

SASB

Costco follows the guidance of the Sustainability Accounting Standards Board (SASB) Standards for reporting on sustainability metrics.

Sustainability Accounting Standards Board

In fiscal year (FY) 2021, we began an assessment of ESG reporting methodologies, best practices, trends and opportunities. We determined that the Sustainability Accounting Standards Board (SASB) Standards would provide investors information pertaining to topics that are relevant to our operations.

We identified two SASB industries most relevant to our business: Food Retailers & Distributors and Multiline; and Specialty Retailers & Distributors. A cross-functional team reviewed these SASB metrics and selected those that were relevant to our operations. With the assistance of third-party consultants, we conducted a data quality risk-assessment of these selected SASB metrics. Based upon that assessment, we identified a subset of SASB metrics for which we reported our U.S. operations. In FY22, we expanded the scope of those metrics and report on our global business in the reference table on the next page.

SASB Topics & Metrics (Global)	FY23	FY22
Fleet Fuel Management		
FB-FR-110a.1 Fleet fuel consumed, percentage renewable	2,405,200 GJ 15% renewable	2,148,700 GJ 0% renewable
Air Emissions from Refrigeration		
	CY22	CY21
FB-FR-110b.1 Gross global Scope 1 emissions from refrigerants ¹	603,200 mtCO ₂ e	621,900 mtCO ₂ e
Energy Management		
	CY22	CY21
FB-FR-130a.1 Operational energy consumed, percentage grid electricity, percentage renewable energy	Energy Consumed 26,030,000 GJ Grid Electricity 55.7% Renewable Energy 4.9%	23,946,000 GJ 60.1% 3.6%
Data Security		
FB-FR-230a.1 Number of data breaches, percentage involving personally identifiable information (PII), number of customers affected	Costco did not identify any material data breaches in FY23	Costco did not identify any material data breaches in FY22
FB-FR-230a.2 Discussion of management approach to identifying and addressing data security risks	See "Data Security" on the Governance & Reporting section of our Sustainability Commitment	
Labor Practices		
FB-FR-310a.1 (1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	(1) \$27 average hourly wage for US employees ² (2) All employees earn more than the regional minimum wage	(1) \$26 average hourly wage (2) All employees earn more than the regional minimum wage
FB-FR-310a.2 Percentage of active workforce covered under collective bargaining agreements	Approximately 5% of employees are represented by unions ³	Less than 10% of employees are represented by unions ³
CG-MR-310a.2 (1) Voluntary and (2) involuntary turnover rate for in-store employees	Voluntary turnover 10.3% Involuntary turnover 10.8% Involuntary turnover of regular workforce 3.1%	10.9% 12.7% 3.0%
Workforce Diversity & Inclusion		
CG-MR-330a.1 Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	See graphs found in the "Inclusion" page on the People & Communities section of our Sustainability Commitment	
Activity Metrics		
FB-FR-000.A Number of (1) retail locations & (2) distribution centers	(1) 861 warehouses and business centers (2) 68 distribution and 93 logistics facilities	(1) 838 warehouses and business centers (2) 68 distribution and 97 logistics facilities
FB-FR-000.B Total area of (1) retail space and (2) distribution centers	(1) 11.7 mil m ² operating space (126.3 mil ft ²) (2) 3.1 mil m ² distribution and logistics facilities (33.1 mil ft ²)	(1) 11.4 mil m ² operating space (122.5 mil ft ²) (2) 2.9 mil m ² distribution and logistics facilities (31.0 mil ft ²)

1. U.S. Data is as reported by third-party service technicians and for systems over 50 lbs. International Data is reported by warehouse management. We report emissions from the six gases covered under the Kyoto Protocol. More complete reporting may be found in our CDP report.

2. Our "true rate of pay" is \$29, which includes twice-yearly Extra Checks for long-tenured hourly employees.

3. Represents percentage of employees covered under a collective bargaining agreement at fiscal year-end.