

Organics, Greenhouse Grown & Horticulture



Organics

Organic farming contributes to healthy land stewardship. Costco's selection of organic products continues to grow to meet our members' demands. Organic comprises 34% of our produce sales in the U.S. Examples of organic products include fruit, vegetables, meat, eggs, cheese, milk, butter, grains, nuts, coffee, tea, juice, wine, beer, spices, oils, sauces, snacks and cotton. Some of these are offered in their local regions only; others are offered worldwide.

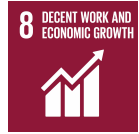
We have many excellent suppliers who help us grow and expand our organic offerings. These suppliers use field practices that support soil health, promote natural pest management and weed control, and improve food safety. Where it makes sense, we work with suppliers and growers to support the conversion of conventional items to organic.

A key component of the sustainable growth of organic proteins, such as eggs, chicken, beef, pork, etc., is organic feed. Costco works with its suppliers and their feed suppliers to learn the impact that this growing demand for feed has on farmers' future security, yields and income.



Green- house Grown

Greenhouses are a form of sustainable agriculture that we continue to explore with our suppliers. We have worked closely with numerous suppliers to increase the amount of greenhouse-grown produce we source, and we plan to continue with this strategy. Greenhouse-grown agriculture offers many benefits, including less water and chemicals used and more productivity per acre. Greenhouses can also be strategically located, resulting in fewer transportation miles and fresher products.



Horti- culture

In sourcing Costco’s live goods (indoor and outdoor plants) and fresh flowers, we look for opportunities to promote more sustainable practices in horticulture, including limiting the use of chemicals, promoting pollinator health and ensuring decent and safe working conditions for those in the industry. For example, many of our cut rose heads are sourced from [Rainforest Alliance](#) certified farms in Colombia and Ecuador, which provide traceability back to the farm and ensures specific standards are met (see goals below). Additionally, many of these rose suppliers support their local communities through scholarship programs and childcare centers.

Rainforest Alliance Long-Term Outcomes

- Livelihoods are improved and human rights are fully respected for farmers and farm workers, their facilities and local communities.
- Forests and natural ecosystems are protected and restored, biodiversity and ecosystem services are conserved, and climate change is mitigated.



Supplier Spotlight: MM Flowers & VP Group

In fiscal year 2023, Costco UK continued to source flowers from Kenya through our supplier, MM Flowers. MM Flowers sources our roses from farms near Mount Kenya and Lake Naivasha. These farms are part of VP Group in Kenya, a floriculture group focused on sustainability across its farms. They take on initiatives ranging from offering free nutritious lunches for all employees to having dedicated committees for issues such as worker welfare and gender. VP Group also focuses on community efforts such as providing potable water to the local community, donating to support community policing and maintaining roads to improve local transport.

