

WHEREAS: Climate change-driven impacts could erase trillions in global GDP by 2050, posing macroeconomic risks that may substantively depress returns for long-term diversified investors.<sup>1,2</sup> Without significant near-term action to mitigate greenhouse gas (GHG) emissions, climate change is predicted to drive severe and costly weather events for many decades.<sup>3,4</sup> For companies like BJ's that rely on a consistent supply of high-quality agricultural products, climate change can pose financial risk as droughts, floods, and heat waves increasingly challenge farmers and meat producers in its supply chain.<sup>5,6</sup>

In 2021, BJ's identified its climate strategy, energy consumption, and operational and supply chain GHG emissions as material to its business and subsequently committed to set emissions reduction targets. It later narrowed the scope of its planned targets significantly from its full value chain to its operational emissions. However, in 2025, it abandoned its commitment and removed all sustainability-related disclosure from its website including all previous corporate responsibility reports.

This significant reversal raises concerns about company leadership's execution on its commitments. Further, BJ's actions are squarely at odds with trends in corporate climate commitments. In its review of 2024 CDP disclosures, PwC writes that, in contrast to recent headlines, companies increased their climate ambition at a rate of 37%, far outweighing those in retreat.<sup>7</sup> The Conference Board draws an identical conclusion, noting that "companies with deep operational integration, value-creation alignment, and stable leadership have proven the most resilient [in keeping their commitments] despite shifting political environments."<sup>8</sup>

Moreover, BJ's industry peers such as Costco, ALDI, Kroger, and Albertson's have set GHG emissions reduction targets and annually publish progress on sourcing clean energy, reducing refrigerant emissions, and minimizing food waste. BJ's could do the same.

With 30% of the votes cast in favor of this same resolved clause in 2025, we believe it is incumbent upon the company to take concrete steps to respond to investor concerns. In addition, we believe the proposal provides ample flexibility such that board and management can fulfill their respective fiscal responsibilities while driving environmental improvements.

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<sup>1</sup> [https://www.nber.org/system/files/working\\_papers/w32450/w32450.pdf](https://www.nber.org/system/files/working_papers/w32450/w32450.pdf)

<sup>2</sup> <https://www.esgdive.com/news/climate-related-financial-risk-to-more-than-triple-by-2050-lseg/803381/>

<sup>3</sup> <https://www.ipcc.ch/report/ar6/syr/resources/spm-headline-statements/>

<sup>4</sup> <https://www.undrr.org/gar/gar2025>

<sup>5</sup> <https://www.usatoday.com/story/news/nation/2025/06/20/climate-change-agriculture-food-supply/84284326007/>

<sup>6</sup> <https://www.sciencedirect.com/science/article/pii/S0048969724011860>

<sup>7</sup> <https://www.pwc.com/us/en/services/esg/library/assets/pwc-sustainability-decarbonization-2025.pdf>

<sup>8</sup> <https://corpgov.law.harvard.edu/2025/05/03/corporate-climate-disclosures-and-practices-risk-emissions-and-targets/>

RESOLVED: Shareholders request BJ's issue a report, above and beyond existing disclosures, describing if and how it could increase the scale, pace, and rigor of its GHG emissions reduction efforts. The report should be updated annually, prepared at reasonable cost, and omit proprietary information.

SUPPORTING STATEMENT: In determining relevant content for the report, we recommend, at management's discretion, taking into consideration:

- Approaches used by advisory groups like the Science Based Targets initiative.
- Describing strategies, initiatives, metrics, and milestones it could employ to reduce emissions.
- The feasibility of setting targets for renewable energy, energy efficiency, and refrigerant emissions reduction and other measures deemed appropriate by management.