

**WHEREAS:** The Intergovernmental Panel on Climate Change reports that immediate and significant emissions reductions are required of all market sectors to stave off the worst consequences of climate change.<sup>1</sup> In response to this climate crisis, investors are seeking transparent climate-related risk disclosures from companies, including greenhouse gas (GHG) emissions disclosures, to inform their investment decision-making.<sup>2</sup>

For most retailers, Scope 3 product-related value chain activities are the largest source of emissions.<sup>3</sup> Product-related value chain emissions include “all the emissions generated to make the products that retailers sell (upstream emissions) and the emissions that customers create by using and ultimately disposing of the products that they purchase (downstream emissions).”<sup>4</sup> Because they constitute a significant portion of retailers’ total emissions, meaningful efforts by retailers to reduce their contribution to systemic climate risk must address these product-related emissions.

Amazon does not meet this standard. It discloses product-related value chain GHG emissions only for its private label (i.e., Amazon-branded) products.<sup>5</sup> However, Amazon states that “private brands sales represent only about 1% of our total sales.”<sup>6</sup> Amazon therefore fails to disclose material emissions associated with 99% of the products sold on its retail platform.

Under the Greenhouse Gas Protocol, retail companies should count the emissions associated with all relevant products sold across the Company’s product portfolio.<sup>7</sup> Peers Target and Walmart each disclose emissions from all product sales, not just their private label products.<sup>8</sup> Disclosing the GHG emissions associated with only a fraction of

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<sup>1</sup> [https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC\\_AR6\\_SYR\\_FullVolume.pdf](https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_FullVolume.pdf), p.20

<sup>2</sup> <https://www.sec.gov/files/33-11042-fact-sheet.pdf>, p.1

<sup>3</sup> <https://nrf.com/blog/retailers-set-science-based-targets-address-climate-change>

<sup>4</sup> <https://nrf.com/blog/retailers-set-science-based-targets-address-climate-change>

<sup>5</sup> <https://sustainability.aboutamazon.com/2023-amazon-sustainability-report.pdf>, p.11

<sup>6</sup> <https://www.congress.gov/116/meeting/house/110883/documents/HHRG-116-JU05-20200729-QFR052.pdf>, p. 23-24

<sup>7</sup> <https://ghgprotocol.org/sites/default/files/2022-12/Chapter11.pdf>, p.113

<sup>8</sup> <https://corporate.target.com/getmedia/e2d80340-eb9f-43a7-a84c-219280aa5ba4/2024-Sustainability-and-Governance-Report.pdf>, p. 7, 12-14;

<https://corporate.walmart.com/content/dam/corporate/documents/esgreport/our-esg->

a retailer's product sales, as Amazon does, risks providing a misleading impression of the retailer's total emissions and its exposure to climate-related risk.

By expanding disclosures to cover emissions from all of Amazon's retail products – defined by the Company's most recent 10-K as sales for which Amazon is the seller of record – the Company can mitigate risk across its product portfolio and demonstrate that its actions are responsive to climate regulations approved by California and the European Union. Increased emissions disclosures will prepare Amazon for growing mandatory reporting requirements and carbon pricing via carbon border adjustment mechanisms. More complete Scope 3 reporting will reduce Amazon's exposure to reputational risk, increase the legitimacy of its climate targets, and position the Company to be prepared for and to maximize benefits from climate-related opportunities.

**RESOLVED:** Shareholders request that Amazon disclose all material Scope 3 greenhouse gas emissions associated with its retail sales.