

CONSUMERS AGAINST GENOCIDE

COSTCO CAMPAIGN

CAG 2025

About Costco¹

Costco Wholesale Corporation and its subsidiaries (“Costco” or the “Company”) began operations in 1983, in Seattle, Washington. It is principally engaged in the operation of membership warehouses with a total of 897 locations across 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 generates about 86% of its revenue and 85% of its income from U.S. and Canada through 613 and 107 warehouses, respectively. In 2024, Costco recorded \$254.4 billion in sales and \$7.4 billion in net income and reported having 136.8 million members worldwide.

This is not a Boycott campaign, it's a pressure campaign

This campaign is not a call to boycott Costco. Rather, its purpose is to apply meaningful pressure on the company, compelling them to listen to their members and cease sourcing Zilo products. While countless individuals have already reached out to Costco through various channels to communicate this concern, those efforts have yet to result in the necessary change. To overcome this, we've crafted a strategic series of escalating actions designed to amplify our message at every stage. Each step will increase the volume of our collective voice, making it impossible for Costco to ignore the demands of its members. The decisive actions in Phase 3 of the campaign will create undeniable pressure, forcing Costco to uphold its own code of ethics and respond to the will of its customers.

Costco's claim to protecting to human rights²

Costco claims to be committed to protecting the rights, safety and dignity of the people involved with its business directly or indirectly. In this regard, Costco has instituted a Supplier Code of Conduct that expects Suppliers and Facilities to comply, at a minimum, with all applicable labor, employment, health and safety, and environmental laws and regulations of the country where the Merchandise is produced. All Facilities engaged in the production of Merchandise sold to Costco are required to be disclosed to and approved by Costco.

How is Costco bolstering Israel's colonial expansion and its economy?

Costco sells numerous products sourced from Israel, including Keter fence and gate kits, "Summit" shelving and storage items, "Magic Villa" playhouses and "Apex" shelving and sheds. These products are manufactured by Keter Plastics, a privately owned Israeli, in the Jewish-only colonies of Barkan and Oranit in the West Bank³. Other products sourced from Israel includes fresh produce, SodaStream (maker of the consumer home carbonation products) and Silk'n, a company that specializes in developing and selling at-home beauty devices.

Why must we hold Costco Accountable?

By procuring products manufactured in Israel Costco is directly contributing to the settlement economy and helping maintain an illegal situation. Israel's policy, under article 49 of the Fourth Geneva Convention, of settling its civilians in occupied Palestinian territory and displacing the local population, contravenes fundamental rules of international humanitarian law⁴. Keter Plastic's manufacturing facility, is located in the Barkan Industrial Zone, an illegal settlement in the occupied West Bank, which is notorious for housing a disproportionate number of environmentally harmful factories, with toxic waste from Barkan contaminating the Al-Matwi valley and devastating Palestinian farmland.

In addition to environmental degradation, Palestinian laborers working in the Barkan Industrial Zone have been subjected to exploitative conditions, including being paid below

minimum wage and being systematically denied the right to unionize, in violation of international labour standards.

While Costco benefits financially from continued business with Israeli suppliers, it emboldens their existence in a stolen land.

Does selling Israeli products violate Costco's code of conduct?

Costco's Supplier Code of Conduct was established to protect the rights and safety of the people who produce, process, transport or harvest the products Costco sells. The code applies to all our suppliers and to Costco-owned manufacturing facilities⁵. While Costco recognizes the need for assistance to suppliers to address the root cause of violations, Costco has the power to terminate business relationships, if full compliance is not achieved. Having not taken any action to sever ties with Israeli suppliers based in illegal settlements, Costco has clearly violated its code of conduct.

Costco's commitment to its Human Rights Policy and the UN Guiding Principles creates a binding ethical and operational framework.

Given the gravity of the findings from the ICJ, ICC, and UN Commission, continuing this sourcing practice is no longer a neutral act. It is a choice to remain financially linked to a situation characterized by the highest international legal bodies as genocidal. Therefore, it can be robustly argued that this choice violates the explicit commitments Costco has made to human rights and ethical sourcing, betraying the trust of its members and the spirit of its own "Do the Right Thing" ethos.

How buying Israeli products contribute to the genocide in Gaza and the violence in the Westbank?⁶

Purchasing goods sourced from Israeli settlements has a direct and documented financial link to the military operations in Gaza. These products are often subject to value-added tax (VAT) and other corporate taxes paid to the Israeli government. This state revenue is consolidated into a single treasury, from which the Israeli military is funded as the largest budgetary expenditure. In the 2025 state budget, for example, the Israeli government approved a significant increase in defense spending, explicitly earmarking funds for its ongoing campaign

in Gaza. Therefore, consumer spending on these goods indirectly contributes to the state's fiscal capacity, effectively subsidizing the very military forces that the International Court of Justice (ICJ) has found to be "plausibly" committing acts of genocide. This creates a direct supply chain of capital: from the consumer, through the state, and into military operations that have resulted in widespread devastation and loss of life in Gaza and the West Bank.

How can I pressure Costco to divest Israeli products?

We, as a sizable segment of Costco's member base, have the leverage to call out Costco for deviating from its own values and get it to meet our demands. As part of the campaign, we encourage members to:

1. Follow the campaign action plan at www.consumersagainstgenocide.com
2. Bring to Costco's attention the Israeli products and question their presence in the store in light of Costco's Code of Conduct and the Genocide in Gaza.
3. Voice concerns about our hard-earned dollars funding a genocide and illegal settlements in Palestine.

1 Costco 2024 Financial Statement

2 https://s201.q4cdn.com/287523651/files/doc_downloads/govdocs/Supplier-Code-of-Conduct-2018.pdf

3 https://www.cjpme.org/fs_249

4 <https://www.amnesty.org/en/latest/campaigns/2019/01/chapter-3-israeli-settlements-and-international-law/>

5 <https://www.costco.ca/connection-inside-costco-human-rights-september-2023.html>

6 <https://www.bbc.com/news/articles/cx2039xpv87o>