

Outside Relationships

Regulators	Capital	Suppliers	Customers
Subjects of U.S. Regulation General Environmental Protection Agency (Regulation of Discharges, Leaks, Emissions, Disposal, Hazardous Waste, and Toxic Substances in the Water, Air and Soil; Superfund Cleanup Requirement for Contaminated Sites) U.S. Patent and Trademark Office (Patent and Trademark Registrations) Data Protection Agencies (Personal Data Protection Regulation, including Penalties) U.S. Internal Revenue Service (IRS) and State Tax Authorities (Regulation of Income Taxes, Indirect Taxes Such as Excise/Duty and Sales/Use Taxes, Payroll Taxes, Franchise Taxes, Withholding Taxes, and Ad Valorem Taxes) Labor U.S. Department of Labor (DOL) (Wage and Overtime Record-Keeping, Fair Hiring and Anti-Discrimination Regulation) Occupational Safety and Health Administration (Regulation of Workplace Health and Safety; Serious Injury Reporting) National Labor Relations Board (Enforcement of Private Sector Employees' Rights to Organize, Engage in Collective Efforts to Improve Wages and Working Conditions, and Decide whether to have Unions as their Bargaining Representatives) Trade U.S. Department of Commerce (including Bureau of Industry and Security) (Regulation regarding Export and Import Controls and Licenses, Tariffs and Trade Barriers)	Public Debt Holders Hedge Counterparties Commercial Banks (Lead Banks: Bank of America, US Bancorp, Citibank, UBS) International Brotherhood of Teamsters (<10% of all employees covered by collective bargaining agreement)	Bond Financing Commodity and Foreign Currency Derivatives Working Capital Financing Labor Union Representation and Collective Bargaining Services	Dividends and Common Stock Repurchases Equity Capital Professional Services Costco Wholesale-Branded Visa Credit Card and Rewards Program Costco Memberships Sales of Packaged Foods, Beverages, Appliances and Other Hardlines, Fresh Produce and Meat, Apparel and Other Softlines, Gas, Prescription Drugs, and Other Ancillary Products and Services

Selected Kirkland Suppliers

Suppliers of Packaged Foods and Beverages, Fresh Vegetables and Fruit, Hardlines, Softlines and Ancillary Goods

Membership Warehouse Facility Leases

Costco Wholesale (a Washington corporation)

Debt Structure

Debt (\$6.6 Billion @ 08/28/2022) | Credit Ratings: Aa3 (Moody's), A+ (S&P), A+ (Fitch)

Revolving Credit Facility Available: \$1.257 Billion Outstanding: \$88 Million	May 2024 Senior Notes (\$1,000 M) (2.750%)	June 2027 Senior Notes (\$1,250 M) (1.375%)	April 2032 Senior Notes (\$1,000 M) (1.750%)
	May 2027 Senior Notes (\$1,000 M) (3.000%)	April 2030 Senior Notes (\$1,750 M) (1.600%)	Other long-term debt (\$590 M)

Equity Structure

Share Repurchase Program Authorized: \$4 Billion Remaining: \$2.8 Billion Expiration: April 2023	Preferred Stock Authorized: 100,000,000 shares Issued: 0 Record Holders: 0	Common Stock Authorized: 900,000,000 shares Issued: 442.6 Million Record Holders: 10,279
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Governance

Board of Directors

Hamilton E. James (Chairman)	Sally Jewell (A, C)	Ron Vachris
Susan Decker (A)	Charles T. Munger (A)	
Kenneth D. Denman (A, N)	Jeff Raikes (N)	
Richard A. Galanti	John W. Stanton (C)	
W. Craig Jelinek	Maggie Wilderotter (C, N)	

Committees: Audit (A), Compensation (C), Nominating and Corporate Governance (N)

Executive Officers

CEO: W. Craig Jelinek	EVP, General Counsel & Corporate Secretary: John Sullivan	EVP, Administration: Patrick J. Callans
President and COO: Ron M. Vachris	EVP, Merchandising: Claudine E. Adamo	EVP, Chief Operating Officer, Northern Division: Jim C. Klauer
EVP and CFO: Richard Galanti	EVP, COO, Southwest Division: Caton Frates	EVP, COO, International Division: James Murphy
EVP, COO, Eastern Division: Yoram B. Rubanenko	EVP, COO, International Division: Pierre Riel	SEVP, U.S. Operations: Russ Miller

Corporate Matters

Administration Talent Acquisition, Management and Development Compensation and Benefits Employee Engagement and Culture HR Strategy and Operations Pension and Retirement Plans Labor Relations	Finance and Accounting Accounting Investor Relations Treasury Financial Reporting Tax Risk Management Financial Planning & Analysis Insurance Internal Audit	Information Technology Software Applications and Licenses IT Equipment IT Infrastructure Security Protocols and Cybersecurity Data Processing Systems E Commerce Platforms Inventory Management Systems Data Analytics	Legal Transactions Legal Operations (includes Contract Management) Corporate Governance Compliance Legislative and Regulatory Affairs Litigation Management Public Policy Labor and Employment Law Matters	Sales and Marketing Memberships Publishing e-Commerce Wholesaler, Distributor and Agent Relations Merchandise Non-Foods E-commerce Foods and Sundries Fresh Foods	Construction and Real Estate Land Acquisition Leasing Building Construction Business and Development Pharmacy Gasoline, Optical and Hearing Aids Meat Plant, Packaging Operations, Optical Labs
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Operations

United States (FY2022 Revenue: \$165.3 B)	Canada (FY2022 Revenue: \$31.7 B)	Other International (FY2022 Revenue: \$30.0B)
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Costco Footprint

847 locations as of December 31, 2022

Memberships (2022 Membership Fees: \$4.224 Billion)

Gold Star Members (Individuals) Annual Fee: U.S. = \$60 (Varies in other countries) Affiliates: Not Available Add-On Memberships: One free household card per membership Total Paid Members: 54.0M	Business Members Annual Fee: U.S. = \$60 (Varies in other countries) Affiliates: May add additional cardholders at no cost to which the same annual fee applies Add-On Memberships: One free household card per membership Total Paid Members: 11.8M	Total Cardholders Paid Members: 65.8M (55.3%) Household Cards (Free): 53.1M (44.7%) Total Cards: 118.9M
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Products and Services (2022 Net Sales = \$222.730 Billion)

Food and Sundries (2022 Revenue: \$85.629B) Sundries Dry Grocery Candy Cooler Freezer Deli Liquor and Tobacco	Non-Foods (2022 Revenue: \$61.100B) Major Appliances Electronics Health and Beauty Aids Hardware Garden and Patio Sporting Goods Furniture Housewares	Warehouse Ancillary and Other Businesses (2022 Revenue: \$46.474B) Optical Food Court Hearing Aids Gasoline (688 Gas Stations; Not Available in Korea or China) e-Commerce (7% of Sales) Tire Installation Gift Cards and Tickets
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Costco Private Label Brand

KIRKLAND Signature
 Products in a Variety of Categories (Clothing, Grocery, Health and Beauty, Household and Cleaning, Organic, Home and Kitchen, Diapers and Baby, Pet Food and Supplies, Gasoline)
 "Kirkland Signature" is Costco's private label brand, used for a variety of products sold at Costco's warehouses and website. Introduced in 1995 and deriving its name from the location of Costco's then corporate headquarters in Kirkland, Washington, the brand accounts for 33% of Costco sales.
 The private label provides the appearance of brand name quality products at discounted prices. To counteract the consumer confidence problem common in private labels, some of its products are co-branded with the name brands of their manufacturers, such as Chinet, Jelly Belly, Keurig Green Mountain, Ocean Spray, Stearns & Foster, and Starbucks, while other products carry only the Kirkland Signature name but are made by a partner, such as Duracell and Niagara Bottling.

Outside Relationships

Customers	Suppliers	Capital	Regulators
Costco Wholesale-Branded Visa Credit Card and Rewards Program Costco Memberships Sales of Packaged Foods, Beverages, Appliances and Other Hardlines, Fresh Produce and Meat, Apparel and Other Softlines, Gas, Prescription Drugs, and Other Ancillary Products and Services	Key Professional Services Firms KPMG (Audit Services) Seyfarth Shaw (Employment Litigation) Fishman Michlynre (Litigation Services) Morrison Foerster (Fraud-related Litigation) Perkins Cole (Patent and Antitrust Litigation) Microsoft Azure (Cloud Computing, Data Storage, and Data Analytics Services)	Significant Shareholders Vanguard (8.92%) BlackRock Fund Advisors (6.75%) BlackRock SSgA Funds Management (4.33%) STATE STREET (4.00%) Fidelity Management & Research (2.19%) Morgan Stanley (1.96%) Morgan Stanley Institutional Ownership: 70.66%	Subjects of U.S. Securities Regulation U.S. Securities and Exchange Commission (Regulation of Offers and Sales of Securities, Material Event Disclosure and Financial Reporting Requirements; Antitribunary Law Record-Keeping Requirements) The NASDAQ Global Select Market (Stock Exchange Quotation, Maintenance and Corporate Accountability Rules) Nasdaq

Key Company Data (as of 08/28/2022)

Share Data	Financial Highlights
Stock Exchange: NASDAQ	Statement of Earnings
Ticker Symbol: COST	Total Revenues: \$227.0B
Share Price: \$496.87 As of 03/31/2023	Net Sales: \$227.0B
Earnings Per Share Diluted: \$13.55	Membership Fees: \$4.2B
Annual Dividend: \$3.60/share	Merchandise Costs: \$199.4B
Market Capitalization: \$220.4B (03/31/2023)	Operating Income: \$7.8B
	Net Income: \$5.8B
	Balance Sheet
	Total Assets: \$64.2B
	Total Liabilities: \$43.5B
	Long-Term Debt: \$6.5B
	Total Equity: \$20.6B
Resources	Cash Flow
Employees: 304,000	Cash From Operations: \$7.39B
Headquarters: Issaquah, Washington, United States	Cash Used In Investing: (\$3.92B)
Locations: 828	Cash Used In Financing: (\$4.28B)
	Financial Returns
	Return on Equity: 30.12%
	Gross Margin: 10.48%

Key Developments

New Warehouses: In fiscal 2022, Costco opened new warehouses and business centers, including 23 net new locations in the U.S., two in Canada, and one each in Mexico, Korea, Japan, Spain, France, Australia and China

Costco's Sustainability Commitment

- Continuing progress on our Climate Action Plan
- Decreasing packaging and plastics use
- Utilizing recycled content when available
- Being creative in arranging for more products per transport

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