 27, 2026, we completed our annual goodwill impairment analysis. The results of our analysis indicated significant excess fair values over carrying values across all reporting units with material goodwill balances, and therefore no significant goodwill impairment charges were recorded, consistent with the fiscal year ended September 28, 2025.

Note 9: Debt

Revolving Credit Facility

Our $3.0 billion unsecured five-year revolving credit facility (the "2025 credit facility"), of which $150.0 million may be used for issuances of letters of credit, is currently set to mature on June 13, 2030. The 2025 credit facility is available for working capital, capital expenditures, and other general corporate purposes, including acquisitions and share repurchases. We have the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $1.0 billion.

Borrowings under the 2025 credit facility will bear interest at a fluctuating rate based on the Term Secured Overnight Financing Rate ("Term SOFR"), and, for U.S. dollar-denominated loans under certain circumstances, a Base Rate (as defined in the 2025 credit facility), in each case plus an applicable rate. The applicable rate is based on the Company's long-term credit ratings assigned by Moody's and Standard & Poor's rating agencies. The 2025 credit facility contains alternative interest rate provisions specifying rate calculations to be used at such time Term SOFR ceases to be available as a benchmark due to reference rate reform. The "Base Rate" of interest is the highest of (i) the Federal Funds Rate plus 0.50%, (ii) Bank of America's prime rate, (iii) Term SOFR plus 1.00%, and (iv) 1.00%. Upon the occurrence of any event of default under the 2025 credit facility, interest on the outstanding amount of the indebtedness under the 2025 credit facility will bear interest at a rate per annum equal to 2% in excess of the interest then borne by such borrowings.

The 2025 credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As of September 27, 2026, we were in compliance with all applicable covenants. No amounts were outstanding under our 2025 credit facility as of September 27, 2026, or September 28, 2025.

Short-term Debt

Under our commercial paper program, we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of $3.0 billion, with individual maturities that may vary but not exceed 397 days from the date of issue. Amounts outstanding under the commercial paper program are required to be backstopped by available commitments under our 2025 credit facility. The proceeds from borrowings under our commercial paper program may be used for working capital needs, capital expenditures, and other corporate purposes, including, but not limited to, business expansion, payment of cash dividends on our common stock, and share repurchases. We had no borrowings outstanding under our commercial paper program as of September 27, 2026, and September 28, 2025. Our total available contractual borrowing capacity for general corporate purposes was $3.0 billion as of September 27, 2026.

Additionally, we hold the following Japanese yen-denominated credit facilities that are available for working capital needs and capital expenditures within our Japanese market:

- A ¥5.0 billion, or $31.5 million, credit facility is currently set to mature on December 30, 2026. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on TIBOR plus an applicable margin of 0.400%.
- A ¥10.0 billion, or $62.9 million, credit facility is currently set to mature on March 27, 2027. Borrowings under this credit facility are subject to terms defined within the facility and will bear interest at a variable rate based on TIBOR plus an applicable margin of 0.300%.

As of September 27, 2026 and September 28, 2025, we had no borrowings outstanding under these credit facilities.

Long-term Debt

In May 2026, the Company completed cash tender offers for certain series of its senior notes and repurchased approximately $1.3 billion aggregate principal amount of such notes using cash proceeds from the divestiture of Starbucks retail operations in China. The notes repurchased consisted of:

- $273.5 million of the $750.0 million, 4.500% Senior Notes (the "May 2028 notes")
- $321.8 million of the $500.0 million, 4.800% Senior Notes (the "May 2030 notes")
- $110.4 million of the $500.0 million, 5.000% Senior Notes (the "February 2034 notes")
- $410.2 million of the $500.0 million, 5.400% Senior Notes (the "May 2035 notes")

- $200.0 million of the $1.0 billion, 4.500% Senior Notes (the "November 2048 notes")

In connection with the repurchases, the Company recognized an immaterial gain on partial extinguishment of debt in the third quarter of fiscal 2026, which is included in Interest income and other, net in the consolidated statements of earnings. In determining the value of the gain, the Company expensed the proportional amount of the related unamortized discount, premium, and debt issuance costs attributable to the repurchased notes.

Components of long-term debt including the associated interest rates and related estimated fair values by calendar maturity (*in millions, except interest rates)*:

	Sep 27, 2026		Sep 28, 2025			
Issuance	**Face Value**	**Estimated Fair Value**	**Face Value**	**Estimated Fair Value**	**Stated Interest Rate**	**Effective Interest Rate [1]**
February 2026 notes	$ —	$ —	$ 1,000.0	$ 1,001.7	4.750 %	4.788 %
June 2026 notes	—	—	500.0	494.0	2.450 %	2.511 %
February 2027 notes	1,000.0	999.9	1,000.0	1,009.8	4.850 %	4.958 %
March 2027 notes	500.0	494.3	500.0	484.7	2.000 %	2.058 %
March 2028 notes	600.0	585.9	600.0	591.9	3.500 %	3.529 %
May 2028 notes	476.5	471.8	750.0	757.1	4.500 %	4.719 %
November 2028 notes	750.0	731.9	750.0	747.9	4.000 %	3.958 %
August 2029 notes[2]	1,000.0	953.7	1,000.0	978.5	3.550 %	3.840 %
March 2030 notes	750.0	674.5	750.0	687.8	2.250 %	3.084 %
May 2030 notes	178.2	173.6	500.0	510.2	4.800 %	4.932 %
November 2030 notes	1,250.0	1,116.0	1,250.0	1,145.9	2.550 %	2.582 %
February 2031 notes	500.0	489.7	500.0	514.2	4.900 %	5.046 %
February 2032 notes	1,000.0	885.4	1,000.0	918.1	3.000 %	3.155 %
February 2033 notes	500.0	476.8	500.0	505.7	4.800 %	3.798 %
February 2034 notes	389.6	373.3	500.0	509.9	5.000 %	5.127 %
May 2035 notes	89.8	87.0	500.0	516.6	5.400 %	5.510 %
June 2045 notes	350.0	270.2	350.0	292.1	4.300 %	4.348 %
December 2047 notes	500.0	345.8	500.0	378.0	3.750 %	3.765 %
November 2048 notes	800.0	615.8	1,000.0	849.6	4.500 %	4.504 %
August 2049 notes	1,000.0	763.8	1,000.0	839.5	4.450 %	4.447 %
March 2050 notes	500.0	314.2	500.0	346.0	3.350 %	3.362 %
November 2050 notes	1,250.0	805.2	1,250.0	889.0	3.500 %	3.528 %
Total	13,384.1	11,628.8	16,200.0	14,968.2		
Aggregate debt issuance costs and unamortized premium/(discount), net	(85.5)		(109.3)			
Hedge accounting fair value adjustment[2]	(21.7)		(15.9)			
Total	$ 13,276.9		$ 16,074.8			

(1) Includes the effects of the amortization of any premium or discount and any gain or loss upon settlement of related treasury locks or forward-starting interest rate swaps utilized to hedge interest rate risk prior to the debt issuance.

(2) Amount includes the change in fair value due to changes in benchmark interest rates related to hedging $350.0 million of our August 2029 notes. Refer to Note 3, Derivative Financial Instruments, for additional information on our interest rate swap agreements designated as a fair value hedge.

The following table summarizes our long-term debt maturities as of September 27, 2026, by fiscal year (*in millions*):

Fiscal Year	Total
2027	$ 1,500.0
2028	1,076.5
2029	1,750.0
2030	928.2
2031	1,750.0
Thereafter	6,379.4
Total	$ 13,384.1

Note 10: Leases

The components of lease costs *(in millions)*:

	Year Ended		
	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Operating lease costs[1]	$ 1,944.4	$ 2,097.0	$ 1,723.5
Variable lease costs	1,187.6	1,245.7	1,130.7
Short-term lease costs	18.6	21.0	26.8
Total lease costs	$ 3,150.6	$ 3,363.7	$ 2,881.0

(1) Includes immaterial amounts of sublease income and rent concessions.

The following table includes supplemental information *(in millions)*:

	Year Ended		
	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Cash paid related to operating lease liabilities	$ 1,943.9	$ 1,901.4	$ 1,672.5
Operating lease liabilities arising from obtaining ROU assets[1]	1,217.6	1,980.8	2,263.9

	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Weighted-average remaining operating lease term[1]	8.4 years	8.6 years	8.6 years
Weighted-average operating lease discount rate[1]	3.9 %	3.7 %	3.4 %

(1) Fiscal 2026 amounts exclude Starbucks retail operations in China that were divested during the third quarter of fiscal 2026, and fiscal 2025 amounts include leases obtained in the acquisition of 23.5 Degrees Topco Limited in the first quarter of fiscal 2025.

Finance lease assets are recorded in property, plant and equipment, net with the corresponding lease liabilities included in accrued liabilities on the consolidated balance sheets. These balances were not material as of September 27, 2026, and September 28, 2025. Finance lease costs were also immaterial for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024.

Minimum future maturities of operating lease liabilities *(in millions)*:

Fiscal Year	Total
2027	$ 1,690.2
2028	1,535.5
2029	1,375.4
2030	1,241.3
2031	1,095.9
Thereafter	3,881.4
Total lease payments	10,819.7
Less imputed interest	(1,683.0)
Total	$ 9,136.7

As of September 27, 2026, we have entered into operating leases that have not yet commenced of $525.8 million, primarily related to real estate leases. These leases will commence between fiscal year 2027 and fiscal year 2030 with lease terms of 10 years to 20 years.

During the years ended September 27, 2026 and September 28, 2025, total lease costs of $309.0 million and $239.3 million were recorded in restructuring and impairments on the consolidated statements of earnings, respectively. Lease costs associated with our restructuring efforts primarily relate to the impairment of ROU assets and the closure of certain Starbucks company-operated coffeehouses and non-retail office locations. See Note 18, Restructuring and Impairments, for further discussion.

Note 11: Deferred Revenue

During fiscal 2018, we licensed the rights to sell and market our products in authorized channels through the Global Coffee Alliance and received an up-front prepaid royalty from Nestlé. The up-front payment of approximately $7 billion was recorded as deferred revenue as we have continuing performance obligations to support the Global Coffee Alliance, including providing Nestlé access to certain intellectual properties and products for future resale. The up-front payment is being recognized as other revenue on a straight-line basis over the estimated economic life of the arrangement of 40 years for the ongoing access to the licenses within the contractual territories. Our obligations to maintain the Starbucks brand and other intellectual properties are generally constant throughout the term of the arrangement. Therefore, a ratable recognition pattern is reflective of how we will satisfy our performance obligations.

As of September 27, 2026, the current and long-term deferred revenue related to the Nestlé up-front payment was $177.0 million and $5.5 billion, respectively. As of September 28, 2025, the current and long-term deferred revenue related to the Nestlé up-front payment was $177.0 million and $5.6 billion, respectively. During each of the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024, we recognized $176.5 million of prepaid royalty revenue related to Nestlé.

Changes in our deferred revenue balance related to our stored value cards and loyalty program *(in millions)*:

Fiscal Year Ended September 27, 2026	Total
Stored value cards and loyalty program at September 28, 2025	$ 1,751.7
Revenue deferred - card activations, card reloads and Stars earned	15,130.7
Revenue recognized - card and Stars redemptions and breakage	(14,995.1)
Other[1]	(8.9)
Divestiture[2]	(199.7)
Stored value cards and loyalty program at September 27, 2026[3]	$ 1,678.7

Fiscal Year Ended September 28, 2025	Total
Stored value cards and loyalty program at September 29, 2024	$ 1,718.7
Revenue deferred - card activations, card reloads and Stars earned	15,245.8
Revenue recognized - card and Stars redemptions and breakage	(15,199.5)
Other[1]	(13.3)
Stored value cards and loyalty program at September 28, 2025[3]	$ 1,751.7

(1) "Other" primarily consists of changes in the stored value cards and loyalty program balances resulting from foreign currency translation.

(2) The decrease was a result of divesting Starbucks retail operations in China that were classified as held for sale in the first quarter of fiscal 2026 and divested in the third quarter of fiscal 2026.

(3) As of each of the fiscal years ended September 27, 2026, and September 28, 2025, approximately $1.6 billion of the respective amounts were current.

Note 12: Equity

In addition to 2.4 billion shares of authorized common stock with $0.001 par value per share, we have authorized 7.5 million shares of preferred stock, none of which was outstanding at September 27, 2026.

During the fiscal year ended September 27, 2026 and September 28, 2025, we made no share repurchases. During the fiscal year ended September 29, 2024, we repurchased 12.8 million shares of common stock for $1.3 billion on the open market.

As of September 27, 2026, 29.8 million shares remained available for repurchase under current authorizations.

During the fourth quarter of fiscal 2026, our Board declared a quarterly cash dividend to shareholders of $0.63 per share to be paid on November 27, 2026, to shareholders of record as of the close of business on November 13, 2026.

Comprehensive Income

Comprehensive income includes all changes in equity during the period, except those resulting from transactions with our shareholders. Comprehensive income is comprised of net earnings and other comprehensive income. Accumulated other comprehensive income reported on our consolidated balance sheets consists of foreign currency translation adjustments and other items and the unrealized gains and losses, net of applicable taxes, on available-for-sale debt securities and on derivative instruments designated and qualifying as cash flow and net investment hedges.

Changes in AOCI by component for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024, net of tax, are as follows:

(in millions)	Available-for-Sale Debt Securities	Cash Flow Hedges	Net Investment Hedges	Translation Adjustment and Other	Total
September 27, 2026					
Net gains/(losses) in AOCI, beginning of period	$ 0.5	$ 40.9	$ 357.4	$ (858.1)	$ (459.3)
Net gains/(losses) recognized in OCI before reclassifications	(5.3)	19.7	45.5	44.5	104.4
Net (gains)/losses reclassified from AOCI to earnings	0.9	(31.7)	15.5	282.8	267.5
Other comprehensive income/(loss) attributable to Starbucks	(4.4)	(12.0)	61.0	327.3	371.9
Other comprehensive income/(loss) attributable to NCI	—	—	—	0.5	0.5
Net gains/(losses) in AOCI, end of period	$ (3.9)	$ 28.9	$ 418.4	$ (530.3)	$ (86.9)

(in millions)	Available-for-Sale Debt Securities	Cash Flow Hedges	Net Investment Hedges	Translation Adjustment and Other	Total
September 28, 2025					
Net gains/(losses) in AOCI, beginning of period	$ (2.3)	$ 70.5	$ 247.7	$ (744.7)	$ (428.8)
Net gains/(losses) recognized in OCI before reclassifications	1.9	62.2	191.3	(113.2)	142.2
Net (gains)/losses reclassified from AOCI to earnings	0.9	(91.8)	(81.6)	—	(172.5)
Other comprehensive income/(loss) attributable to Starbucks	2.8	(29.6)	109.7	(113.2)	(30.3)
Other comprehensive income/(loss) attributable to NCI	—	—	—	(0.2)	(0.2)
Net gains/(losses) in AOCI, end of period	$ 0.5	$ 40.9	$ 357.4	$ (858.1)	$ (459.3)

(in millions)	Available-for-Sale Debt Securities	Cash Flow Hedges	Net Investment Hedges	Translation Adjustment and Other	Total
September 29, 2024					
Net gains/(losses) in AOCI, beginning of period	$ (12.3)	$ (47.5)	$ 243.3	$ (961.7)	$ (778.2)
Net gains/(losses) recognized in OCI before reclassifications	9.1	89.8	41.6	216.7	357.2
Net (gains)/losses reclassified from AOCI to earnings	0.9	28.2	(37.2)	(0.1)	(8.2)
Other comprehensive income/(loss) attributable to Starbucks	10.0	118.0	4.4	216.6	349.0
Other comprehensive income/(loss) attributable to NCI	—	—	—	0.4	0.4
Net gains/(losses) in AOCI, end of period	$ (2.3)	$ 70.5	$ 247.7	$ (744.7)	$ (428.8)

Impact of reclassifications from AOCI on the consolidated statements of earnings *(in millions)*:

AOCI Components	Amounts Reclassified from AOCI Year Ended Sep 27, 2026	Sep 28, 2025	Sep 29, 2024	Affected Line Item in the Statements of Earnings
Gains/(losses) on available-for-sale debt securities	$ (0.8)	$ (0.9)	$ (1.2)	Interest income and other, net
Gains/(losses) on cash flow hedges	39.9	116.8	(29.3)	Please refer to Note 3, Derivative Financial Instruments, for additional information.
Gains/(losses) on net investment hedges	(20.9)	109.0	49.6	Interest expense
Translation adjustment [1]				
Divestiture of retail operations in China	(282.8)	—	—	Net gain resulting from divestiture of certain operations
Other	—	—	0.1	Interest income and other, net
	(264.6)	224.9	19.2	Total before tax
	(2.9)	(52.4)	(11.0)	Tax (expense)/benefit
	$ (267.5)	$ 172.5	$ 8.2	Net of tax

[1] Reclassification of CTA and other activities from AOCI to earnings upon sale or liquidation of foreign businesses.

Note 13: Employee Stock and Benefit Plans

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs"), or stock appreciation rights to employees, non-employee directors, and consultants. We issue new shares of common stock upon exercise of stock options and the vesting of RSUs. We also have an employee stock purchase plan ("ESPP").

As of September 27, 2026, there were 70.0 million shares of common stock available for issuance pursuant to future equity-based compensation awards and 8.5 million shares available for issuance under our ESPP.

Stock-based compensation expense recognized in the consolidated statements of earnings *(in millions)*:

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
RSUs	$ 368.6	$ 318.3	$ 308.3
Total stock-based compensation expense recognized in the consolidated statements of earnings	368.6	318.3	308.3
Total related tax benefit	54.7	47.9	57.0
Total capitalized stock-based compensation included in net property, plant and equipment on the consolidated balance sheets	$ 4.3	$ 3.6	$ 3.6

RSUs

We have both time-vested and performance-based RSUs. Time-vested RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock at the end of a vesting period, subject to the employee's continuing employment. The time-vested RSUs generally vest in either two or four equal annual installments beginning a year from the grant date. Our performance-based RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock if we

achieve specified performance goals during the performance period and the grantee remains employed through the settlement date.

RSU transactions for the fiscal year ended September 27, 2026 *(in millions, except per share and contractual life amounts)*:

	Number of Shares	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Nonvested, September 28, 2025	9.0	$ 98.89	1.2	$ 791
Granted	4.8	86.65		
Vested	(3.1)	98.76		
Forfeited/expired	(2.1)	90.23		
Nonvested, September 27, 2026	8.6	$ 93.25	1.0	$ 812

As of September 27, 2026, total unrecognized stock-based compensation expense related to non-vested RSUs, net of estimated forfeitures, was approximately $253 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 1.7 years. The total fair value of RSUs vested was $305 million, $333 million, and $314 million during fiscal 2026, 2025, and 2024, respectively. For fiscal 2026, 2025, and 2024, the weighted average fair value per RSU granted was $86.65, $95.83, and $103.82, respectively.

Stock Options

We may provide stock options as a form of employee compensation, which are primarily time-vested. Stock options have not been broadly used as part of our compensation strategy in recent years. The majority of time-vested options become exercisable in four equal installments beginning a year from the grant date and generally expire 10 years from the grant date. Options granted to non-employee directors generally vest immediately or one year from grant. All outstanding stock options are non-qualified stock options. No stock options were granted during the fiscal years ended September 27, 2026, September 28, 2025, or September 29, 2024.

Stock option transactions were not material for the fiscal year ended September 27, 2026. As of September 27, 2026, all options outstanding were vested and exercisable. No options vested during fiscal 2026 or 2025. The total intrinsic value of options exercised was $14 million, $19 million, and $44 million during fiscal 2026, 2025, and 2024, respectively.

ESPP

Our ESPP allows eligible employees to contribute up to 10% of their base earnings toward the quarterly purchase of our common stock, subject to an annual maximum dollar amount. The purchase price is 95% of the fair market value of the stock on the last business day of the quarterly offering period. The number of shares issued under our ESPP was 0.6 million, 0.6 million, and 0.6 million in fiscal years 2026, 2025, and 2024, respectively.

Deferred Compensation Plan

We have a Deferred Compensation Plan for Non-Employee Directors under which non-employee directors may, for any fiscal year, irrevocably elect to defer receipt of shares of common stock the director would have received upon vesting of restricted stock units. The number of deferred shares outstanding related to deferrals made under this plan is not material.

Defined Contribution Plans

We maintain voluntary defined contribution plans, including our MDCP, both qualified and non-qualified, covering eligible employees as defined in the plan documents. Participating employees may elect to defer and contribute a portion of their eligible compensation to the plans up to limits stated in the plan documents, not to exceed the dollar amounts set by applicable laws.

Our matching contributions to all U.S. and non-U.S. plans were $210.5 million, $209.6 million, and $194.4 million in fiscal 2026, 2025, and 2024, respectively.

Note 14: Income Taxes

Components of earnings before income taxes *(in millions)*:

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
United States	$ 2,652.7	$ 1,850.1	$ 4,087.6
Foreign	1,188.4	657.2	882.0
Total earnings before income taxes	$ 3,841.1	$ 2,507.3	$ 4,969.6

Provision/(benefit) for income taxes *(in millions)*:

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Current taxes:			
U.S. federal	$ 303.1	$ 179.4	$ 681.2
U.S. state and local	181.8	120.4	210.9
Foreign	485.2	362.5	328.8
Total current taxes	970.1	662.3	1,220.9
Deferred taxes:			
U.S. federal	237.6	30.2	10.7
U.S. state and local	5.2	(11.3)	(0.7)
Foreign	102.1	(30.6)	(23.6)
Total deferred taxes	344.9	(11.7)	(13.6)
Total income tax expense	$ 1,315.0	$ 650.6	$ 1,207.3

Reconciliation of the statutory U.S. federal income tax rate with our effective income tax rate for fiscal 2026 *(in millions)*:

Fiscal Year Ended	Sep 27, 2026	
Statutory rate	$ 806.6	21.0 %
State income taxes, net of federal tax benefit [1]	146.4	3.8
Foreign tax effects [2]		
China		
Nonresident capital gains tax [3]	323.3	8.4
Other adjustments	11.2	0.3
Netherlands		
Participation exemption on divestiture [3]	(81.5)	(2.1)
Other adjustments	1.4	—
Other foreign jurisdictions	90.4	2.4
Effect of cross-border tax laws		
Residual tax on foreign earnings [3]	123.0	3.2
Foreign derived intangible income	(39.2)	(1.0)
Other	(17.9)	(0.5)
Tax credits		
Foreign tax credits [2]	(85.1)	(2.2)
Other	(25.2)	(0.7)
Other adjustments	61.6	1.6
Effective tax rate	$ 1,315.0	34.2 %

[1] State taxes in California, Illinois, New York, New Jersey, and New York City made up the majority (greater than 50 percent) of the tax effect in this category in fiscal 2026.

[2] Upon adoption of ASU 2023-09, foreign withholding taxes are included by jurisdiction within the Foreign tax effects category, whereas the associated foreign tax credits are included in the Tax credits category. Prior to the adoption of ASU 2023-09, foreign withholding taxes were presented net of the associated foreign tax credits generated.

[3] These are non-recurring tax impacts resulting from the release of our remaining indefinite reinvestment assertions as well as the divestiture of Starbucks retail operations in China during fiscal 2026. Refer to Note 2, Acquisitions and Divestitures, for further discussion.

Reconciliation of the statutory U.S. federal income tax rate with our effective income tax rate for fiscal 2025 and 2024:

cal Year Ended	Sep 28, 2025	Sep 29, 2024
ıtutory rate	21.0%	21.0%
ıte income taxes, net of federal tax benefit	3.4	3.3
reign rate differential	0.3	0.3
sidual tax on foreign earnings	3.6	0.4
reign derived intangible income	(1.6)	(0.8)
x status change of foreign entity	(1.4)	—
her, net	0.6	0.1
ective tax rate	25.9%	24.3%

During fiscal 2026, we released all remaining indefinite reinvestment assertions of unremitted foreign earnings and recorded the required deferred taxes for the temporary differences between the accounting basis and tax basis in certain foreign subsidiaries and equity method investments. As of September 27, 2026, no outside basis differences remain for which a tax liability is unrecognized due to indefinite reinvestment.

Net income taxes paid by jurisdiction consisted of the following *(in millions)*:

Fiscal Year Ended	Sep 27, 2026
U.S. federal [1]	$ 249.7
U.S. state and local	
California	59.4
Other states	106.6
Foreign	
China	105.3
Japan	62.4
Other foreign	100.6
Total income taxes paid, net of refunds	$ 684.0

[1] The Company's U.S. federal payments include $136.6 million related to the purchase of transferable tax credits.

Net income taxes paid for the years ended September 28, 2025 and September 29, 2024 were $715.6 million and $1.4 billion, respectively.

Tax effect of temporary differences and carryforwards that comprise significant portions of deferred tax assets and liabilities *(in millions)*:

	Sep 27, 2026	Sep 28, 2025
Deferred tax assets:		
Operating lease liabilities	$ 2,301.1	$ 2,646.7
Stored value card liability and deferred revenue	1,557.5	1,593.0
Intangible assets and goodwill	318.5	355.5
Other	636.3	780.9
Total	4,813.4	5,376.1
Valuation allowance	(162.0)	(189.2)
Total deferred tax asset, net of valuation allowance	4,651.4	5,186.9
Deferred tax liabilities:		
Operating lease, right-of-use assets	(2,106.8)	(2,466.8)
Property, plant and equipment	(555.7)	(641.3)
Other	(447.8)	(302.3)
Total	(3,110.3)	(3,410.4)
Net deferred tax asset (liability)	$ 1,541.1	$ 1,776.5
Reported as:		
Deferred income tax assets	$ 1,611.9	1,826.9
Deferred income tax liabilities (included in Other long-term liabilities)	(70.8)	(50.4)
Net deferred tax asset (liability)	$ 1,541.1	$ 1,776.5

The valuation allowances as of September 27, 2026, and September 28, 2025, were primarily related to net operating losses and other deferred tax assets of consolidated foreign subsidiaries, and foreign tax credit carryforwards that may not be realized.

As of September 27, 2026, we had federal tax credit carryforwards of $94.3 million, which will begin to expire in fiscal 2030, and foreign net operating loss carryforwards of $147.1 million, of which $95.7 million have an indefinite carryforward period and the remainder will begin to expire in fiscal 2030.

Uncertain Tax Positions

As of September 27, 2026, we had $130.9 million of gross unrecognized tax benefits, of which $80.7 million, if recognized, would affect our effective tax rate. We recognized expense of $8.5 million, $8.4 million, and $8.8 million of interest and penalties in income tax expense, prior to the benefit of the federal tax deduction, for fiscal 2026, 2025, and 2024, respectively. As of September 27, 2026, and September 28, 2025, we had accrued interest and penalties of $38.8 million and $30.4 million, respectively, on our consolidated balance sheets.

The following table summarizes the activity related to our unrecognized tax benefits *(in millions)*:

	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Beginning balance	$ 119.9	$ 108.0	$ 105.0
Increase related to prior year tax positions	0.8	3.1	7.9
Decrease related to prior year tax positions	(0.7)	(0.4)	(6.4)
Increase related to current year tax positions	12.0	12.9	10.3
Decreases related to settlements with taxing authorities	(0.2)	(0.7)	(8.8)
Decrease related to lapsing of statute of limitations	(0.9)	(3.0)	—
Ending balance	$ 130.9	$ 119.9	$ 108.0

We are currently under examination, or may be subject to examination, by various U.S. federal, state, local, and foreign tax jurisdictions for fiscal 2018 through 2025. We are no longer subject to U.S. federal or U.S. state and local examinations for years prior to fiscal 2018 and we are no longer subject to material foreign market examinations for years prior to fiscal 2019.

During the fourth quarter of fiscal 2026, the Company received two final Notices of Proposed Adjustment ("NOPAs") from the Internal Revenue Service ("IRS") for fiscal 2018 and fiscal 2019. The NOPAs propose adjustments that would increase the Company's U.S. taxable income. The Company disagrees with the NOPAs and intends to defend its positions through available administrative and judicial proceedings, as appropriate. In prior years, the Company recorded uncertain tax position reserves

related to these matters and continues to believe that those reserves appropriately reflect the expected outcomes. Accordingly, the Company did not record any changes to its reserves upon receipt of the NOPAs. Although the Company believes its positions are well documented and properly supported and that adequate amounts have been reserved for potential adjustments arising from the examination, the ultimate outcome remains uncertain, and resolution of these matters could have an adverse effect on the Company's income tax expense and net earnings in future periods.

Note 15: Earnings per Share

Calculation of net earnings per common share ("EPS") — basic and diluted *(in millions, except EPS)*:

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Net earnings attributable to Starbucks	$ 2,526.7	$ 1,856.4	$ 3,760.9
Weighted average common shares outstanding (for basic calculation)	1,139.3	1,136.0	1,133.8
Dilutive effect of outstanding common stock options and RSUs	4.1	3.8	3.5
Weighted average common and common equivalent shares outstanding (for diluted calculation)	1,143.4	1,139.8	1,137.3
EPS — basic	$ 2.22	$ 1.63	$ 3.32
EPS — diluted	$ 2.21	$ 1.63	$ 3.31

Potential dilutive shares consist of the incremental common shares issuable upon the exercise of outstanding stock options, unvested RSUs and performance-based RSUs when the related performance criteria have been met, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes anti-dilutive stock options or unvested RSUs, which were immaterial in the periods presented.

Note 16: Commitments and Contingencies

Legal Proceedings

Starbucks is involved in various legal proceedings arising in the ordinary course of business, including litigation matters associated with labor union organizing efforts and certain employment litigation cases that have been certified as class or collective actions, routine liability claims arising from alleged customer injuries, shareholder-related actions, and consumer fraud claims, but is not currently a party to any legal proceeding that management believes could have a material adverse effect on our consolidated financial position, results of operations, or cash flows. While we are closely monitoring the operational and financial impacts of labor union organizing efforts on our business, as of the date of this filing, we believe the risk of a material contingent loss associated with these litigation matters is remote. Refer to the Risk Factors in Part I, Item 1A for further discussion of potential risks to our brand and related impacts on our financial results.

Note 17: Segment Reporting

We have three reportable operating segments: 1) North America, which is inclusive of the U.S. and Canada; 2) International, which is inclusive of China, Japan, Asia Pacific, Europe, Middle East, Africa, Latin America, and the Caribbean; and 3) Channel Development.

North America and International operations sell coffee and other beverages, complementary food, packaged coffees, single-serve coffee products, and a focused selection of merchandise through company-operated coffeehouses and licensed coffeehouses. Our North America segment is our most mature business and has achieved significant scale. Certain markets within our International operations are in various stages of development and may require more extensive support, relative to their current levels of revenue and operating income, than our North America operations.

Channel Development revenues include packaged coffee, tea, foodservice products, and ready-to-drink beverage sales to customers outside of our company-operated and licensed coffeehouses. Most of our Channel Development revenues are from product sales to, and royalty revenues from, Nestlé through the Global Coffee Alliance.

Our CODM, who is our chief executive officer, evaluates the performance of our operating segments based primarily on net revenues and operating income, which represents earnings before other income and expenses and income taxes. Financial information and forecasts are reviewed by our CODM at the segment level, and are used to evaluate performance, monitor actual results versus forecasts, and allocate resources for the consolidated entity. Our CODM does not use total assets by segment as a basis for decision making.

The accounting policies of the operating segments are the same as those described in Note 1, Summary of Significant Accounting Policies and Estimates.

Consolidated revenue mix by product type *(in millions)*:

Fiscal Year Ended	Sep 27, 2026		Sep 28, 2025		Sep 29, 2024	
Beverage[1]	$ 22,413.9	59 %	$ 22,539.9	61 %	$ 21,883.9	60 %
Food[2]	7,407.7	20 %	7,049.9	19 %	6,749.2	19 %
Other[3]	8,089.0	21 %	7,594.6	20 %	7,543.1	21 %
Total	$ 37,910.6	100 %	$ 37,184.4	100 %	$ 36,176.2	100 %

(1) "Beverage" represents sales within our company-operated coffeehouses.
(2) "Food" represents sales within our company-operated coffeehouses.
(3) "Other" primarily consists of packaged and single-serve coffees and teas, royalty and licensing revenues, including from our newly formed China joint venture, beverage-related ingredients, serveware, and ready to drink beverages, among other items.

Information by geographic area (*in millions*):

Fiscal Year Ended	Sep 27, 2026	Sep 28, 2025	Sep 29, 2024
Net revenues [1]:			
United States	$ 28,791.9	$ 27,124.7	$ 26,707.4
China [2]	1,780.7	3,160.8	3,008.2
Other countries	7,338.0	6,898.9	6,460.6
Total	$ 37,910.6	$ 37,184.4	$ 36,176.2

	Sep 27, 2026	Sep 28, 2025
Long-lived assets:		
United States	$ 15,271.6	$ 15,952.7
China [2]	166.7	4,276.8
Japan	2,236.0	2,383.7
Other countries [3]	3,044.2	2,024.2
Total	$ 20,718.5	$ 24,637.4

(1) Includes Channel Development segment and other net revenues.
(2) The fiscal year 2026 balances reflect the impact of divesting Starbucks retail operations in China during the third quarter of fiscal 2026.
(3) "Other countries" includes all other markets outside of those listed and our international equity method investments, including our China joint venture investment established in connection with the divestiture of Starbucks retail operations in China and conversion to a licensed joint venture model in the third quarter of fiscal 2026.

No customer accounts for 10% or more of our revenues. Revenues are shown based on the geographic location of our customers. Revenues from countries other than the U.S. and China consist primarily of revenues from Japan, Canada, and the U.K., which together account for approximately 72%, 73%, and 72% of net revenues from other countries for fiscal years 2026, 2025, and 2024, respectively.

The financial information below is presented for our reportable operating segments and Corporate and Other for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024.

(*in millions*)	North America	International	Channel Development	Corporate and Other	Total
Fiscal 2026					
Total net revenues	$ 28,897.8	$ 6,744.4	$ 2,172.7	$ 95.7	$ 37,910.6
Product and distribution costs	8,279.3	2,520.7	1,343.4	91.8	12,235.2
Coffeehouse operating expenses	14,878.9	2,310.9	—	—	17,189.8
Other operating expenses	228.7	244.3	61.8	9.7	544.5
Depreciation and amortization expenses	1,192.6	169.5	—	121.2	1,483.3
General and administrative expenses	374.3	255.7	3.4	1,739.5	2,372.9
Restructuring and impairments	489.8	95.0	(0.1)	103.9	688.6
Total operating expenses	25,443.6	5,596.1	1,408.5	2,066.1	34,514.3
Income from equity method investees	—	42.8	252.0	—	294.8
Operating income/(loss)	$ 3,454.2	$ 1,191.1	$ 1,016.2	$ (1,970.4)	$ 3,691.1
Net gain resulting from divestiture of certain operations					536.3
Interest income and other, net					145.0
Interest expense					(531.3)
Earnings before income taxes					$ 3,841.1

(*in millions*)	North America	International	Channel Development	Corporate and Other	Total
Fiscal 2025					
Total net revenues	$ 27,373.1	$ 7,819.9	$ 1,871.7	$ 119.7	$ 37,184.4
Product and distribution costs	7,628.7	2,749.8	1,168.3	111.4	11,658.2
Coffeehouse operating expenses	13,973.3	3,085.6	—	—	17,058.9
Other operating expenses	281.6	242.0	60.2	0.8	584.6
Depreciation and amortization expenses	1,196.3	363.9	—	124.5	1,684.7
General and administrative expenses	483.3	344.3	5.8	1,783.8	2,617.2
Restructuring and impairments	653.2	82.5	1.9	154.4	892.0
Total operating expenses	24,216.4	6,868.1	1,236.2	2,174.9	34,495.6
Income from equity method investees	—	(1.8)	249.6	—	247.8
Operating income/(loss)	$ 3,156.7	$ 950.0	$ 885.1	$ (2,055.2)	$ 2,936.6
Interest income and other, net					113.3
Interest expense					(542.6)
Earnings before income taxes					$ 2,507.3

(*in millions*)	North America	International	Channel Development	Corporate and Other	Total
Fiscal 2024					
Total net revenues	$ 27,009.5	$ 7,338.9	$ 1,769.8	$ 58.0	$ 36,176.2
Product and distribution costs	7,478.0	2,575.2	1,075.4	52.0	11,180.6
Coffeehouse operating expenses	12,467.1	2,819.4	—	—	15,286.5
Other operating expenses	280.9	225.1	58.4	1.2	565.6
Depreciation and amortization expenses	1,052.4	338.3	—	121.9	1,512.6
General and administrative expenses	375.8	338.8	7.7	1,801.0	2,523.3
Total operating expenses	21,654.2	6,296.8	1,141.5	1,976.1	31,068.6
Income from equity method investees	—	3.6	297.6	—	301.2
Operating income/(loss)	$ 5,355.3	$ 1,045.7	$ 925.9	$ (1,918.1)	$ 5,408.8
Interest income and other, net					122.8
Interest expense					(562.0)
Earnings before income taxes					$ 4,969.6

Note 18: Restructuring and Impairments

In the fourth quarter of fiscal 2024, we announced our "Back to Starbucks" strategy, which was implemented with the goal to bring customers back to our coffeehouses and return to growth by revitalizing the coffeehouses, enhancing the customer experience, and improving efficiency. As part of the Company's "Back to Starbucks" strategy, the following restructuring plans were approved and executed.

Fiscal 2025 Restructuring Plans

In the second quarter of fiscal 2025, we announced and executed a fiscal 2025 restructuring plan to restructure our support organization in an effort to operate more efficiently, increase accountability, reduce complexity, and drive better integration, which resulted in a reduction in our support partner workforce.

In the fourth quarter of fiscal 2025, we announced and executed an additional fiscal 2025 restructuring plan involving the closure of coffeehouses and the further transformation of our support organization. We assessed our existing coffeehouse portfolio with respect to both whether coffeehouses had a viable path to offering the physical environment consistent with the brand and a clear path to financial performance, and we closed coffeehouses that did not meet these criteria. During the years ended September 27, 2026 and September 28, 2025, 266 and 627 coffeehouses were closed, respectively.

During the years ended September 27, 2026 and September 28, 2025, we recognized pre-tax restructuring charges of approximately $105.1 million and $892.0 million, respectively, to restructuring and impairments on our consolidated statements of earnings related to our fiscal 2025 restructuring plans. These totals consist of accelerated amortization of ROU lease assets and other lease exit costs, disposal and impairment of company-operated coffeehouse assets, and employee severance, separation and other costs.

Fiscal 2026 Restructuring Plans

In the second quarter of fiscal 2026, management approved and executed a fiscal 2026 restructuring plan to relocate certain functions of our support organization to an additional office in Nashville, Tennessee, with the intention to establish a more strategic presence in the Southeast region of the United States.

In the third quarter of fiscal 2026, we announced and executed an additional fiscal 2026 restructuring plan focused on further transformation of our global support organization and non-retail facilities, as well as reducing the future operational complexity of our Starbucks Reserve and Roastery locations resulting in a reassessment and impairment of the associated asset group.

In the fourth quarter of fiscal 2026, we announced and executed an additional fiscal 2026 restructuring plan involving the further closure of coffeehouses. As part of this plan, we conducted an additional assessment of our existing North America coffeehouse portfolio and closed, or plan to close, coffeehouses that did not deliver the coffeehouse experience and financial performance expected of the brand. During the year ended September 27, 2026, 250 coffeehouses were closed.

During the year ended September 27, 2026, we recognized pre-tax restructuring charges of approximately $583.5 million to restructuring and impairments on our consolidated statements of earnings related to our fiscal 2026 restructuring plans. This total consists of disposal and impairment of company-operated coffeehouse and non-retail assets primarily associated with the

impairment of Starbucks Reserve and Roastery locations, the accelerated amortization of ROU lease assets and other lease exit costs, and employee severance, separation and other costs.

The tables below present the restructuring and impairment charges by reportable operating segment and Corporate and Other (*in millions*):

Fiscal Year Ended September 27, 2026	North America	International	Channel Development	Corporate and Other	Total
Fiscal 2025 Restructuring plans:					
Disposal and impairment of coffeehouse assets	$ 47.3	$ (1.6)	$ —	$ —	$ 45.7
Employee severance, separation and other costs	(0.5)	6.1	(0.1)	8.4	13.9
Amortization of ROU lease assets and other lease exit costs	6.5	39.0	—	—	45.5
Total costs	53.3	43.5	(0.1)	8.4	105.1
Fiscal 2026 Restructuring plans:					
Disposal and impairment of coffeehouse and non-retail facility assets [1]	261.1	17.3	—	48.4	326.8
Employee severance, separation and other costs	25.0	34.2	—	47.0	106.2
Amortization of ROU lease assets and other lease exit costs	150.4	—	—	0.1	150.5
Total costs	436.5	51.5	—	95.5	583.5
Total Restructuring and impairment costs	$ 489.8	$ 95.0	$ (0.1)	$ 103.9	$ 688.6

Fiscal Year Ended September 28, 2025	North America	International	Channel Development	Corporate and Other	Total
Fiscal 2025 Restructuring plans:					
Disposal and impairment of coffeehouse assets	$ 313.7	$ 39.1	$ —	$ —	$ 352.8
Employee severance, separation and other costs	103.8	39.8	1.9	154.4	299.9
Amortization of ROU lease assets and other lease exit costs	235.7	3.6	—	—	239.3
Total Restructuring and impairment costs	$ 653.2	$ 82.5	$ 1.9	$ 154.4	$ 892.0
Total costs incurred to date	$ 1,143.0	$ 177.5	$ 1.8	$ 258.3	$ 1,580.6

[1] Includes $113.0 million of ROU lease asset impairments, primarily driven by the impairment of our Starbucks Reserve and Roastery locations.

The tables below present the balance of liabilities related to the restructuring plan by major type of cost (*in millions*):

	Employee severance, separation and other costs	Lease exit and other related costs[1]	Total
Fiscal 2025 Restructuring plans:			
Balance at September 29, 2024	$ —	$ —	$ —
Restructuring costs incurred	299.9	239.3	539.2
Cash payments	(141.0)	(0.4)	(141.4)
Balance at September 28, 2025	158.9	238.9	397.8
Restructuring costs incurred	13.9	45.5	59.4
Cash payments	(149.4)	(163.1)	(312.5)
Divestiture[2]	(2.6)	(1.9)	(4.5)
Other[3]	(14.2)	(2.5)	(16.7)
Balance at September 27, 2026	6.6	116.9	123.5
Fiscal 2026 Restructuring plans:			
Balance at September 28, 2025	—	—	—
Restructuring costs incurred	106.2	150.5	256.7
Cash payments	(55.7)	(1.0)	(56.7)
Other[3]	—	12.7	12.7
Balance at September 27, 2026	50.5	162.2	212.7
Total balance at September 27, 2026	$ 57.1	$ 279.1	$ 336.2

[1] The total operating lease liability balances for restructuring coffeehouse closures under the fiscal 2025 and fiscal 2026 restructuring plans was $146.8 million and $170.0 million, respectively, as of September 27, 2026, and the fiscal 2025 restructuring plan was $272.8 million as of September 28, 2025.

[2] The decrease was a result of divesting Starbucks retail operations in China during the third quarter of fiscal 2026.

[3] "Other" primarily consists of updates to accrual estimates.

As of September 27, 2026, the majority of the remaining accrued employee separation costs are reflected in accrued payroll and benefits and the remaining accrued lease-related costs are reflected in the operating lease liability on the consolidated balance sheets.

Inclusive of fiscal year 2025 and 2026 charges, the Company estimates that it will incur approximately $1.7 billion in total pre-tax restructuring charges related to the 2025 and 2026 restructuring plans. Estimated restructuring charges expected to be incurred in fiscal year 2027 include approximately $74 million of accelerated amortization of ROU lease assets and other lease exit costs and $70 million of disposal and impairment of company-operated coffeehouse assets. We anticipate completion of both the fiscal 2025 and fiscal 2026 restructuring plans and remaining coffeehouse closures by the first half of fiscal 2027.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Starbucks Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Starbucks Corporation and subsidiaries (the "Company") as of September 27, 2026, and September 28, 2025, the related consolidated statements of earnings, comprehensive income, equity, and cash flows, for each of the three years in the period ended September 27, 2026, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 27, 2026, and September 28, 2025, and the results of its operations and its cash flows for each of the three years in the period ended September 27, 2026, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of September 27, 2026, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated November 12, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit and Compliance Committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Potential indicators of impairment of long-lived assets – *Refer to Note 1 and Note 10 to the financial statements*

Critical Audit Matter Description

The Company evaluates property, plant and equipment, operating lease right-of-use ("ROU") assets and other finite-lived assets for impairment when facts and circumstances indicate that the carrying values of such assets may not be recoverable. Long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. For company-operated store ("coffeehouse") assets, the impairment test is performed at the individual coffeehouse asset group level, which is inclusive of property, plant and equipment and lease ROU assets. Factors considered in the Company's evaluation of potential indicators of impairment include, but are not limited to, the coffeehouse's historical performance, the local market economics, and the business environment impacting the coffeehouse's performance.

We identified the evaluation of potential indicators of impairment as a critical audit matter because of the significant judgments made by management in assessing potential indicators of impairment which in turn led to a higher degree of auditor judgment, subjectivity and audit effort in performing audit procedures and evaluating audit evidence relating to management's evaluation of the coffeehouse's historical performance, the local market economics, and the business environment impacting the coffeehouse's performance.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the identification of indicators of impairment included the following:

- We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's processes over the evaluation of potential impairment indicators.
- We evaluated the Company's assessment of the factors considered, including the coffeehouse's historical performance.
- We considered other events or changes in circumstances that could have been indicative of a potential impairment trigger.
- We considered available industry and economic information.
- We read board of directors' meeting minutes for significant changes in the manner of the use of the assets or the strategy of the overall business.

/s/ DELOITTE & TOUCHE LLP

Seattle, Washington

November 12, 2026

We have served as the Company's auditor since 1987.

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

Not applicable.

Item 9A. *Controls and Procedures*

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in our periodic reports filed or submitted under the Exchange Act, is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

During the fourth quarter of fiscal 2026, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this report (September 27, 2026).

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during our most recently completed fiscal quarter that materially affected or are reasonably likely to materially affect internal control over financial reporting.

The certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits 31.1 and 31.2, respectively, to this 10-K.

Report of Management on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use, or disposition of company assets that could have a material effect on our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in *Internal Control — Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls, and a conclusion on this evaluation. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of September 27, 2026.

Our internal control over financial reporting as of September 27, 2026, has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Starbucks Corporation

Opinion on Internal Control over Financial Reporting
We have audited the internal control over financial reporting of Starbucks Corporation and subsidiaries (the "Company") as of September 27, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 27, 2026, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended September 27, 2026, of the Company and our report dated November 12, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

Seattle, Washington

November 12, 2026

Item 9B. *Other Information*

Insider Adoption or Termination of Trading Arrangements:

During the fiscal quarter ended September 27, 2026, none of our directors or officers informed us of the adoption or termination of a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Regulation S-K, Item 408.

Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections*

Not applicable.

PART III

Item 10. *Directors, Executive Officers, and Corporate Governance*

Information regarding our executive officers is set forth in Item 1 of Part I of this Report under the caption "Information about our Executive Officers."

We adopted a code of ethics that applies to our chief executive officer, chief financial officer, chief accounting officer, controller, and other finance leaders, which is a "code of ethics" as defined by applicable rules of the SEC. This code is publicly available on our website at about.starbucks.com/corporate-governance/. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to our chief executive officer, chief financial officer, chief accounting officer, or controller, we will disclose the nature of the amendment or waiver, its effective date, and to whom it applies on our website at about.starbucks.com/corporate-governance/ or in a report on Form 8-K filed electronically with the SEC at www.sec.gov.

The remaining information required by this item is incorporated herein by reference to the sections entitled "Proposal 1 - Election of Directors," "Stock Ownership - Beneficial Ownership of Common Stock," "Corporate Governance," "Corporate Governance - Audit and Compliance Committee" and "Executive Compensation Governance Policies and Practices - Insider trading policy" in our definitive Proxy Statement for the Annual Meeting of Shareholders to be held on March 17, 2027 (the "Proxy Statement").

We will provide disclosure of delinquent Section 16(a) reports, if any, in our Proxy Statement in a section entitled "Stock Ownership - Delinquent Section 16(a) Reports," and such disclosure, if any, is incorporated herein by reference.

Item 11. *Executive Compensation*

The information required by this item is incorporated by reference to the sections entitled "Executive Compensation," "Executive Compensation - Executive Compensation Tables," "Corporate Governance - Compensation of Directors," and "Corporate Governance - Role of Our Board Committees - Compensation Committee Interlocks and Insider Participation" in the Proxy Statement.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters*

The information required by this item is incorporated by reference to the sections entitled "Stock Ownership - Equity Compensation Plan Information" and "Stock Ownership - Beneficial Ownership of Common Stock" in the Proxy Statement.

Item 13. *Certain Relationships and Related Transactions and Director Independence*

The information required by this item is incorporated by reference to the sections entitled "Corporate Governance - Certain Relationships and Related Person Transactions" and "Corporate Governance - Director Independence" in the Proxy Statement.

Item 14. *Principal Accountant Fees and Services*

The information required by this item is incorporated by reference to the sections entitled "Proposal 3 - Ratification of Selection of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm - Independent Registered Public Accounting Firm Fees" and "Proposal 3 - Ratification of Selection of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm - Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of the Independent Registered Public Accounting Firm" in the Proxy Statement.

PART IV

Item 15. *Exhibits and Financial Statement Schedules*

(a) The following documents are filed as a part of this 10-K:

1. Financial Statements

The following financial statements are included in Part II, Item 8 of this 10-K:

- Consolidated Statements of Earnings for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024;
- Consolidated Statements of Comprehensive Income for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024;
- Consolidated Balance Sheets as of September 27, 2026 and September 28, 2025;
- Consolidated Statements of Cash Flows for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024;
- Consolidated Statements of Equity for the fiscal years ended September 27, 2026, September 28, 2025, and September 29, 2024;
- Notes to Consolidated Financial Statements; and
- Reports of Independent Registered Public Accounting Firm (PCAOB ID No. 34)

2. Financial Statement Schedules

Financial statement schedules are omitted because they are not required or are not applicable, or the required information is provided in the consolidated financial statements or notes described in Item 15(a)(1) above.

3. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
2.1	Transaction Agreement, dated as of May 6, 2018, by and between Starbucks Corporation and Nestlé S.A.	8-K	000-20322	5/7/2018	2.1	
3.1	Restated Articles of Incorporation of Starbucks Corporation	10-Q	000-20322	4/28/2015	3.1	
3.2	Amended and Restated Bylaws of Starbucks Corporation (As amended and restated through June 25, 2025)	8-K	000-20322	6/30/2025	3.1	
4.1	Indenture, dated as of September 15, 2016, by and between Starbucks Corporation and U.S. Bank Trust Company, National Association, as trustee (as successor in interest to U.S. Bank National Association)	S-3ASR	333-213645	9/15/2016	4.1	
4.2	Second Supplemental Indenture, dated as of November 22, 2017, by and between Starbucks Corporation and U.S. Bank National Association, as trustee (3.750% Senior Notes due 2047)	8-K	000-20322	11/22/2017	4.2	
4.3	Form of 3.750% Senior Notes due December 1, 2047 (included as Exhibit B to Exhibit 4.2)	8-K	000-20322	11/22/2017	4.4	
4.4	Third Supplemental Indenture, dated as of February 28, 2018, by and between Starbucks Corporation and U.S. Bank National Association, as trustee (3.500% Senior Notes due 2028)	8-K	000-20322	2/28/2018	4.2	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
4.5	Form of 3.500% Senior Notes due March 1, 2028 (included as Exhibit B to Exhibit 4.4)	8-K	000-20322	2/28/2018	4.4	
4.6	Fourth Supplemental Indenture, dated as of August 10, 2018, by and between Starbucks Corporation and U.S. Bank National Association, as trustee (4.000% Senior Notes due 2028 and 4.500% Senior Notes due 2048)	8-K	000-20322	8/10/2018	4.2	
4.7	Form of 4.000% Senior Notes due November 15, 2028 (included as Exhibit B to Exhibit 4.6)	8-K	000-20322	8/10/2018	4.4	
4.8	Form of 4.500% Senior Notes due November 15, 2048 (included as Exhibit C to Exhibit 4.6)	8-K	000-20322	8/10/2018	4.2	
4.9	Fifth Supplemental Indenture, dated as of May 13, 2019, by and between Starbucks Corporation and U.S. Bank National Association, as trustee (3.550% Senior Notes due 2029 and 4.450% Senior Notes due 2049)	8-K	000-20322	5/13/2019	4.2	
4.10	Form of 3.550% Senior Notes due August 15, 2029 (included as Exhibit A to Exhibit 4.9)	8-K	000-20322	5/13/2019	4.3	
4.11	Form of 4.450% Senior Notes due August 15, 2049 (included as Exhibit B to Exhibit 4.9)	8-K	000-20322	5/13/2019	4.4	
4.12	Sixth Supplemental Indenture, dated as of March 12, 2020, by and between Starbucks Corporation and U.S. Bank National Association, as trustee (2.000% Senior Notes due 2027, 2.250% Senior Notes due 2030 and 3.350% Senior Notes due 2050)	8-K	000-20322	3/12/2020	4.2	
4.13	Form of 2.000% Senior Notes due March 12, 2027 (included as Exhibit A to Exhibit 4.12)	8-K	000-20322	3/12/2020	4.3	
4.14	Form of 2.250% Senior Notes due March 12, 2030 (included as Exhibit B to Exhibit 4.12)	8-K	000-20322	3/12/2020	4.4	
4.15	Form of 3.350% Senior Notes due March 12, 2050 (included as Exhibit C to Exhibit 4.12)	8-K	000-20322	3/12/2020	4.5	
4.16	Seventh Supplemental Indenture, dated as of May 7, 2020, by and between Starbucks Corporation and U.S. Bank National Association, as trustee (2.550% Senior Notes due 2030 and 3.500% Senior Notes due 2050)	8-K	000-20322	5/7/2020	4.2	
4.17	Form of 2.550% Senior Notes due November 15, 2030 (included as Exhibit B to Exhibit 4.16)	8-K	000-20322	5/7/2020	4.4	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
4.18	Form of 3.500% Senior Notes due November 15, 2050 (included as Exhibit C to Exhibit 4.16)	8-K	000-20322	5/7/2020	4.5	
4.19	Eighth Supplemental Indenture, dated as of February 14, 2022, by and between Starbucks Corporation and U.S. Bank Trust Company, National Association, as trustee and as successor in interest to U.S. Bank National Association (3.000% Senior Notes due 2032)	8-K	000-20322	2/14/2022	4.2	
4.20	Form of 3.000% Senior Notes due February 14, 2032 (included as Exhibit B to Exhibit 4.19)	8-K	000-20322	2/14/2022	4.4	
4.21	Ninth Supplemental Indenture, dated as of February 16, 2023, by and between Starbucks Corporation and U.S. Bank Trust Company, National Association, as trustee and as successor in interest to U.S. Bank National Association (4.800% Senior Notes due 2033)	8-K	000-20322	2/16/2023	4.2	
4.22	Form of 4.800% Senior Notes due February 15, 2033 (included as Exhibit B to Exhibit 4.21)	8-K	000-20322	2/16/2023	4.4	
4.23	Tenth Supplemental Indenture, dated as of February 8, 2024, by and between Starbucks Corporation and U.S. Bank Trust Company, National Association, as trustee and successor in interest to U.S. Bank National Association (4.850% Senior Notes due 2027, 4.900% Senior Notes due 2031 and 5.000% Senior Notes due 2034)	8-K	000-20322	2/8/2024	4.2	
4.24	Form of 4.850% Senior Notes due February 8, 2027 (included as Exhibit A to Exhibit 4.23)	8-K	000-20322	2/8/2024	4.3	
4.25	Form of 4.900% Senior Notes due February 15, 2031 (included as Exhibit B to Exhibit 4.23)	8-K	000-20322	2/8/2024	4.4	
4.26	Form of 5.000% Senior Notes due February 15, 2034 (included as Exhibit C to Exhibit 4.23)	8-K	000-20322	2/8/2024	4.5	
4.27	Eleventh Supplemental Indenture, dated as of May 8, 2025, by and between Starbucks Corporation and U.S. Bank Trust Company, National Association, as trustee and successor in interest to U.S. Bank National Association	8-K	000-20322	5/8/2025	4.2	
4.28	Form of 4.500% Senior Notes due May 15, 2028 (included as Exhibit A to Exhibit 4.27)	8-K	000-20322	5/8/2025	4.3	
4.29	Form of 4.800% Senior Notes due May 15, 2030 (included as Exhibit B to Exhibit 4.27)	8-K	000-20322	5/8/2025	4.4	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
4.30	Form of 5.400% Senior Notes due May 15, 2035 (included as Exhibit C to Exhibit 4.27)	8-K	000-20322	5/8/2025	4.5	
4.31	Indenture, dated as of August 23, 2007, by and between Starbucks Corporation and Deutsche Bank Trust Company Americas, as trustee	S-3ASR	333-190955	9/3/2013	4.1	
4.32	Fourth Supplemental Indenture, dated as of June 10, 2015, by and between Starbucks Corporation and Deutsche Bank Trust Company Americas, as trustee (4.300% Senior Notes due June 2045)	8-K	000-20322	6/10/2015	4.2	
4.33	Form of 4.300% Senior Notes due June 15, 2045 (included as Exhibit B to Exhibit 4.32)	8-K	000-20322	6/10/2015	4.4	
4.34	Description of Securities	10-K	000-20322	11/15/2019	4.29	
10.1*	Starbucks Corporation Employee Stock Purchase Plan — 1995 as amended and restated on April 9, 2015 to reflect adjustments for the 2-for-1 forward stock split effective on such date	10-Q	000-20322	8/1/2017	10.1	
10.2*	Starbucks Corporation Executive Management Bonus Plan, as amended and restated on January 12, 2022	8-K	000-20322	1/14/2022	10.1	
10.3*	Starbucks Corporation Management Deferred Compensation Plan, as amended and restated effective January 1, 2011	10-Q	000-20322	2/4/2011	10.2	
10.4*	Fifth Amendment to Starbucks Corporation Management Deferred Compensation Plan	10-Q	000-20322	7/28/2020	10.1	
10.5*	Starbucks Corporation Deferred Compensation Plan for Non-Employee Directors, as amended and restated effective September 11, 2018	10-K	000-20322	11/16/2018	10.5	
10.6*	Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective March 16, 2022	10-Q	000-20322	5/3/2022	10.1	
10.7*	2005 Key Employee Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective November 15, 2005	10-Q	000-20322	2/10/2006	10.2	
10.8*	2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective September 11, 2018	10-K	000-20322	11/16/2018	10.9	
10.9*	Form of Global Stock Option Grant Agreement for Purchase of Stock under the Key Employee Sub-Plan to the 2005 Long Term Equity Incentive Plan	10-K	000-20322	11/18/2016	10.1	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
10.10*	Form of Stock Option Grant Agreement for Purchase of Stock under the 2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	10-Q	000-20322	4/26/2016	10.2	
10.11	Credit Agreement, dated June 13, 2025, among Starbucks Corporation, Bank of America, N.A., in its capacity as Administrative Agent, Swing Line Lender and L/C Issuer, Wells Fargo Bank, N.A., Citibank, N.A., Morgan Stanley Bank, N.A. and U.S. Bank National Association, as L/C Issuers, and the other Lenders from time to time a party thereto	8-K	000-20322	6/16/2025	10.1	
10.12	Form of Commercial Paper Dealer Agreement between Starbucks Corporation, as Issuer, and the Dealer	8-K	000-20322	7/29/2016	10.1	
10.13*	Form of Global Key Employee Stock Option Grant Agreement for Purchase of Stock under the 2005 Long-Term Equity Incentive Plan	10-K	000-20322	11/17/2017	10.25	
10.14*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Promotion - Time-Based -No Retirement Vesting) (Effective August 2022)	10-K	000-20322	11/18/2022	10.23	
10.15*	Starbucks Corporation Key Employee Restricted Stock Unit Grant Agreement (New Hire - Time-Based - No Retirement Vesting) (Effective August 2022)	10-K	000-20322	11/18/2022	10.24	
10.16*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Annual - Time-Based - Retirement Vesting) (Effective August 2022)	10-K	000-20322	11/18/2022	10.25	
10.17*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Annual - Performance Based - Retirement Vesting) (Effective August 2022)	10-K	000-20322	11/18/2022	10.26	
10.18*	Starbucks Corporation Executive Severance and Change in Control Plan effective August 31, 2022 and amended on March 22, 2023	8-K	000-20322	3/28/2023	10.10	
10.19*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Performance-Based) (Effective November 2023)	10-K	000-20322	11/17/2023	10.29	
10.20*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Time-Based) (Effective November 2023)	10-K	000-20322	11/17/2023	10.30	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
10.21*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Promotion and New Hire) (Effective November 2023)	10-K	000-20322	11/17/2023	10.31	
10.22*	Offer Letter, dated August 11, 2024, by and between Starbucks Corporation and Brian R. Niccol	8-K	000-20322	8/14/2024	10.1	
10.23*	Letter Agreement Amending Offer Letter, dated November 19, 2024, by and between Starbucks Corporation and Brian R. Niccol	8-K	000-20322	11/21/2024	10.1	
10.24*	Offer Letter, dated February 27, 2025, by and between Starbucks Corporation and Cathy Smith	8-K	000-20322	3/4/2025	10.1	
10.25*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Performance-Based) (Effective November 2024)	10-K	000-20322	11/20/2024	10.33	
10.26*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Time-Based) (Effective November 2024)	10-K	000-20322	11/20/2024	10.34	
10.27*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Promotion) (Effective November 2024)	10-K	000-20322	11/20/2024	10.35	
10.28*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Performance Based – Retirement Vesting) (Effective November 2025)	10-K	000-20322	11/14/2025	10.30	
10.29*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Performance Based – No Retirement Vesting) (Effective November 2025)	10-K	000-20322	11/14/2025	10.31	
10.30*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Time Based – Retirement Vesting) (Effective November 2025)	10-K	000-20322	11/14/2025	10.32	
10.31*	Starbucks Corporation Global Key Employee Restricted Stock Unit Grant Agreement (Time Based – No Retirement Vesting) (Effective November 2025)	10-K	000-20322	11/14/2025	10.33	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
19.1	Starbucks Corporation Insider Trading Policy	10-K	000-20322	11/14/2025	19.1	
21	Subsidiaries of Starbucks Corporation	—	—	—	—	X
23	Consent of Independent Registered Public Accounting Firm	—	—	—	—	X
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
32**	Certifications of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	—	—	—	—	
97	Starbucks Corporation Recovery of Incentive Compensation Policy	10-K	000-20322	11/17/2023	97	
101	The following financial statements from the Company's 10-K for the fiscal year ended September 27, 2026, formatted in iXBRL: (i) Consolidated Statements of Earnings, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Equity, and (vi) Notes to Consolidated Financial Statements	—	—	—	—	X
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)					

* Denotes a management contract or compensatory plan or arrangement.

** Furnished herewith.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STARBUCKS CORPORATION

By: /s/ Brian R. Niccol

Brian R. Niccol
chairman and chief executive officer

November 12, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of November 12, 2026.

Signature	Title
By: /s/ Brian R. Niccol Brian R. Niccol	chairman and chief executive officer (principal executive officer)
By: /s/ Cathy R. Smith Cathy R. Smith	executive vice president, chief financial officer (principal financial officer)
By: /s/ Val Bauduin Val Bauduin	senior vice president, Corporate Finance and Development (principal accounting officer)
By: /s/ Richard E. Allison, Jr. Richard E. Allison, Jr.	director
By: /s/ Andrew Campion Andrew Campion	director
By: /s/ Beth Ford Beth Ford	director
By: /s/ Jørgen Vig Knudstorp Jørgen Vig Knudstorp	director
By: /s/ Marissa Mayer Marissa Mayer	director
By: /s/ Neal Mohan Neal Mohan	director
By: /s/ Dambisa F. Moyo Dambisa F. Moyo	director
By: /s/ Daniel Servitje Daniel Servitje	director
By: /s/ Mike Sievert Mike Sievert	director
By: /s/ Wei Zhang Wei Zhang	director