Supplier Diversity

Working with qualified diverse suppliers in the communities where we do business is consistent with our overall commitment as a company to foster an inclusive environment. Our buyers work closely with these small businesses to get their products into Costco.



Supplier Diversity Goals

Diversity in Costco's Product Line Specifically, our goals around supplier diversity are to:

- Work with qualified minority- and women-owned suppliers in our communities to provide greater opportunities to do business with Costco.
- Partner with community organizations to identify qualified diverse suppliers to support our business.

Since 2005, Costco's buying teams have worked with small businesses in our Supplier Diversity program. In the typical scenario, we have featured their products in select regional warehouses or online at Costco.com. These items are a part of our unique "Treasure Hunt" variety of products that complement the everyday essentials at Costco.

Success Stories Our diverse suppliers provide us innovative products, from snacks to skin-care solutions. Here are snapshots of a few from the recent past.



Blueland

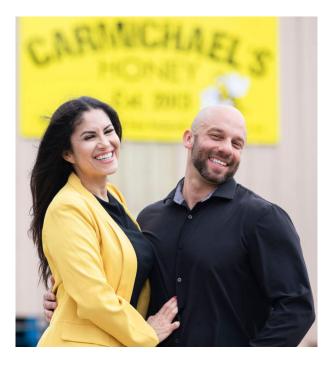
When Sarah Paiji Yoo became a mom, she naturally became concerned about the quality of the food and water she was feeding her baby. One concern was microplastics that are detected in many of the foods we eat.

Seeking a solution to single-use plastic bottles, she and co-founder John Mascari in 2019 started <u>Blueland</u>, which offers household products in reusable containers. Those containers can be refilled with Blueland's tablet-based soaps and cleansers—eliminating all single-use products in the process. "They're sustainable, as well as effective, affordable and easy to use," Sarah says.

Blueland toilet cleaner tabs are available in select Costco locations and online at Costco.com. "It's been a dream to see our toilet bowl cleaner tablets at Costco," says Sarah. "We think it's an incredible success with its compostable paper packaging standing out proudly in a sea of plastic."



Carmichael's Honey



Nathan Carmichael learned beekeeping from his grandfather and his father. As he began making honey for sale himself, he knew he was making a top-quality product, but it was sold to brokers for products like cereal bars. "I thought it would be delightful for consumers to get it in a bottle and put it on whatever they want," he says. "That's when the dream came alive."

He and his wife, Marcela, founded <u>Carmichael's</u> <u>Honey</u> in 2013, offering 100% pure raw, unfiltered honey. They started by selling bottles to local grocers around their hometown of Youngsville, Louisiana. Now their products are found in stores in 10 states, including several Costco locations.

"Working with Costco has given us a platform that helped reach communities that we did not have exposure to," says Marcela. "Being a Costco supplier has helped us grow and propelled us to learn new strategies."



Orgain



As he was recovering from cancer, teenager Andrew Abraham was advised to drink protein shakes to provide needed nutrition. But he couldn't find anything with simple, organic ingredients. He wouldn't forget that lesson later in life, first as a doctor and then in 2009 as the founder of <u>Orgain</u>.

Orgain offers drinks and mixes made without soy, artificial flavors, sweeteners or preservatives. The company's philosophy is that real nutrition has the power to make a real difference in people's lives. "Costco believed in our purpose since day one," says Abraham, "and we continue to develop exclusive products that meet the evolving health needs of Costco's members."

Siete Family Foods

Miguel Garza, CEO of <u>Siete Family Foods</u>, knows firsthand the challenges of growing a small business from scratch. There are the typical growing pains, competition in the marketplace and ups and downs of a new business. On top of that Latino-based businesses tend to receive far less funding — critical to

really growing their businesses - than other groups in the U.S. Yet Siete Family Foods has grown from a single product, almond-flour tortillas developed by Miguel's sister Veronica, into a full line of gluten- and dairy-free Mexican American staples available in 16,000 stores, including Costco. And now, the company gives back through the Siete Juntos Fund, offering mentorship and awards to growing Latino food businesses. The awards will total \$2 million over five years. "By providing financial resources to entrepreneurs across the country through our Siete Juntos Fund, our goal is to build a more equitable and prosperous future for businesses and communities to thrive over the next five years—and hopefully, many years to come," says Miguel.



Resources for Suppliers

Are you interested in selling products at Costco or providing a service? Click this <u>Supplier Diversity Resource</u> for further details.

