2019 Costco Wholesale Packaging Archives

2. Increase the Recycled Content and Certified Fiber In All Packaging

Plastic

Our goal is for all plastic to be widely recyclable or made from recycled plastic. Some 2019 examples include:

- In Japan, we added 30% recycled content to fresh meat, seafood and deli trays.
- We increased the recycled content in Kirkland Signature 16-ounce water bottles from 30% to 50%. In some regions we have 100% recycled content.
- We use bags to protect fresh meat purchases in the U.S. made from recycled content and recyclable where facilities exist.
- Our Kirkland Signature liquid laundry detergent bottles contain a minimum of 25% post-consumer recycled content.
- Many items in the produce and other fresh foods departments are made from recycled water bottles, which can be recycled in communities where PET clamshell recycling is available. Examples include: Kirkland Signature Water and Kirkland Signature Cage-free Eggs 24 pack.

Fiber

- All of our U.S. Ecommerce shipping boxes fulfilled by Costco, are 100% recycled content.
- In Canada, a redesign of the Silks® Hosiery display tray utilizes 66% recycled content.

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2. Increase the Recycled Content and Certified Fiber In All Packaging

Importance of Recycled Content

Our goal is for all packaging to be widely recyclable and/or made from recycled content. Using recycled content serves many purposes:

- It supports the recycling industry, which we need to help us to manage the current state of packaging waste. While recycling has suffered from an outdated infrastructure, it is still a viable solution and an industry worth supporting. We will not be able to address our plastic waste issues without supporting the recycling industry. It supports the circular economy, and provides opportunities for closed-loop systems that regenerate materials.
- Depending upon whether the recycled content is fiber or plastic, recycling may reduce energy use in the production of packaging by lowering greenhouse gas emissions. The procurement of raw materials has an energy footprint that can be reduced by recycling existing materials, which is less carbon-intensive. Additionally, recycling diverts materials from landfills, which reduces methane emissions from materials in landfills.

Importance of Certified Fiber-based & Corrugated Packaging

Whenever possible, fiber used for paper-based packaging should come from known sources, should be procured from well-managed forests and should not contribute to deforestation. We want our fiber-based packaging sourced from responsibly managed and certified forests and/or use recycled content and alternative fibers when feasible. Costco currently accepts forest management certifications from three leading organizations: Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI) or Programme for the Endorsement of Forest Certification (PEFC), with a preference for FSC. We support certified fiber and traceability in fiber and paper resources. More information about Costco's deforestation goals can be found on the Environmental Impacts and Land Stewardship page.

Progress to Date - Recycled Content

Our use of recycled content in plastic packaging continues to be on par or ahead of global targets set by the many regions in which we operate. Costco has been an active user of recycled content in plastic packaging for many years and continues to increase its use of recycled content. Our use of recycled fiber also continues to grow. Please view a summary on our <u>2019 increase of recycled content</u>. Examples of our progress in 2020 include:

- Kirkland Signature [™] 16.9 oz Water Bottles, depending upon where manufactured or sold, have varying percentages of recycled content with the majority containing a minimum of 50% recycled content, and up to 100% recycled content in some regions.
- **U.S.** Food Court Pizza boxes are now 100% recycled content.

- Kirkland Signature Pet Food bags contain 30% recycled content.
- **Australian** bakery packaging uses 30% recycled content, is recyclable and is now sourced locally.
- **U.S.** Costco Pharmacies are currently transitioning to customer bags with FSC-certified recycled content.
- **U.S.** Costco Ecommerce vinyl bags are now made with 30% recycled content.
- All of our **U.S.** Ecommerce shipping boxes fulfilled by Costco are 100% recycled content.
- In **Canada** our delivery boxes contain 35% to 70% recycled content.
- Kirkland Signature **Canadian** Frozen Pizza packaging now uses 30% recycled content and is FSC certified.
- Fresh meat trays in **Australia** are now 100% recycled content.
- Fresh sushi packaging in the **UK** is 100% recycled content.
- Multiple mastercases for baking nuts and dried fruit contain up to 42% recycled content.
- Kirkland Signature Dog Dental Chews carton contains 72% recycled fiber.
- Kirkland Signature Facial Tissue packaging contains 100% recycled fiber.
- Kirkland Signature spice bottles contain 50% recycled PET.
- Kirkland Signature Organic Milk outer cases are 100% recycled content.
- Kirkland Signature Plant-Powered Ultra Premium Dish Liquid bottles contain 100% recycled content, the new fiber-based corrugated bottle-holder contains 35% recycled content and the mastercase contains 80% recycled content.
- In **Canada**, fresh Dynamic Duo Potatoes have moved from a plastic bag to a paper bag containing 80% recycled content.
- Kirkland Signature Dipped and Chewy Bars outer box now contains 72% recycled content.

Over 70 items now use recycled content and 40 items are packaged with certified fiber materials.