

Communities

Our business is successful not only when we provide quality merchandise at a good value for our members, but also when we contribute to the well-being of the communities where we do business – and where our employees, members and suppliers live and work. We work to achieve this through charitable contributions, volunteer work and low-cost health services in our warehouses.



Our Approach

As we operate in communities around the world, our goals are to:

- Provide an inclusive shopping environment for our members, and support our local communities through charitable giving and service.
- In our charitable contributions, give special focus to those organizations that serve underrepresented groups in our communities.
- Invest in key programs that make a difference in communities.
- Encourage employees to serve and participate with community organizations.

Charitable Contributions

Costco is committed to being active and supportive in our local communities. We budget 1% of pretax profits for selected charitable contributions focused on children, education, and health and human services. Our Charitable Contributions Committee meets quarterly to determine which programs to support and how to best meet the needs within our communities. We have a particular interest in those organizations that serve historically underrepresented groups in our communities.

In fiscal year (FY) 2022, we contributed over \$65 million to hundreds of organizations through a variety of charitable programs and grants. Examples include American Red Cross, United Way, Children's Miracle Network Hospitals, Communities in Schools, Feeding America, American Red Cross, College Success Foundation, Thurgood Marshall College Fund, United Negro College Fund and Fred Hutchinson Cancer Research Center. Visit the list of our top [U.S. recipients for FY22](#).

We provide financial assistance for underrepresented minorities, including scholarships and other educational opportunities to help fill the financial gap. For example:

- In the past 22 years, we've raised over \$75 million through the Costco Scholarship Fund for scholarships for underrepresented minorities to attend the University of Washington or Seattle University; over 2,000 scholarships have been awarded.
- We've donated over \$70 million to other schools and organizations for scholarships and educational opportunities for underrepresented minorities. In 2022 alone, we donated over \$9 million for scholarships and other educational opportunities.
- We helped establish and have donated more than \$11 million to the College Success Foundation, which is dedicated to supporting underserved, low-income students beginning in middle school and continuing through college.

More information about our charitable programs can be found on the [Charitable Contributions page](#).

In order to support a more inclusive economy, and to break down race and class barriers to opportunity and growth, Costco has committed to investing in the following programs:

Community Investment

Community Investments in FY22



\$25 million committed to the **Black Economic Development Fund (BEDF)**, managed by the Local Initiatives Support Corporation. The primary objective of the BEDF is to target Black-led or Black-owned financial institutions, developers, businesses and anchor institutions with improved access to capital in order to incentivize economic activity and wealth-building opportunities in Black communities across America.



\$5 million committed to the **Fearless Fund**, the first Venture Capital fund built by women of color, for women of color to address the disparity that exists in venture capital funding for businesses led by women of color.



\$10 million committed to the **Entrepreneurs of Color Loan Fund (EOCLF)** managed by the Local Initiatives Support Corporation. EOCLF will partner with Community Development Financial Institutions to improve access to capital for minority entrepreneurs and also provide coaching and mentorship.

Food Donations & Food Security

Our goal is to donate to the communities where we operate to support those in need, and we do so in several ways.

In FY22, we contributed \$5.5M in cash grants and over 90 million pounds of food and other products from our U.S. warehouses and depots to [Feeding America](#). All of our international locations also donate to local food banks.

Our food donation programs are part of our waste-minimization efforts. We follow the Food Waste Hierarchy to prevent wasting food and keep it out of landfills. For details, see the “Minimizing Waste” page in our [Operations section](#).

In addition, we make efforts in multiple ways that enhance food security for millions of people through our offerings of affordable and nutritious food. To learn more, review our [Report on Food Security](#).

Non-Food Donations

Costco continues to grow its program with World Vision to donate first-quality items that used to be destroyed, recycled or returned to the supplier. These goods go to people in countries around the world. More information can be found in the [Costco-World Vision Summary](#), which contains a list of the items donated and stories that illustrate the impact of these donations.

Employee Volunteering

The Costco Volunteer Center mission is to inspire our employees and their families to volunteer in the communities where they live and work. Watch this [United Way video](#) to learn more about how Costco employees engage with the community.

Costco Employee Volunteer Reading Program

Costco's Volunteer Reading Program, which began in 1998, is now in more than 450 warehouses in the U.S., Canada and Australia. Over 70% of eligible locations participate, with over 2,600 volunteers contributing their time to this successful program. We paused the program for two years due to COVID-19, but it has been relaunched for the 2022-23 school year.



Health Care in the Community

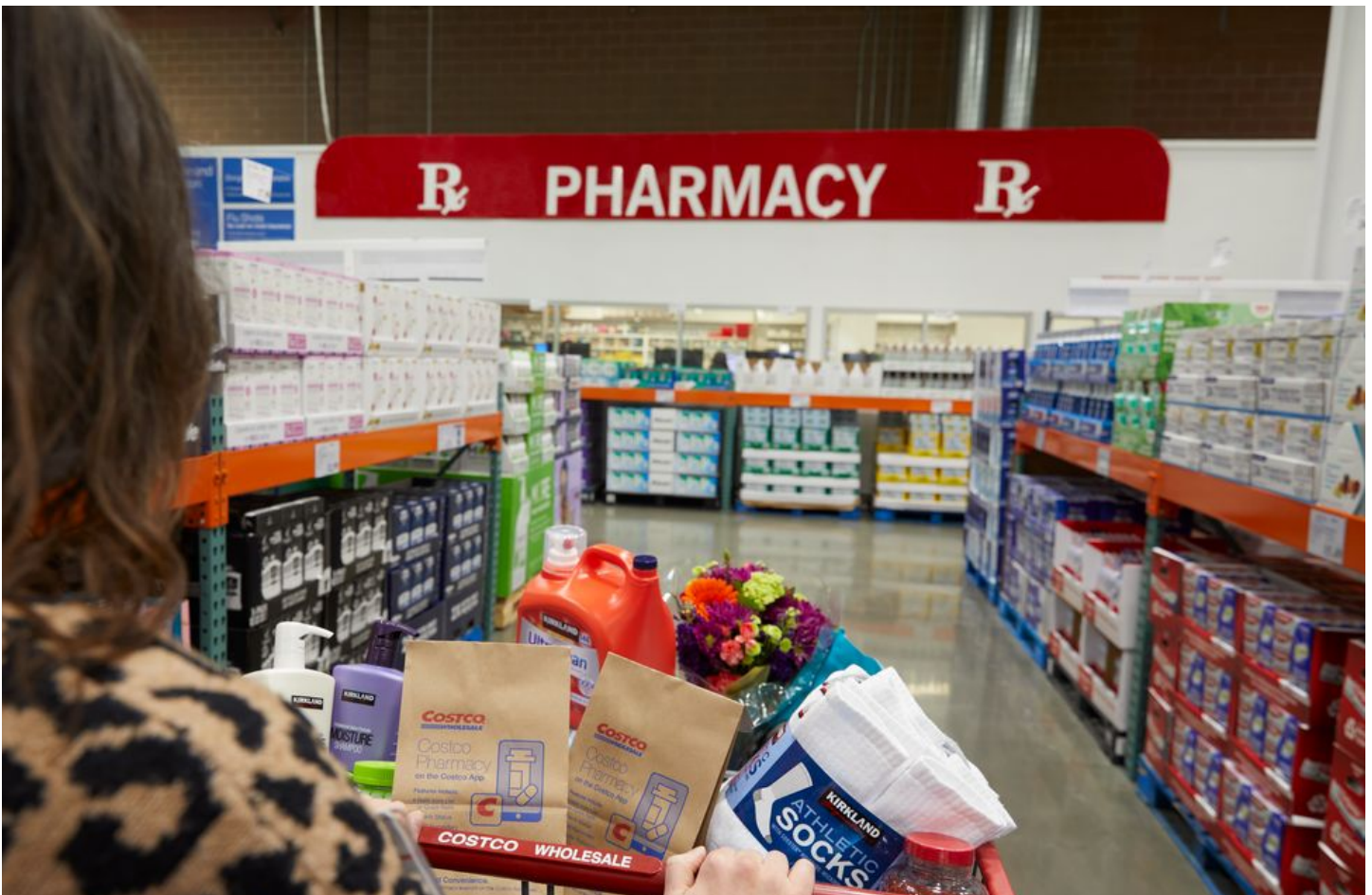
Costco offers low-cost, quality eye care through independent optometrists and our optical departments, hearing aid services and supplies in our hearing aid centers, and prescriptions and other health-related products in our pharmacies. Costco also offers flu shots and other immunizations, health screenings and other health-related programs. We are continuing to provide COVID-19 support by offering vaccines as referenced below.

Pharmacy Services

Besides being a low-cost source for prescription medications in 694 pharmacies worldwide, Costco continues to expand the following special prescriptions and services in the U.S.:

- Specialty drug customized pharmacy services that require patient-specific dosing and careful clinical management. More information can be found at [Specialty Drug Programs](#).

- Access to naloxone without a prescription in 47 states, Washington, D.C., and Puerto Rico. Naloxone is a life-saving medication that reverses an opioid overdose.
- Prescriptions for contraceptives in California, Colorado, Hawaii, Idaho, Illinois, Maryland, Minnesota, Montana, Nevada, New Hampshire, New Mexico, Oregon, Tennessee, Utah, Vermont, Virginia and Washington, with the intent to roll out the program where allowed by law.
- Travel Medicine Services in California, Hawaii, Idaho, Illinois, Oregon, Texas, Washington and Wisconsin, which includes a pre-travel consultation to determine any health risks based on your itinerary and activities, a review of your health history and immunization status, tips on how to stay healthy during your trip, and a list of the recommended immunizations and medications.
- Since the start of the U.S. COVID vaccine campaign, Costco Pharmacies have given over 3.9 million vaccines to date, including partnering with school districts and organizations.



Pharmacy Benefit Programs (PBM)

Costco Health Solutions (CHS) offers an alternative prescription benefits program dedicated to delivering the best pharmacy care to employers and their members. This includes cost-effective, high-quality clinical programs that provide CHS members with care to help meet their health and quality of life goals. Our PBM program guarantees that 100% of all discounts from manufacturers for prescriptions will be passed back to the employer. Companies that participate in Costco's prescription benefit program typically reduce costs by 10 to 25%. More information can be found here:

[PBM programs.](#)

Optical Services

Along with being a low-cost source for eyewear in 788 optical departments worldwide, Costco also provides access to optical health services in the U.S., such as:

- Independent Doctors of Optometry located at or next to Costco Optical in most states.
- Licensed and/or Certified Opticians to answer eye care questions. Costco accepts most vision insurance plans.

Hearing Aid Services

Costco has 738 hearing aid centers worldwide, staffed by licensed hearing aid specialists. Besides providing hearing aid tests and low-cost, high quality hearing aid devices, Costco also helps to improve the education of Hearing Aid Specialists through the Hearing Aid Apprenticeship Program. As a result, Costco has helped more than 1,200 people in the U.S. become hearing aid specialists since 2006.