

Working with qualified suppliers in the communities where we do business is consistent with our overall commitment as a company to foster an inclusive environment. Our buyers work closely with these small businesses to get their products into Costco.



Supplier Inclusion Goals

Specifically, our goals around supplier inclusion are to:

- Work with qualified small and diverse suppliers in our communities to provide greater opportunities to do business with Costco.
- Partner with community organizations to identify qualified diverse suppliers to support our business.

Diversity in Costco's Product Line Since 2005, Costco's buying teams have worked with small businesses in our Supplier Inclusion program. In the typical scenario, we have featured their products in select regional warehouses or online at Costco.com. These items are a part of our unique "Treasure Hunt" variety of products that complement the everyday essentials at Costco.

Success Stories

Our suppliers provide us with innovative products, from snacks to skin-care solutions. Here are snapshots of a few from the recent past.



Mavens Creamery

Mavens Creamery is on a mission to unite communities and create meaningful experiences that transcend cultural barriers—one scoop of ice cream at a time. "In Vietnamese culture, food serves as a symbol of community, connecting us with our heritage and loved ones. Our experience growing up was no different," said Gwen, co-founder and CEO. Mavens Creamery's co-founders, Gwen and Christine, share many fond memories of family dinners, especially when ice cream and Asian sweets were served for dessert. However, in 2014, they discovered a lack of authentic Asian-inspired ice cream flavors and set out to change this.

Mavens Creamery offers a wide range of Asian-inspired ice cream flavors. They focus on quality by using a higher butterfat percentage than average and a higher percentage of fruit. They have also experimented with unique flavors, such as durian, which has been a wild success in the Bay Area.

On their partnership with Costco, Gwen said, "We've been really blessed to work with Costco! They played a huge role in the development of durian ice cream and have been very supportive—and excited—about adding more flavors like our avocado ice cream and Tea Collection featuring Thai Tea, Matcha, and Earl Grey!"



simplyFUEL



Mitzi Dulan, RD, CSSD, is a registered dietitian with degrees in both nutrition and exercise science. She believes that life should be fun, and a big part of a fun life is eating delicious and nutritious food with others we love.

In the 2000s, Mitzi became the team sports dietitian for her favorite teams: The Kansas City Chiefs and The Kansas City Royals. In her 10th season with the Kansas City Royals, she decided to make her protein ball recipe for the players, which had previously gone viral on Pinterest. She created the recipe to have the ideal ratio of protein, carbs, and healthy fats, and the players loved them. As a result, these protein balls became featured in local television reporting as the Kansas City Royals began to see success in the MLB playoffs. The requests to buy Mitzi's protein balls started pouring in, prompting Mitzi to turn her recipe into a business, leading to the creation of simplyFUEL.

From the beginning, Mitzi's goal was to get her simplyFUEL Protein Balls into Costco. It took her about seven years, but her experience has been a positive one. "Partnering with Costco has been amazing," said Mitzi, "I can't overemphasize how phenomenal the people and company have been in helping make the success of simplyFUEL possible."



Rip Van



Rip's dream of starting a confectionery to sell stroopwafels began in his third year at Brown University. While at university, Rip met his friend and co-founder, Marco. They grew production into a larger factory and expanded distribution to national retailers. In 2017, their factory burned down, forcing them to reflect on the business's purpose. They questioned, "What are we doing for our country, our society, and the planet?" That's when they learned about a sugar problem. Americans typically consume twice the recommended daily sugar limit. "It's a silent killer," said Rip. "If we could invent something to reduce sugar by 50-80%, we could have a meaningful impact."

They developed a low-sugar recipe for their stroopwafels and wafers, maintaining premium quality and cost value with a clean ingredient profile. These products have been highly successful. "Costco has been an important part of achieving our mission. It's been an amazing partnership. We hope to continue providing club members with unique, great tasting & lower-sugar options."

Rip and Marco value diversity and inclusion. Rip's mother is Indian, and he spent a small part of his childhood in India. Marco is Hispanic, with his father from the Dominican Republic and his mother from Brazil. They believe their diverse backgrounds and those of their staff contribute to their success.

Siete Family Foods

Miguel Garza, CEO of <u>Siete Family Foods</u>, knows firsthand the challenges of growing a small business from scratch. There are the typical growing pains, competition in the marketplace and ups and downs of a new business. On top of that, Latino-based businesses tend to receive far less funding — critical to really growing their businesses — than other groups in the U.S. Yet Siete Family Foods has grown from a single product, almond-flour tortillas developed by Miguel's sister Veronica, into a full line of glutenand dairy-free Mexican American staples available in 16,000 stores, including Costco. And now, the company gives back through the <u>Siete Juntos Fund</u>, offering mentorship and awards to growing Latino

food businesses. The awards will total \$2 million over five years. "By providing financial resources to entrepreneurs across the country through our Siete Juntos Fund, our goal is to build a more equitable and prosperous future for businesses and communities to thrive over the next five years—and hopefully, many years to come," says Miguel.



Resources for Suppliers

Are you interested in selling products at Costco or providing a service? Click this <u>Supplier Inclusion Resource</u> for further details.