



Costco Wholesale Australia, Pty. Ltd.

Modern Slavery Statement

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1. Statement Coverage

This Modern Slavery Statement (“Statement”) is made by Costco Wholesale Australia, Pty. Ltd. (“Costco Australia”) for the purposes of the Modern Slavery Act 2018 (Cth) and covers its financial year (FY) ending on 31 August 2025. Costco Australia is an indirect subsidiary of Costco Wholesale Corporation (“Costco”), an international group headquartered in the United States. Costco Australia does not own or control any other entities in Australia. Costco Wholesale Taiwan, Inc. (“Costco Taiwan”) is a subsidiary of Costco Australia.

2. Introduction

As a retailer with more than 340,000 employees worldwide, and operations, logistics and merchandise supply chains spanning the globe, Costco recognises our direct and indirect impacts on human rights, and we are dedicated to continually improving our human rights practices and those of our suppliers. For purposes of this Statement, “suppliers” include contract labour and services providers who support our own operations and supply chains, in addition to our suppliers of merchandise. Our [Human Rights Statement](#) outlines our commitment to respect human rights, including in relationships with our employees, suppliers, workers in our supply chains, and the communities in which we operate. We take what we believe to be reasonable and appropriate steps to support this commitment, which are informed by the following internationally recognised standards:

- The International Bill of Human Rights, which includes the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights
- Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises
- International Labour Organization Declaration on Fundamental Principles and Rights at Work
- United Nations Guiding Principles on Business and Human Rights

3. Costco’s Structure, Operations and Supply Chain

Costco is principally engaged in the operation of membership warehouses (retail locations) in the United States (U.S.) and Puerto Rico, Canada, Mexico, Japan, the United Kingdom (U.K.), Korea, Australia, Taiwan, China, Spain, France, Iceland, New Zealand and Sweden. Costco also operates e-commerce sites in the U.S., Canada, Mexico, the U.K., Korea, Taiwan, Japan and Australia. Costco currently operates 15 warehouses in Australia and 14 in Taiwan.

We offer merchandise and services in the following categories:

Core Merchandise Categories (or core business):

- Foods and Sundries (including sundries, dry grocery, candy, cooler, freezer, liquor, and tobacco)
- Non-Foods (including major appliances, small electrics, health and beauty aids, hardware, lawn and garden, sporting goods, tyres, toys and seasonal, automotive, postage, tickets, apparel, furniture, domestics, housewares, special order kiosk, and jewelry)
- Fresh Foods (including meat, produce, deli, and bakery)

Warehouse Ancillary:

- Petrol, pharmacy, optical, food court, hearing aids and tyre installation

Other Businesses:

- Ecommerce, business centers, travel and other

Below is an outline of Costco's primary governing bodies:



With regard to human rights, including risks of modern slavery, business leaders across our enterprise promote policies and actions supporting our Human Rights Statement. Our Global Responsible Sourcing (“GRS”) and Human Resources teams work with our business leaders to oversee our human rights strategy and action plans. Additionally, executives from all areas of the company meet regularly to discuss initiatives and activities that support our commitment to inclusion. The Nominating and Governance Committee of our Board of Directors is responsible for sustainability oversight, including human rights. Regular reporting informs this Committee of progress, challenges and outcomes within our human rights activities.

4. Policies Related to Human Rights, including Modern Slavery

Our Employee Agreement includes policies on anti-harassment, equal opportunity, reporting concerns and anti-retaliation. These policies govern our engagements with Costco employees.

With regard to our supply chains, Costco has established policies that reinforce our commitment to respecting human rights and reducing the risks of modern slavery:

Policy / Commitment	Objectives
<u>Human Rights Statement</u>	Sets out our commitment to improve our human rights practices and those of our suppliers. It also sets out our salient human rights risks, which include but are not limited to forced labour and the exploitation of migrant workers, and child labour and young workers.
<u>Code of Ethics</u>	Since its inception in 1983, Costco has conducted business in accordance with our Code of Ethics, which is to: obey the law; take care of our members; take care of our employees; respect our suppliers; and reward our shareholders.
<u>Supplier Code of Conduct</u> (“the Code”)	Derived from the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the United Nations Universal Declaration of Human Rights, the Code prohibits child labour, forced labour and human trafficking, and requires adherence to environmental, health and safety standards. The Code is supported by audits. Among other things, suppliers must commit to voluntary employment, uphold transparency during audits, and maintain compliance with the Code’s standards, with violations potentially leading to business termination. The Code, among other places, publicises Costco’s confidential and anonymous ethics hotline for reporting misconduct or policy breaches.
<u>Conflict Minerals Policy</u>	Shows that we support the aims and objectives of the Dodd-Frank Act regarding “Conflict Minerals” (i.e., tantalum, tin, tungsten and gold (3TG)); specifically, to not

	knowingly buy or sell consumer goods containing these minerals that originate in the Democratic Republic of the Congo or its neighboring countries (i.e. “Conflict Region”) unless from a smelter or refiner that is certified “conflict free”. Additionally, while not required under the Act, we have expanded our due diligence efforts to include: (1) cobalt in addition to 3TG, and (2) the Conflict Affected and High-Risk Areas as defined by the Organisation for Economic Co-operation and Development in addition to the Conflict Regions.
<u>Palm Oil Policy</u>	Aligns palm-oil sourcing for our private label products (Kirkland Signature™) with the Roundtable on Sustainable Palm Oil’s (RSPO) standards, which include traceability to the mill level and adherence to environmental and human rights guidelines.

5. Risk-Identification of Modern Slavery Practices

Costco has considered the potential risks arising in relation to our operations. We directly employ a very high proportion of our workforce and are committed to observing local employment laws. We perform biennial employee engagement surveys to identify opportunities for improvement within our operations. We also continue to encourage and support both our ethics hotline and Open Door Policy, which allow any employee to discuss any issue with any level of management. We encourage anyone who is aware of violations of the law or our Code to notify management, our Code of Conduct Compliance team, or utilise Costco’s confidential reporting site: www.costco.ethicspoint.com.

In our supply chains, given the number of direct and indirect suppliers Costco has and their geographic dispersion, it is necessary to be selective with our efforts to mitigate human rights risks, while supporting those most vulnerable in our supply chains. We continue to leverage a variety of resources to identify the top risks, including modern slavery practices, and our capacity to prevent and mitigate them. Below is a summary of these efforts:

5.1 Salient human rights risk mapping. Following a formal assessment to identify our salient human rights risks,¹ we began working with [LRQA](#) on a process (leveraging their supply chain management tool, [EIQ](#)) to identify the product/sector and geography combinations where these salient risks are most likely to occur. This work has contributed to the prioritization of our due diligence efforts (see table below).

¹ Child Labor and Young Workers; Forced Labor and Exploitation of Migrant Workers; Discrimination and Inequality (including gender-based discrimination); Concerns to Indigenous Peoples’ and Community Land Rights; and Occupational Health and Safety Risks.

5.2 Human Rights and Environmental Impact Assessment. In FY25, we partnered with [Arche Advisors](#) to carry out a Human Rights and Environmental Impact Assessment at sugar mills in Brazil with a focus on our salient risks. We continue to partner with our direct suppliers to leverage the assessment findings and recommended actions. Specifically, we engaged with Fair Trade USA to develop virtual and in-person activities, to be carried out in FY26, aimed at strengthening the mills' ability to manage risks related to gender discrimination, the use of seasonal/subcontracted labor, deforestation, and concerns to indigenous peoples.

5.3 Stakeholder engagement. We continue to engage with stakeholders who have expertise related to human rights in particular industries and regions of the world. These include but are not limited to non-governmental organizations, labour advocates, service providers, industry/trade associations and Costco's suppliers. There are numerous examples of this engagement under section 6.3 below, which describes the various multistakeholder efforts we support as a part of our heightened due diligence for priority supply chains.

5.4 Grievance mechanisms. Grievance mechanisms are critical to our identifying potential forced labour and other violations. We support grievance reporting mechanisms in certain high-risk supply chains through various relationships, and require suppliers to provide an anonymous and confidential method for their employees to raise concerns to senior management at the facility, with protection from retaliation. Additionally, we have a global confidential ethics hotline to monitor compliance with our Code of Ethics, our Supplier Code of Conduct, and other legal and ethical policies:

www.costco.ethicspoint.com. Employees and suppliers can access this tool from anywhere in the world, in multiple languages. Additional options for submitting reports can be by mail or, in countries where we have Costco warehouses, by calling a local toll-free number. Details can be found on our EthicsPoint website.

5.5 Supplier screening and monitoring of human rights violations/incidents. Costco utilises LRQA's Sentinel web crawler to discover supplier-specific news in key areas, including forced labour, child labour, wages and working hours, and fire and health and safety. Incidents identified are given risk ratings, the more severe of which are further reviewed and investigated, as appropriate. We also apply Denied Party Screening to suppliers in order to identify forced labour-related or other sanctions against them.

From these efforts, we have identified the following region and product/sector combinations in our supply chains as prone to our salient human rights risks and where we have the most business leverage to make positive impacts.

Region	Sector/Product	Salient Risk
Americas	Agriculture (coffee, sugar, tomatoes)	Child labour, forced labour, gender inequality, health and safety, indigenous peoples'/community land rights
	Food processing (meat packing, food manufacturing)	Child labour, forced labour, health and safety
Africa	Mining (conflict minerals (i.e., tantalum, tin, tungsten and gold (3TG) and cobalt)	Child labour, forced labour, health and safety
	Agriculture (cocoa)	Child labour, forced labour, gender inequality, health and safety
Asia	Manufacturing/Food processing (apparel, home textiles, seafood)	Child labour, forced labour, gender inequality, health and safety
	Agriculture (cotton, cashew, palm oil)	Child labour, forced labour, health and safety, indigenous peoples'/community land rights
	Fishing (shrimp, tuna)	Child labour, forced labour, health and safety

6. Actions Taken to Assess and Address Risks

When concerns regarding compliance with law or our Code of Conduct are reported through our confidential ethics hotline, our Legal Department directs the relevant areas within the company to investigate and follow-up on each report received, as appropriate. Responsibility for our Open Door Policy is embedded among all managers and supervisors. Retaliation against those who report grievances is prohibited. Additionally, Costco-owned manufacturing facilities are periodically audited for compliance with the Code standards. Any violations are required to be addressed through corrective action plans and re-audits, as appropriate, just as we require of our suppliers that undergo audits against the Code.

With regard to our supply chain, Costco Australia, Costco Taiwan and all other Costco subsidiaries utilise Costco's centralised compliance function to handle supply chain human

rights due diligence. Below are a number of efforts Costco has in place to assess and address human rights risks:

6.1 Employee training & engagement. We focus on educating our employees with buying responsibilities on the importance of the Code and their role in supporting it, by participating in various buyer and supplier meetings, and providing in-person presentations.

In FY25, Costco's team responsible for the day-to-day management of the Code's facility audit program underwent a full day training on forced labour conducted by staff from Arche Advisors. The training covered a variety of topics related to forced labour in global supply chains, including: a recap of historical and recent news headlines from around the world; a review of the ILO Forced Labour indicators; the international legal framework for forced labour; best practices for suppliers to identify and mitigate risks; and "what good looks like" with regard to remediation of forced labour cases. To build upon this, in FY25, this team engaged in continuing education with eLearning courses from LRQA. These courses covered topics on human rights, supplier management, forced labour, young workers and child labour, migrant workers, grievance mechanisms, harassment and abuse, health and safety, and many others. Additionally, members of this team periodically attend third-party audits against the Code to learn from the auditors and experience the process first-hand.

6.2 Monitoring of supplier performance through audits. Our ongoing risk assessment process informs our approach to targeting audits of supplier facilities either against the Code standards or comparable standards approved by Costco. We prioritize suppliers of Kirkland Signature merchandise, and suppliers whose product or country of origin poses an increased risk.

In FY25, 6,839 independent third-party audits were conducted in 86 countries, primarily at the final manufacturer or processor level of the supply chain. For facilities at this level considered intermediate to high risk, audits are initially required at least annually and more frequently if actions to correct violations require onsite verification. For suppliers that are in full compliance, subsequent audits may be less frequent.

Of the 6,839 independent third-party audits conducted, 4,562 were conducted against the Code's standards. For facilities considered intermediate to high risk, these audits are carried out on a partially announced basis, providing the facility with a two-week window

of when the audit may take place. This limited notice is to take the facility's security measures into consideration and to allow the supplier to collect records that are reviewed during the audit. Fully unannounced audits are carried out on occasion, typically in response to tips received through our confidential ethics hotline. Audits include the workplace where production takes place and onsite worker housing.

Many of our suppliers have programs to verify compliance with their own codes of conduct or with independent compliance audit standards. Upon review of the program and standards applied, Costco may accept these reports in lieu of audits against our Code. These audits make up the remaining 2,277 reports accepted in FY25. Acceptance depends on a variety of factors, such as industry and geographic risks for human rights violations and prior audit history.

With very few exceptions (which require Costco's approval), all audits are required to be conducted by a member of the Association of Professional Social Compliance Auditors (APSCA). As an industry association whose members represent a substantial majority of the social compliance audit industry, APSCA seeks to enhance the professionalism, consistency and credibility of independent social compliance auditors.

6.2.1 Audit outcomes.

All audits against the Code are graded based on qualitative and quantitative assessments. **High Performance grades** range from no violations to only minor violations. These generally are facilities with very strong management systems in place to meet the high standards of the Code. Additionally, the audit reports capture and emphasise all instances of facilities going above and beyond the standards and expectations of local laws and the Code. These include a variety of benefits and/or services provided to the workforce, and/or actions to mitigate the facility's environmental impacts.

The other end of the spectrum of audit performance involves **Critical audit grades**, which are the result of at least one Critical Violation, defined by the Code as follows: "A practice including any of the following: Illegal child labour; Forced, bonded, indentured, slave, prison or convict labour, and human trafficking; Physical, sexual, verbal or mental abuse or harassment; Bribery or attempted bribery; Health and safety conditions posing immediate risk to life and limb; Corruption, deception or falsification of records; Auditors denied timely entry by Facility."

Below are results of the audits conducted against the Code's standards from our last two fiscal years.

Supplier audits against the Code Key Performance Indicators (KPIs)	FY25	FY24
High Performance grades	272	198
Intermediate Performance grades	2,568	2,530
Low Performance grades	1,308	1,192
Critical grades	414	444
Critical Violations involving a forced labour indicator, such as the retention of employees' original documentation, fees charged to foreign/recruited workers, mandatory overtime hours, etc.	40	73
Critical Violations involving employees under the legal working age.	0	1

Our policy is that all Critical Violations must cease immediately, and a detailed and proactive corrective action plan addressing all Critical Violations shall be submitted to Costco. Additionally, depending on the severity or lack of remediation of any Critical Violations or any other Code violations, we reserve the right to terminate our relationship or purchase orders with a supplier and/or its facility. Costco is committed to and prefers working with suppliers and their facilities that remediate Code violations, rather than applying sanctions that may cause further hardship to workers and their families. Some violations, however have led to termination sanctions.

To raise awareness of these efforts, we shared aggregate audit results and other updates related to the Code at our annual Supplier Day event in the fall of 2025.

6.3 Heightened due diligence for priority supply chains

Costco addresses a number of its salient human rights risks through selective initiatives and stakeholder engagement in promoting systemic improvements. Some examples include:

- **Apparel.** We continue to require third-party social audits of the fabric mills for our Kirkland Signature apparel items, which are often the second tier of the manufacturing supply chain. This is in addition to auditing the final cut and sew factories. We support industry-led initiatives like [Nirapon](#) and the [International Accord](#) to enhance worker safety and create a culture of minimising occupational hazards and risks in our supply chains. We require suppliers who source from Bangladesh to either be active members of one of these organizations or to support comparable efforts in place at the factory. Additionally, Costco has joined [RISE](#) (Reimagining Industry to Support Equality), an initiative that supports collaborative industry action at scale to advance gender equality in the global garment, footwear and home textiles supply chains. In FY25, Costco partnered with one of our key Kirkland Signature™ apparel suppliers to implement our first RISE workplace program (called “Foundations”) at a cut and sew facility in Tamil Nadu, India. The RISE Foundations program is designed to build confidence and capabilities, raise awareness of various health and financial literacy topics, and increase the overall capacity of workers to excel in the workplace and in life. The 13-month program includes training modules for all workers and focuses on topics such as self-management and change, problem-solving and decision-making, and the right to fair conditions at work
- **Cocoa.** Most of Kirkland Signature chocolate products derive from cocoa sourced sustainably, including some from Costco’s [Sassandra Cocoa Program](#) in Côte d’Ivoire. Child labour and gender inequalities, unfortunately, present persistent challenges in the cocoa industry. Our goals through the Sassandra Program are to address these and other important issues through: child labour monitoring and remediation programs; better education through new classrooms and basics such as school kits; and resources that help women in the communities. For more details on the Sassandra Program, including efforts to provide child protection, and gender equity and financial resilience, review the [Côte d’Ivoire Report](#).
- **Conflict Minerals.** Costco takes measures to exercise due diligence on the sourcing and chain of custody of tin, tantalum, tungsten and gold (“3TG”), and

cobalt in products where we influence the manufacturing. The scope of our compliance program also includes the conflict areas of concern beyond the Democratic Republic of Congo and adjoining countries to include all Conflict Affected and High-Risk Areas as defined by the Organisation for Economic Co-operation and Development. To support this work, Costco joined the [Responsible Minerals Initiative \(RMI\)](#), which helps companies address responsible sourcing of minerals used in many consumer products. We use the RMI's Conflict Minerals Reporting Template and Extended Minerals Reporting Template to trace the supply chain, and the RMI's Responsible Minerals Assurance Process and database to monitor smelters and refiners in our supply chain that are likely to supply 3TG and cobalt. Costco also leverages its membership in RMI to learn about emerging issues and best practices on responsible mineral sourcing, and to work on addressing shared challenges. More information can be found in our [Form SD](#) and [Conflict Minerals Report](#).

- **Cotton.** The sourcing of cotton presents particular challenges with respect to forced labour around the world. We utilize a cotton supply-chain mapping program, which requires document verification, to further understand where the cotton in our apparel products originates (see our [Cotton Policy](#) for more details). The program covers Kirkland Signature apparel and home textile products. Restricted party screening is applied to the manufacturing entities involved in these supply chains to promote compliance with trade-sanction laws. We also frequently apply product testing by [Oritain](#) and [Eurofins](#), which uses forensic testing to verify the origin of the cotton. Additionally, we continue to engage with the joint association (AAFA/NRF/RILA/USFIA) [Forced Labor Working Group](#), which consists of brands and trade associations, to share best practices and innovative approaches to mitigate forced labour risks, with a primary focus on apparel and home textile supply chains.
- **Food Processing.** In light of reported incidents of child labour in U.S. facilities, primarily related to employees of service providers (e.g. sanitation, janitorial, canteen, and security) contracted by the facility and often working overnight shifts, Costco requires an increased audit scope of select facilities in the U.S.; specifically, by including employees of service providers and observation of working conditions during overnight shifts. With an emphasis on suppliers of Kirkland Signature products, 288 audits were conducted with this increased audit scope in FY25. Subsequently, 13 facilities and/or their contract labor or service providers have

completed further review and training provided by [Guidepost Solutions](#) as a result of audit concerns related to documentation of their employees.

- **Fresh Produce.** Costco supports the [Equitable Food Initiative \(EFI\)](#), which is a fresh produce multi-stakeholder effort that includes farmers, suppliers, buyers and NGOs to improve labour practices, environmental stewardship and food safety for the benefit of workers, agricultural communities, businesses and consumers. Costco pays a premium for EFI-certified produce, to directly compensate farmworkers for the extra effort they provide in meeting EFI's rigorous standards. In addition to investing \$2.5 million to EFI's development, Costco has paid over \$28 million in premiums since 2014, generating over \$24 million in worker bonuses. Costco and several of its produce suppliers support a program with [Fair Trade USA](#), which directly engages with farmworkers to promote sustainable incomes, safe working conditions, responsible labour recruitment, environmental stewardship and transparent supply chains. For every Fair Trade Certified™ product sold, farmers and workers earn an additional amount of money, empowering them to improve their lives and fight poverty. Since 2014, the total amount raised from Costco's Fair Trade Certified produce purchases is over \$41 million. Costco and some of its fresh produce suppliers partner with [CIERTO](#), an independent third-party nonprofit that provides transparent, no worker-fee recruitment for farm workers in order to ethically and legally recruit farm labour for U.S. agricultural products. As a signatory of the International Fresh Produce Association's [Ethical Charter on Responsible Labor Practices](#), Costco joined a group of produce buyers and suppliers to launch the [Ethical Charter Implementation Program \(ECIP\)](#). Through an assessment tool and capacity building resources for growers and suppliers, ECIP helps to measure and strengthen their alignment with the principles of the Ethical Charter. In FY25, 247 direct Costco suppliers representing 1,159 growers joined ECIP.
- **Logistics.** We work with [Truckers Against Trafficking](#) to educate our fleet drivers, as well as other trucking service suppliers. We also understand that sex trafficking (including the commercial exploitation of children) occurs in the hospitality industry. We work with Costco Travel suppliers to bring awareness to this issue.
- **Palm Oil.** Costco is committed to ensuring that the palm oil contained in our Kirkland Signature products and component ingredients is responsibly sourced by requiring [Roundtable on Sustainable Palm Oil \(RSPO\)](#) certification. Among the many standards of RSPO is the respect for human rights, including the rights of

indigenous people and local communities and their right to free, prior and informed consent, for community stakeholders impacted by expansion.

- **Paper Products.** A key principle of [Forest Stewardship Council®](#) (FSC) certification is to identify and uphold indigenous peoples' rights of ownership, use and management of land, territories and resources. Delegation by indigenous peoples of control over management activities to third parties, as well as protecting and utilising traditional knowledge and intellectual property, require a binding agreement between the certificate holder and indigenous peoples concluded through free, prior and informed consent. Costco accepts forest management certifications from three leading organisations: FSC, Sustainable Forestry Initiative (SFI) and Programme for the Endorsement of Forest Certification (PEFC), with a preference for FSC. Many of our Kirkland Signature paper products have FSC certification. Additionally, Costco requires our U.S. and Canadian warehouses and petrol stations to use FSC-certified register tape.
- **Seafood.** Costco helped establish and is an active member of the [Seafood Task Force](#) (STF), a collaboration tackling human rights and environmental issues in global shrimp and tuna supply chains. We support the Responsible Recruitment subgroup of the STF to advance the industry's efforts for responsible labour recruitment. The primary goal is to leverage the power of the STF's membership to build demand for responsible recruitment practices throughout member supply chains. Learn more about the STF's progress on Responsible Recruitment on their [website](#), which includes scores and milestones. Also available is the STF's [Guidance on Responsibility for Recruitment Related Costs](#), which is intended to guide the implementation of the STF Code of Conduct standard on recruitment and hiring-related costs. Additionally, to drive worker welfare across the tuna supply chain, see the STF's published [Grievance Mechanism Procedure](#) for vessel owners and fleets.

7. Remediation and Continuous Improvement

Below are a variety of ways we support suppliers, facilities and workers in our supply chain by providing or facilitating remediation of human rights concerns raised through audits or other means:

- **Grievance mechanisms.** When we receive grievances, we investigate appropriately. Depending upon the issue, we may work with suppliers directly or

conduct independent third-party audits. In FY25, grievances received included potential violations of our Supplier Code of Conduct, employee health and safety, wage and hour, poor working conditions, improper employment verification processes for migrant and underage workers, poor treatment of workers by management, and mislabeling of products. The majority of these concerns were reported through our own Ethicspoint tool, with additional concerns reported via emails sent directly to employees of the Company. Where the allegations were substantiated, appropriate action was taken to remedy the situation; for example, safety improvements made to facilities in order to improve working conditions, and additional training for facility management on specific areas related to the concerns reported to Costco. Where appropriate, audits against the Code were conducted to verify corrections.

Grievance reporting KPIs	FY25	FY24
Human-rights related grievances investigated and addressed as noted above	14	12

- **eLearning lessons.** We continue to partner with LRQA to offer our suppliers web-based eLearning lessons (often in the local language) to educate them and their facilities on human rights risks, including modern slavery. We offer specific lessons based on certain human rights risks associated with the facility's location, in advance of our audit, as well as lessons that provide guidance to facilities on correcting specific audit violations. The lessons most frequently taken were: Introduction to Human Rights Due Diligence; Recognizing Forced Labor; Working with Migrant Workers; and Recognizing Child Labor.

eLearning KPIs	FY25	FY24
Lessons completed by Costco suppliers and/or their facilities.	25,715	12,509
Lessons completed by Costco suppliers and/or their facilities on the following forced labour-specific topics: Recognizing Forced Labor, Forced Labor Prevention for Factories, Forced Labor Prevention for Farms, Forced Labor Due Diligence,	6,029	1,340

Preventing Forced Labor during Recruitment, and Working with Migrant Workers.		
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- **Corrective Action Plans (CAP).** We recognise that some suppliers will need assistance with compliance. For any supplier with an audit that reveals the need for improvement, Costco requires a CAP that includes a time frame for correcting each violation and often on-site re-audits to verify progress. Costco also offers access to capacity-building services that improve management systems to address the causes of violations and support the supplier's CAP completion.

8. Assessing the Effectiveness of our Actions

In our operations, Costco conducts a biennial global employee engagement survey to obtain feedback concerning ethics, compliance and engagement. Survey results have indicated a high level of satisfaction by employees with their work environment. Where there are opportunities for improved engagement, Costco leadership is committed to taking action in those areas. Additionally, we have consistently found that a vast majority of employees know how to access the various Open Door channels available if they have a workplace concern and feel equally comfortable doing so.

In our supply chains, Costco has joined multiple efforts to help improve the working conditions of people within our supply chains, including the numerous stakeholder engagements and industry initiatives described above. A key aspect of these engagements is the opportunity to periodically assess the effectiveness of our overall human rights due diligence approach, including mitigation of forced labour and modern slavery.

In addition, we have a number of KPIs to measure our progress on assessing and addressing our salient human rights risks, including forced labour and modern slavery, as described above in sections 6 and 7. We will continue tracking progress with these KPIs year over year, and make appropriate adjustments to our due diligence efforts as we continue to learn and risks continue to evolve.

9. Process of Consultation in Developing this Statement

This Statement was developed by the GRS team within Costco's Global Sustainability and Compliance Department, with input from Legal and Human Resources Departments, as well as Costco Australia and Costco Taiwan.

This Statement was approved by the Board of Directors of Costco Wholesale Australia, Pty. Ltd. as of January 28, 2026.

COSTCO WHOLESALE AUSTRALIA, PTY. LTD.

By: 
Chris Tingman
6021BE20370248E...
Chris Tingman, Managing Director

Statements contained in this document are aspirational and relate to the manner in which the Company currently intends to conduct certain of its activities, based on management's current plans and expectations. These statements are not promises, guarantees, or statements on which you should rely with respect to the Company's conduct or policies, and are subject to a variety of risks and uncertainties, some of which may be material and/or beyond the Company's control. Forward-looking statements speak only as of the date they are made, and the Company does not undertake to update these statements, except as required by law.