

PRESS STATEMENT: TATA STARBUCKS LIMITED, 12.11.2012

This in reference to a recent report filed by a UK-based publication on the wage structure of Starbucks in India. Contrary to the information that is provided in the report, it is critical to highlight the importance that Starbucks has always placed on taking care of its people. This is in the form of compensation and benefits, as well as partner development through education, training and engagement; providing partners with an environment that supports and inspires.

Contrary to what is stated in the report, we would like to highlight the following facts:

- Partner compensation: Our full compensation plan in India is designed to ensure that we are placed at a premium position to attract the best talent in the Indian market. Our pay packages for our baristas are not only premium in the coffee sector, but also place us at par with the top level in the QSR sector in India.
 - We pay our partners a starting wage of 41.40 GBX (35.94 INR) per hour with additional benefits such as medical insurance, accident insurance, and statutory benefits
- Our vendors strictly adhere to the minimum wage regulations and other compliances as stipulated by the State Government.
 - As a result, contract employees are paid at the minimum wage stipulated by the State Government and in some sections of our workforce are paid around 20% higher than the minimum wage stipulated by the State Government.
- We also offer other benefits to our partners in India, such as a 30% discount on all in-store items, stipulated coffee and food consumption in-store on all working days, and 6 months maternity leave and 7 working days paternity for our partners (employees), as against 3 months maternity leave stipulated by the Government.

Before opening our India business, we conducted comprehensive research to ensure our full benefits package was at a premium level, as we have always recognized the important role our partners play in delivering an exceptional experience to our customers. We take our responsibility as a global business seriously and have always worked to ensure our approach to employment is consistent with our foundational values as a company.

Having shared this information with you, we respectfully request that you accurately reflect the commitment Starbucks has always had to its people and our long-term commitment to build the business in India the right way.

- Avani Saglani Davda
CEO, Tata Starbucks Limited

About Starbucks

Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting the highest-quality *arabica* coffee in the world. Today, with more than 17,000 stores around the globe, the company is the premier roaster and retailer of specialty coffee in the world. Through our unwavering commitment to excellence and our guiding principles, we bring the unique *Starbucks Experience* to life for every customer through every cup. To share in the experience, please visit us in our stores or online at www.starbucks.com

About Tata Global Beverages and Tata Coffee

Tata Global Beverages is a part of the global Tata Group. Tata Global Beverages is a global beverage business and the world's second largest tea company. The group's annual turnover is US \$1.5 bn and it employs around 3000 people worldwide. The Company focuses on 'good for you' beverages and has a stable of innovative regional and global beverage brands , including Tata Tea, Tetley, Himalayan natural mineral water and Eight O' Clock Coffee. For more information, please visit www.tataglobalbeverages.com

Tata Coffee is a subsidiary of Tata Global Beverages. It is Asia's largest coffee plantation company and the 3rd largest exporter of instant coffee in the country. The Company produces more than 10,000 MT of shade grown Arabica and Robusta coffees at its 19 estates in South India and its two Instant Coffee manufacturing facilities have a combined installed capacity of 6000 metric tonnes. It exports green coffee to countries in Europe, Asia, Middle East and North America. Tata Coffee's farms are triple certified: Utz, Rainforest Alliance and SA8000 reinforcing its commitment to the people and the environment.

For further information contact:

Tata Starbucks Limited media contact:

Purna Korla / Vaishnavi Ramakrishnan

Purna.korla@edelman.com / Vaishnavi.ramakrishnan@edelman.com

+91 9717-022-726 / +91 7738-025-770