



Annual Meeting of Shareholders
January 23, 2025



Hamilton E. James



**Joined the Board in 1988;
Chairman of the Board since 2017**

Chairman of Jefferson River Capital

**Former Executive Vice Chairman and
President / Chief Operating Officer of The
Blackstone Group**



Board Members



Susan L. Decker



Joined the Board in 2004

CEO and Founder of Raft

Formerly President and CFO of Yahoo

**Director of Berkshire Hathaway Inc. and
Vail Resorts, Inc.**



Kenneth D. Denman



Joined the Board in 2017

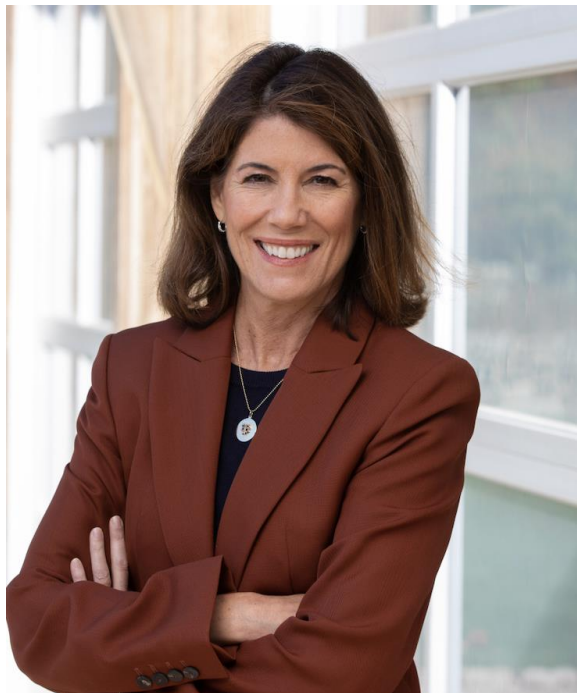
General Partner at Sway Ventures

**Formerly President and CEO of
Emotient, Inc.**

Director of Motorola Solutions, Inc.



Helena Buonanno Foulkes



Joined the Board in 2023

Former CEO and Director of Hudson's Bay Company

Former President of CVS Pharmacy

Director of Skillsoft Corp.



Sally Jewell



Joined the Board in 2020

Secretary of the Interior under President Barack Obama

Former Chief Executive Officer and Director of Recreational Equipment, Inc.

Director of Symetra Financial Corporation



Jeffrey S. Raikes



Joined the Board in 2008

Co-Founder of the Raikes Foundation

Former CEO of the Bill & Melinda Gates Foundation

Former President of Business Division at Microsoft



John W. Stanton



Joined the Board in 2015

Chairman and Managing Partner of the Seattle Mariners

**Chairman of Trilogy Equity Partners and
Director of Microsoft**

**Founder and Former Chairman and CEO of
Western Wireless Corporation**

**Former Chairman and CEO of T-Mobile USA
(formerly VoiceStream Wireless Corporation)**



Mary Agnes (Maggie) Wilderotter



Joined the Board in 2015

Former Chairman and Chief Executive
Officer of Frontier Communications

Chairman of the Board of Directors of
DocuSign and Director of Sana
Biotechnology



Ron Vachris



Joined the Board in 2022

CEO since 2024



Departing Board Members



Richard A. Galanti



Joined the Board in 1995

**Executive Vice President and Former
Chief Financial Officer**

**Former Director of the Federal
Reserve Bank of San Francisco**



Craig Jelinek



Joined the Board in 2010

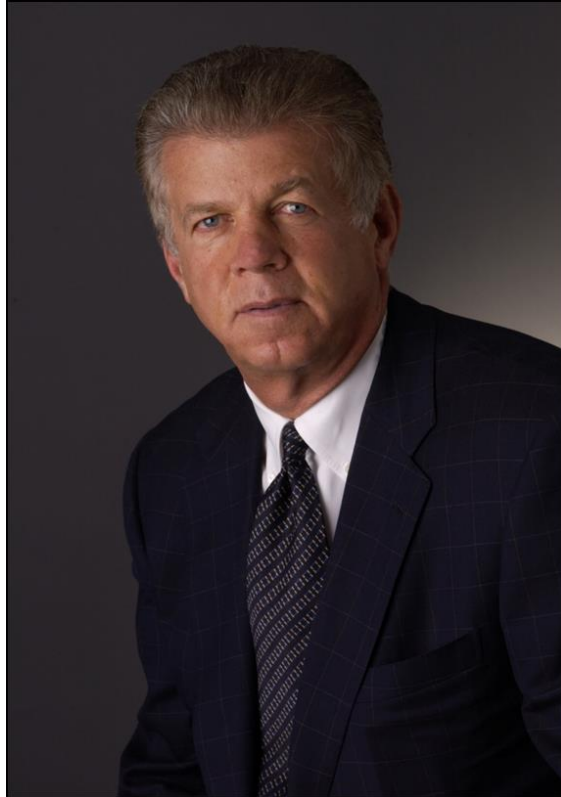
Former CEO (from 2012 – 2023)



Former Board Member



John W. Meisenbach



Director since inception in 1983 until 2020
Served in the U.S. Navy Submarine Service
President of MCM, a Meisenbach Company

John was a friend and advisor to many people, including Jeff Brotman and Jim Sinegal. As a long-serving Costco board member, he played an important role in helping guide Costco from its earliest days.

Passed away October 2024



**Annual Meeting of Shareholders
January 23, 2025**



Costco Today

- **3rd largest global retailer**
- **11th largest in Fortune 500**
- **\$416 billion market cap***

***As of January 10th, 2025**



Costco Today

- Sales \$250B – FY'24
- 131M sq. ft (147K / whse)
- \$260M average sales / whse
- 322K employees worldwide



Costco Today

(Q1 FY'25)

Members:

- 77M households
- 139M cardholders
- 92.8% renewal rate (U.S. & CN)
- 90.4% renewal rate worldwide
- \$4.9B in membership fee income (LTM)



Costco Today

(January 2025)

897 Warehouses Worldwide

617 - U.S.

109 - CN

41 - Mexico

36 - Japan

29 - UK

19 - Korea

15 - Australia

14 - Taiwan

7 - China

5 - Spain

2 - France

1 - Iceland

1 - New Zealand

1 - Sweden



Keys to Our Success

(FY'24 figures)

High Sales Productivity:

Sales Per Warehouse	\$260M
----------------------------	---------------

Sales per Sq Ft.	~\$1,800
-------------------------	-----------------

Comparable Sales	5.3%
-------------------------	-------------

Inventory Turnover	~13x
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Fiscal Year Results

(in MM's except for EPS)

	<u>2023</u>	<u>2024</u>
Sales	\$237,710	\$249,625
Net Income	\$6,292	\$7,367
Diluted EPS	\$14.16	\$16.56



1st Quarter

(in MM's except for EPS)

	<u>2024</u>	<u>2025</u>
Sales	\$56,717	\$60,985
Net Income	\$1,589	\$1,798
Diluted EPS	\$3.58	\$4.04



Comp Traffic (Frequency)

FY'10 –'20	3.8%
FY'21	7.0%
FY'22	7.5%
FY'23	4.8%
FY'24	5.7%
FY'25 – Q1	5.1%



FY'24 Highlights

- **Sales of \$250B**
- **247 locations > \$300M**
- **49 locations > \$400M**
- **29 net new warehouse openings**
- **Continued investment in employee wages**
- **Record \$9.3B returned to shareholders through dividends and buybacks**



Expansion

FY'24 Warehouse Count

Beginning:	861
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Openings:	+29
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Ending:	890
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Today:	897
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NE Billings, Montana - Relocation

10/27/23





Scarborough, Maine

11/17/23





Anchorage, Alaska Business Center

2/2/24





Nanjing, China

5/28/24





NW Omaha, Nebraska



7/12/24



Cheongna, Korea

8/22/24





Okinawa Nanjo, Japan



8/24/24



Saturation

- No!
- Next 5-10 years:
 - 25-30 openings / year
 - Infills / new markets
 - International
 - Business Centers



Warehouses Worldwide

	<u>2024</u>	<u>2034</u>	<u>+/-</u>
North America	730	917	187
Asia/Aus	91	141	50
Europe	37	58	21
New Markets	0	4	4
Business Centers	32	50	18
Total	890	1,170	280

Merchandise Highlights

Jewelry / Precious Metals



518K Carats of Diamonds Sold Globally in FY'24



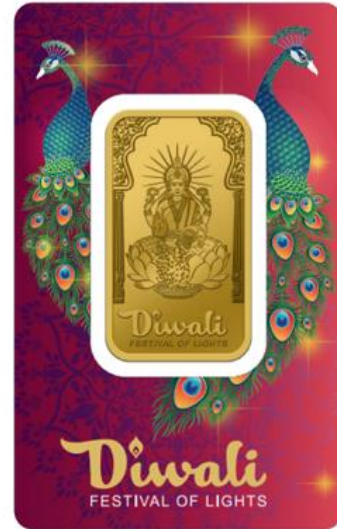
Bullion Newness



**Good Luck
Koi Fish 1oz**

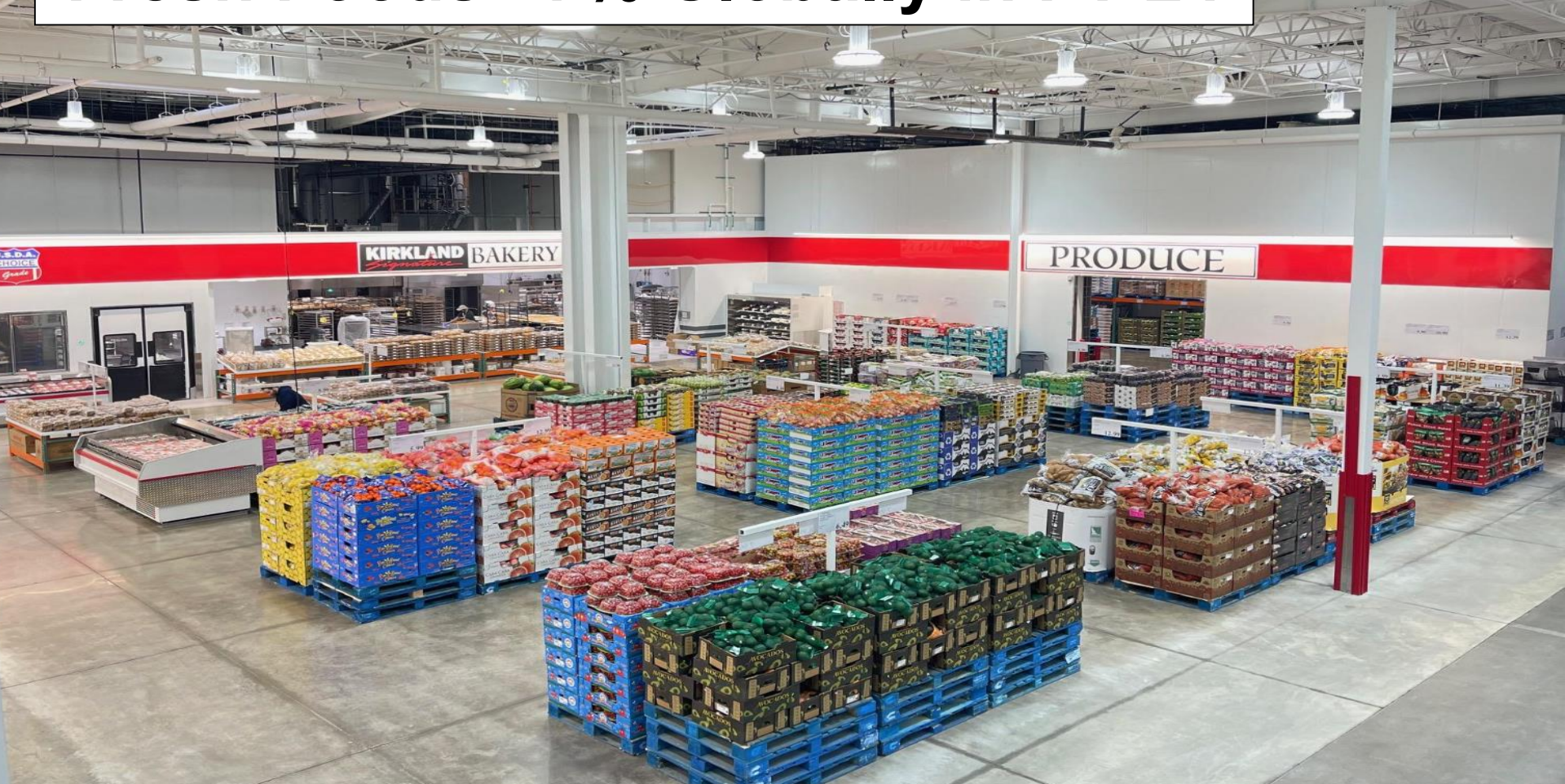


**Lady Liberty
10 oz Silver**



**Diwali 1oz Gold Bar
15k units
*Only at Costco***

Fresh Foods +7% Globally in FY'24



Service Deli



154M Rotisserie Chickens Sold Globally in FY'24



Kirkland Signature Sushi Expansion



- Made Daily
- Daily

- Only Real Crab

- Fresh Fish Cut

- 20%+ value



New Kirkland Signature



Margherita Take & Bake
Sell Price: \$17.99
Value: 45%



Combo Take & Bake
Sell Price: \$17.99
Value: 55%



Pharmacy / Health & Beauty +7% Globally in FY24



Ticket Program +80% Globally in FY'24



New Home Improvement Kiosks

Kohler LuxStone

- Walk-in showers
- Bathtubs
- Hardware & other accessories
- 10% Shop Card



Infinity from Marvin

- Custom order windows
- Custom order patio doors
- 10% Shop Card



Sunsetter

- Retractable awnings
- Retractable screen systems
- Exterior window shades
- 10% Shop Card



Shaw Grass

- Landscape turf
- Pet turf
- Putting greens to be available in some markets
- 10% Shop Card



springfree
TRAMPOLINE

New Brands

COCOCOZY



**MAGIC
SPOON**

 **Hydro Flask**

Wrangler




BARE BONES
BONE BROTH



L A  B O Y



 **PELOTON**



BaBylissPRO

Ruggable


HOT SAUCE
TRUFF
BLACK TRUFFLE INFUSED

INFINITY

 from **MARVIN**
REPLACEMENT WINDOWS

KIRKLAND

Signature

- We control the quality, value for our members
- Ability to build/create a better item
- Innovative packaging, clean ingredients, full traceability
- Ensure global supply for our future
- 20% value to the national brand
- Continuous innovation



New Kirkland Signature



KS Bacon & Gouda Egg Bites
Sell Price: \$11.99
Value: 19%



KS Veggie & Cheese Egg White Bites
Sell Price: \$11.99
Value: 19%



New Kirkland Signature



- Current value to the brand: 22-27%
- Pocketed waistband (size 3 - 6 only)
- New value to the brand: 31-35%
- Pocketed waistband (all sizes)
- 2x more stretch in waistband
- Longer & thicker absorbent layer
- Smaller pack sizes for size 1 and size 2



New Kirkland Signature

Coming
soon



KS Unisex Shearling Slipper
Sell Price: \$24.99
Value: 77%

KS 5W30 High Mileage Oil
Sell Price: \$35.99
Value: 45%

Item: KS Iron Set
Sell Price: \$499.99
Value: 58%



New Kirkland Signature



KS Organic Ghee
Sell Price: \$19.99
Value: 12%



KS Lightly Breaded Chicken
Breast Fillet
Sell Price: \$12.99
Value: 13%



KS Chicken Tortilla Soup
Sell Price: \$9.49
Value: 15%



New Kirkland Signature



KS Mimosa
Sell Price: \$7.99
Value: 30%



KS Vodka Soda
Sell Price: \$24.99
Value: 19%



KS Old Fashioned
Sell Price: \$16.99
Value: 36%



Kirkland Signature Beer

2014

KS Light Beer



2015

KS Craft Beer



2024

KS Lager





Costco Online

U.S.

UK

Canada

Taiwan

Mexico

Korea

Australia

Japan

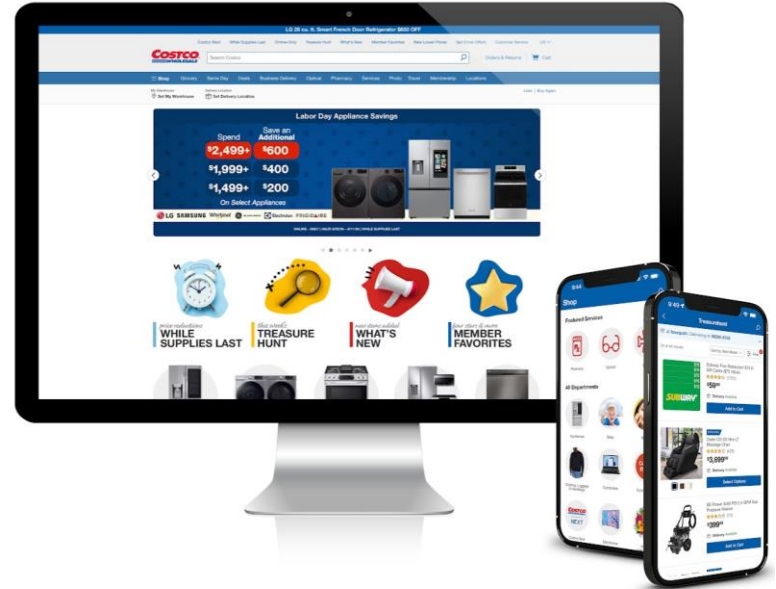
China - Micro Site



E-Commerce



- Complement the core warehouse
- Convenience of Big & Bulky
- Grocery Online
- Expanded selection year round
- Delivery + Installation available
- Same Day Delivery
- Expanded "Treasure Hunt"



Why Buy at Costco?

The price you SEE is the price you PAY!

Compare Costco's all-in pricing. No surprises at check out for services such as installation, haul away and extended warranties. See product pages for details.



APPLIANCES


Installation &
Haul Away


Costco Direct
Delivery


2 Year
Warranty

SHOP NOW



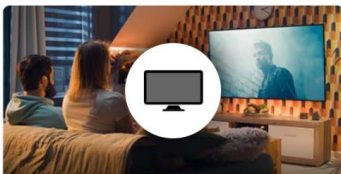
TIRES


Installation
Included


Balancing &
Flat Repairs


5 Year
Warranty

SHOP NOW



TELEVISIONS


Free
Shipping


Free
Tech Support


2 Year
Warranty

SHOP NOW



COMPUTERS


90 Day
Returns


Free
Tech Support


2 Year
Warranty

SHOP NOW



MATTRESSES


Set Up &
Haul Away


Costco Direct
Delivery


10 Year
Warranty

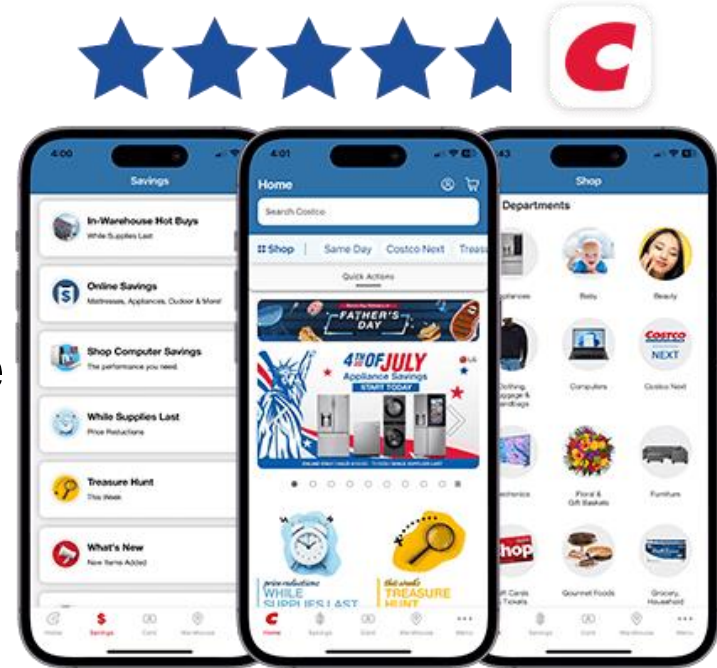
SHOP NOW



Mobile App



- Avg Rating 4.8, +100%
- Digital Membership Card
- Warehouse Inventory
- Receipts - Warehouse & Online
- Native Search
- Warehouse finder with hours and gas prices





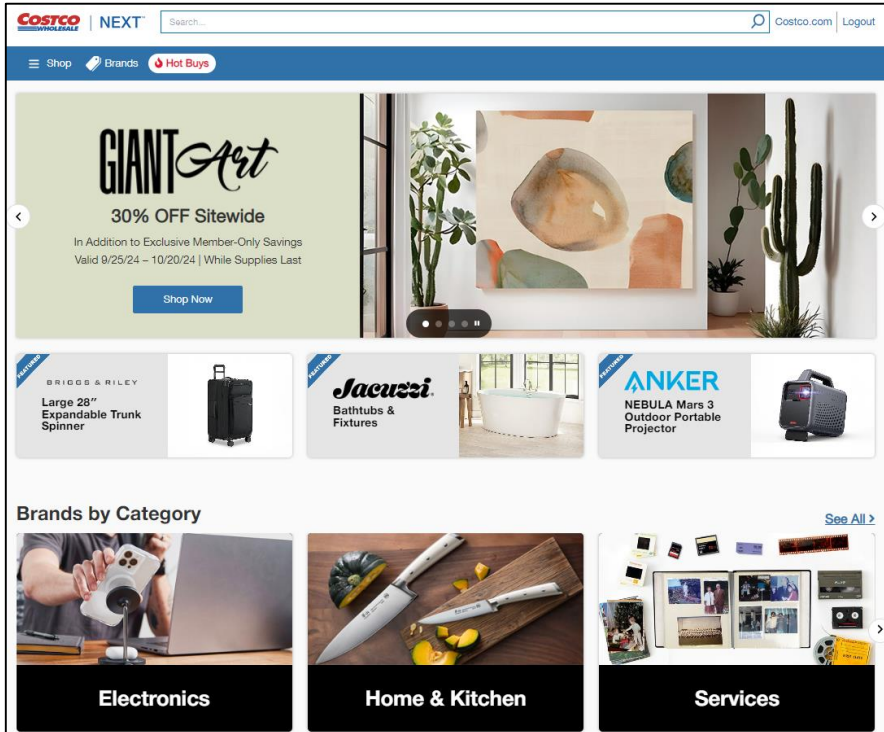
Costco Next  | **NEXT**

**Get more of what you want with...
Exclusive Members Only Values on an
expanded selection of goods curated by our
buyers, directly from brands that you trust**

[Costconext.com](https://www.costconext.com) or link out through [Costco.com](https://www.costco.com)



Costco Next



Site redesign launched Oct 16

- Categories by brand
- Updated navigation
- Overall design improving user experience



Costco Next



NordicTrack



Caraway

Kitchenware, Made Better



 **Travelpro®**



OTTERBOX




**PRIORITY
BICYCLES**



gorilla
playsets



ANKER
SOLIX



BIG TIMBER



Business Centers



26 U.S. Locations

6 Canada Locations

- Walk in / delivery
- eCommerce fulfillment – Online Dry Grocery



Business Centers

Key Categories



Food Service
Bakeries
Cafés & Delis
Care Facilities
Food Trucks
Restaurants
Cafeterias



Office
Corporate Offices
Law Offices
Nonprofit
Organizations
Medical & Dental
Offices
School Offices



Convenience Store
Concession Stands
Gas Stations
Gift Shops
Grocery Stores
Hotel Lobbies
Liquor Stores
Tobacco/Smoke Shops



Volume Sales
Distributors
Grocery Stores
Online Resellers
Restaurants
Vending Companies
Wholesalers

Pharmacy



72M Prescriptions Filled Globally in FY'24



Pharmacy

- Prescription delivery by mail
- Same day delivery (RX and OTC)
- Pet prescription via mail
- Costco member prescription discount card
- Travel immunizations program
- RX pay ahead: pickup in pharmacy
- RX pickup locker expansion

Optical



8.9M Pairs of Glasses Sold Globally in FY'24



Optical

- Frames, Lenses, Contact Lenses and Sunglasses
- Eye exams available in or near most Costco locations
- Accept most vision insurance plans
- Lenses made in house at one of our four labs
- Large selection of brand-name designer frames
 - YSL
 - Hugo Boss
 - Lancel
 - Police
 - Vera Wang
 - Marc Jacobs

HEARING AID CENTER

Hearing Aid

HEARING AIDS AVAILABLE HERE
Free Hearing Test

904K Units Sold Globally in FY'24

Food Court



229M Hot Dog & Soda Combos Sold Globally in FY'24

Gasoline



8.1B Gallons of Fuel Sold Globally in FY'24



Global Kirkland Signature Fuel


- Kirkland Signature fuel sold globally exceeds the quality requirements established by the North American Top Tier™ fuel program
- Costco fuel stations use the best available pollution control technology in their regions
- Globally, we saved our members \$312M in FY'24 when compared to the low priced competitor
- Currently expanding 63 locations to better serve our members



Citi Visa

Effective January 19, 2025

New 5% Cash Back Rewards on Gas at Costco
All other reward categories remain the same

<p>FUEL YOUR SAVINGS WITH NEW CASH BACK REWARDS</p>  <p>Earn everywhere Visa® is accepted with the Costco Anywhere Visa Card by Citi</p>	<p>NEW! 5% ON GAS AT COSTCO</p> <p>5% and 4% earn is on a combined \$7,000 spend per year; 1% thereafter</p>	<p>4% ON OTHER ELIGIBLE GAS AND EV CHARGING</p>	<p>3% ON RESTAURANTS AND ELIGIBLE TRAVEL, INCLUDING COSTCO TRAVEL</p>	<p>2% ON ALL OTHER COSTCO AND COSTCO.COM PURCHASES</p>	<p>1% ON ALL OTHER PURCHASES</p>
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KIRKLAND
Signature
FUEL

EV Charger Strategy





Kirkland EV Charging Expansion

- DC fast chargers for optimum member experience
- All Costco owned equipment
- Member value on charging purchases
- 90 warehouses will be equipped with charging station by year end



Clermont, FL

Tire Center

A photograph of a Costco Tire Center. In the foreground, a male employee with curly hair, wearing a dark blue short-sleeved button-down shirt with a 'DANIEL' name tag, a 'COSTCO WHOLESALE' logo, and a 'B' logo on the sleeve, is looking down at something on the counter. He has a tattoo on his left forearm. Behind the counter, another employee is partially visible from the back. The background features orange shelving units stocked with various tires. A large advertisement for Michelin X-Tour A/S 2 tires is visible, showing a price of \$150. A computer monitor and a barcode scanner are on the counter.

11.4M Tires Sold Globally in FY'24

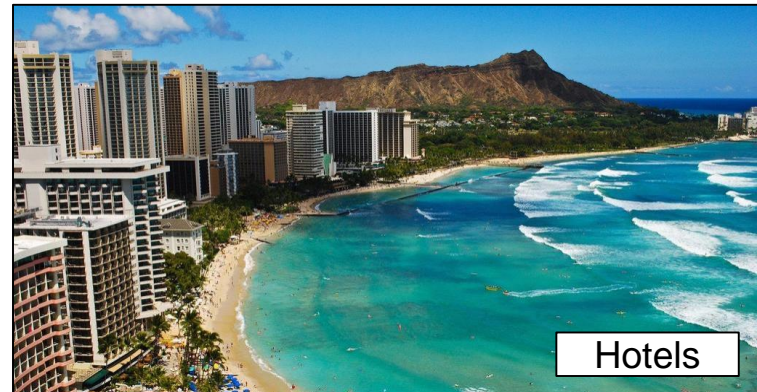
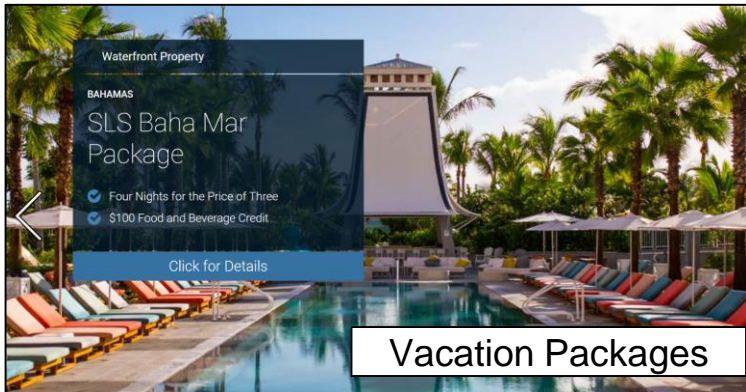


Tire Center

- Michelin - Bridgestone Premium Tires
- Tire Installation and services by certified technicians
- Expanded member value - Tire prices include
 - Installation
 - Balance
 - Nitrogen Inflation
 - Road Hazard Warranty
- Life of Tire Maintenance Services
 - Rotation
 - Tire Repair



Costco Travel





Vacation of a lifetime

\$290K Cruise

150 nights on Azamara Onward
Ft. Lauderdale - Barcelona Spain

Included:

- 2 Adults
- Club World Owner's Suite
- \$13,000 On-Board Credit
- Ports of Call Included:
 - Easter Island, Chile (Maiden call)
 - Galapagos, Ecuador
 - Machu Picchu, Peru
 - Palau, Oceania

Total Spent: \$293,401

\$25,810 Shop Card

Executive Member





American Customer Satisfaction Index

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Costco	83%	81%	81%	82%	82%	85%
Sam's	81	79	78	81	79	83
Trader Joe's	84	84	85	84	84	84
Wegmans	84	82	81	80	80	82
Lowe's	78	75	75	78	78	79
Target	78	76	78	78	79	82
Home Depot	<u>78</u>	<u>75</u>	<u>76</u>	<u>78</u>	<u>78</u>	<u>80</u>
Average	81%	79%	79%	80%	80%	82%
Walmart	71%	71%	71%	70%	71%	74%
Whole Foods	79%	77%	76%	79%	79%	82%



Our People

- Good jobs / wages / benefits
- Careers - available to all
- Promote from within
- Everyone is included
- This is a “good business”



Fantastic Employees

- **322,000 employees worldwide**
 - **94% benefits eligible in the U.S.**
(97% enrolled)
- **Highly compensated**
 - **>\$30 U.S. average hourly wage**
- **Low turnover**
 - **9% in the U.S. after 1 year**



American Opportunity Index



Costco is a **Top 25 company.**

#2

OVERALL AMONGST
ALL INDUSTRIES

#1

IN RETAIL

+7

OVERALL RANK CHANGE

Costco is a top employer on this year's Index because it creates opportunity for employees to flourish in many different ways:



Hiring

How well Costco hires people without degrees and those with little experience



Top 100



Pay

How well Costco pays employees and increases their compensation over time



Promotion

How well Costco moves people up internally and prepares them for better jobs elsewhere



Top 100



Parity

How well Costco moves all employees up equally, regardless of race or gender



Culture

How well Costco retains employees and helps to build their careers



Top 100



Warehouse Manager Profile

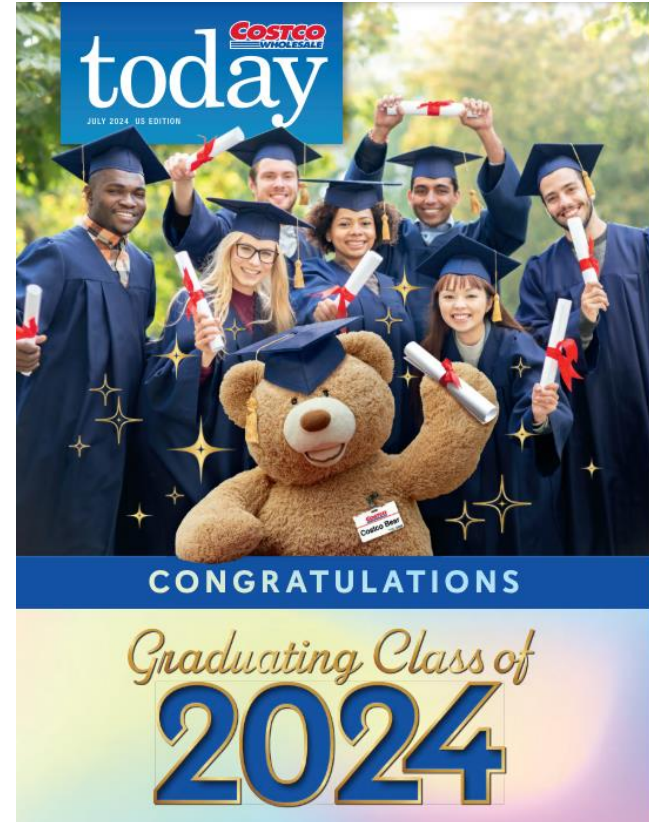
897 Managers started as:

Warehouse Manager	1%
Asst. Warehouse Manager	2%
Other Manager	10%
Hourly staff	87%



College Graduates

802
Graduates
Worldwide
In 2024





Charitable Contributions

Target is 1% of prior year's pretax profit

FY'21	\$52M
FY'22	\$65M
FY'23	\$75M
FY'24	\$84M



Quality

- People
- Facilities
- Merchandise
- Management Team

Never complacent!



Sustainability



Sustainability Commitment

Doing the right thing for
our community and world

Our Primary Pillars



People & Communities →



Operations →



Merchandising →

Updated
December
2024

Available to view on
[costco.com](https://www.costco.com)



Sustainability Commitment

Four pillars:

- **People & Communities** – supporting the people impacted by our business
- **Operations** - maintaining efficiencies in an environmentally responsible manner
- **Merchandising** - strategically sourcing merchandise in a sustainable manner
- **Climate Action Plan** – doing our part to address climate change and its impact



Sustainability Commitment Communities

- **1% of prior year's pretax profit donated, over \$84M in FY'24**
- **United Way, Red Cross, Children's Hospital**
- **Black Economic Development fund - \$25M investment**
- **Feeding America - \$8.5M in cash grants and 138M pounds of food and other products donated in FY'24**
- **World Vision - 21.5M pounds in merchandise donated in 2024**



Sustainability Commitment Operations

- **Remain efficient, low-cost operators**
- **Expanding our “STAR” program globally to help us:**
 - **Remain in Compliance with regulations**
 - **Reduce Water Usage**
 - **Reduce Energy Usage**
 - **Reduce Waste**
 - **Reduce Emissions**



Sustainability Commitment

Merchandise

- **The 6 Questions we ask our suppliers:**
 - **Can you map your supply chain?**
 - **How are the people treated?**
 - **How are the animals treated?**
 - **How is nature/biodiversity treated – with focus on water, forestry, and fisheries?**
 - **Is the best possible packaging being used?**
 - **What are your emissions and plans to reduce them?**



Financial Position (MM's)

Q1, FY'25

Cash, Equiv, & Short-Term Inv.	\$10,907
Property & Equipment (net)	\$29,336
Long-Term Debt	\$5,745
Stockholders' Equity	\$24,451



Dividends

- Initiated May 2004 at \$0.40 per year
 - Currently at \$4.64 per year
 - Growth Rate 13% per year
 - >\$2.0B annually
-
- Five special dividends in the last 12 years
 - ~\$19.5B to date



Stock Repurchase

as of FY'24 End

- **Program inception – Fiscal Year 2005**
- **\$11.5B total expenditure**
- **135.8 million shares retired**
- **\$84.77 average cost per share**
- **\$698MM in FY'24 (avg \$695.29/share)**



Company Annual Growth

(Dec '85 through FY'24)

Net Sales	12.0%
Net Income	13.3%
Stock Price	18.0%
S & P 500	9.2%



Costco Code of Ethics

- Obey the law
 - Take care of our members
 - Take care of our employees
 - Respect our suppliers
-
- Reward our shareholders



Our Future

- **Maintain core values and culture**
- **Continue to innovate**
- **Warehouse expansion**
- **Digital growth**



Thank you Craig & Richard



Craig Jelinek
40 years



Richard Galanti
40 years



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