Report on Financial Impact of Renewable Energy Implementation

Whereas: Amazon.com, Inc. ("Amazon" or "Company") co-founded The Climate Pledge in 2019, which includes "a commitment to reach net-zero carbon emissions across our global operations by 2040."[1] Amazon reported in 2023 that it achieved a 100% match between electricity consumed by global operations and renewable energy.[2]

Since making The Climate Pledge in 2019, the global energy outlook has changed. An increase in data centers has driven an unforeseen surge in energy demand.[3] [4] [5] [6] [7] Accordingly, energy demand is expected to continue to rise in many markets. In its efforts to maintain its pledge, Amazon has become largest purchaser of renewable energy in the world.[8]

Amazon Web Services generates more than half of Amazon's operating income.[9] As the gargantuan AI buildout accelerates,[10] AWS will have to make massive investments to remain an industry leader.[11] [12]

The assumptions on which Amazon made The Climate Pledge and other climate commitments have changed.[13]

Resolved: Shareholders request that, by March 31, 2027, the Board of Directors publish a report, prepared at reasonable cost and omitting proprietary or competitively sensitive information:

1. Summarizing the incremental capital and operating expenditures Amazon has incurred to implement The Climate Pledge and any other climate commitments for fiscal years 2019 through the most recent completed fiscal year; and
2. Summarize the Board's efforts since 2019 to reevaluate The Climate Pledge and other climate commitments given Amazon's changing expectations for AI infrastructure investment and energy usage.

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[1] https://www.aboutamazon.com/planet/climate-pledge
[2] https://www.aboutamazon.com/news/sustainability/amazon-renewable-energy-goal
[3] https://www.iea.org/news/global-electricity-demand-to-keep-growing-robustly-through-2026-despite-economic-headwinds
[4] https://www.wsj.com/business/energy-oil/how-big-data-centers-are-slowing-the-shift-to-clean-energy-44ef4145
[5] https://www.wsj.com/business/energy-oil/ai-boom-to-fuel-surge-in-data-center-energy-needs-iea-99f90810
[6] https://deloitte.wsj.com/riskandcompliance/powering-generative-ai-innovative-solutions-for-data-centers-397d12d8
[7] https://www.wsj.com/science/environment/ai-electricity-water-environmental-impact-59520a43
[8] https://www.aboutamazon.com/news/sustainability/amazon-renewable-energy-portfolio-january-2024-update
[9] https://www.sec.gov/ix?doc=/Archives/edgar/data/0001018724/000101872425000004/amzn-20241231.htm#fact-identifier-1420
[10] https://www.businessinsider.com/big-tech-ai-capex-infrastructure-data-center-wars-2025-10
[11] https://www.nytimes.com/2025/06/24/technology/amazon-ai-data-centers.html
[12] https://www.datacenterfrontier.com/hyperscale/article/55295967/amazon-doubles-down-on-ai-infrastructure-with-30b-in-new-us-data-center-investments
[13] https://www.aboutamazon.com/news/sustainability/the-climate-pledge

Supporting Statement: Amazon's Climate Pledge impacts e-commerce, logistics, cloud computing, and artificial intelligence. Meeting its goals has exposed shareholders to incremental capital outlays (e.g., power purchase agreements, virtual power purchase agreements, unbundled renewable energy certificates) and higher operating costs—especially as tightening power markets lift wholesale prices. The U.S. Department of Energy notes that interconnection costs for new renewable resources now equal 50%-100% of total project cost as penetration rises, up from less than ten percent a few years ago.[14] Renewable energy matching can fail to account for the whole cost of replacing conventional energy sources, which should include storage and transmission. These costs are often socialized but may still negatively impact Amazon's businesses.[15]

For purposes of this proposal, "incremental" means costs relative to the lowest-cost reliable power available in each market. This Proposal does not prescribe energy procurement practices; it encourages disclosure of energy costs for shareholder education.

The requested report could, at management's discretion, discuss relevant risk-mitigation strategies moving forward. Shareholders may be concerned that Amazon's existing disclosures appear to operate under assumptions that have become considerably less likely in recent years.

This report would provide investors with insight into the cost, risk, and return profile of Amazon's comprehensive renewable-energy and carbon-neutral roadmap—enabling an informed judgment about whether the programs enhance or dilute long-term shareholder value.

[14] https://www.ssii.org/wp-content/uploads/2025/04/SI2-Interconnection-Whitepaper-04.25.24.pdf
[15] https://www.forbes.com/sites/michaelshellenberger/2021/04/20/why-renewables-cause-blackouts-and-increase-vulnerability-to-extreme-weather/