



C.A.F.E. Practices – Zero Tolerance Indicators

As part of the C.A.F.E. Practices program, Starbucks requires applicants / suppliers to comply with the following Zero Tolerance indicators before a Status and Validity can be granted. All suppliers must have a valid Status before shipping.

The Corrective Action process can increase verification costs and cause substantial delays in shipping coffee. Starbucks therefore strongly recommends that every applicant review the below list, conduct a self-assessment and correct any non-compliant areas before scheduling a verification with an approved verifier organization.

- In the event that Zero Tolerance indicators are non-compliant, the applicant (supplier) will be required to submit and implement a Zero Tolerance Corrective Action plan (ZT-CAR).
- Corrective Action Plans generally will require an applicant to:
 - Submit a corrective action plan for all non-compliant Zero Tolerance indicators
 - Create training materials AND conduct trainings for all farms on Zero Tolerance non-compliant indicators.
 - Provide documentation and timelines on implementation of Corrective Actions and / or necessary trainings to the entire supply chain.
 - Schedule a re-verification inspection to confirm compliance with Zero Tolerance indicators.

Please note that Starbucks reserves the right to reject or claim against shipments originating from Zero Tolerance non-compliant supply chains, so it is imperative that every applicant / supplier pay close attention to these indicators. Please feel free to contact Starbucks should you have any questions or concerns.

Summary of Zero Tolerance Indicators

- 1) **SR-HP1.1:** ZERO TOLERANCE: All permanent workers are paid the nationally or regionally established minimum wage. If minimum wages for permanent workers have not been established, all permanent workers are paid the local industry standard wage. If workers are paid by production, wages meet the nationally or regionally established minimum wage, or, where minimum wage has not been established, the local industry standard wage.
- 2) **SR-HP1.2:** ZERO TOLERANCE: All temporary and seasonal workers are paid the nationally or regionally established minimum wage. If minimum wages for temporary/seasonal workers have not been established, all temporary/seasonal workers are paid the local industry standard wage.
If workers are paid by production, wages meet the nationally or regionally established minimum wage, or, where minimum wage has not been established, the local industry standard wage.

- 3) **SR-HP1.3:** ZERO TOLERANCE: Wages are paid regularly to all workers in cash, cash equivalent (check, direct deposit), or through in-kind payments (e.g., food), if legally permissible.
- 4) **SR-HP1.17:** ZERO TOLERANCE: Labor intermediaries are only used where legally permissible. If labor intermediaries are used, they can demonstrate compliance with all legal requirements at the time of the verification.
- 5) **SR-HP4.1:** ZERO TOLERANCE: Employer does not directly or indirectly contract any persons under the age of 14.
- 6) **SR-HP4.2:** ZERO TOLERANCE: Employment of authorized minors of age 14 or older follows all legal requirements, including, but not limited to, work hours, wages, education, working conditions, and does not conflict with or limit their access to education.
- 7) **SR-HP4.3:** ZERO TOLERANCE: Employer enforces a policy of prohibiting discrimination on the basis of gender, race, ethnicity, age or religion as per ILO Convention 111.
Written policy required for large/medium farms and mills with more than 5 employees.
- 8) **SR-HP4.4:** ZERO TOLERANCE: Employer enforces a policy that prohibits the use of forced, bonded, indentured, convict or trafficked labor.
Written policy required for large/medium farms and mills with more than 5 employees.
- 9) **SR-HP4.5:** ZERO TOLERANCE: The workplace is free from physical, sexual, and verbal harassment and abuse.
- 10) **SR-HP4.6:** ZERO TOLERANCE: Workers do not surrender their identity papers or other original personal documents or pay deposits as a condition of employment.
- 11) **SR-WC2.1:** ZERO TOLERANCE: Children of legal school age attend school and do not work during school hours.
- 12) **CG-CB3.1:** ZERO TOLERANCE: No conversion of natural forest to agricultural production since 2004.
- 13) **CG-EM1.1:** ZERO TOLERANCE: Farm does not use pesticides that are listed by the World Health Organization as Type 1A or 1B, or that are banned according to national, regional, or local laws.
- 14) **CP-MT1.1:** ZERO TOLERANCE: Mill has a system and is tracking C.A.F.E. Practices coffee from initial purchase through point of export.
- 15) **CP-MT1.2:** ZERO TOLERANCE: Mill has a system and is tracking C.A.F.E. Practices coffee from initial purchase or intake through final sale or output.
- 16) **PS-MT1.1:** ZERO TOLERANCE: All supply chain entities have and implement a system to track the movement of C.A.F.E. Practices coffee from initial purchase through point of export.
- 17) **PS-MT1.2:** ZERO TOLERANCE: Organization has an annually updated list of producers participating in the C.A.F.E. Practices Program.
- 18) **PS-MT1.3:** ZERO TOLERANCE: Each farm in the supply chain receives a receipt for coffee purchased.

19) **PS-EM1.1:** ZERO TOLERANCE: Producer Support Organization does not buy, distribute or apply pesticides prohibited under the World Health Organization Type 1A or 1B lists, or that are banned according to national, regional or local laws.