



WHEREAS: Recent evidence by the Intergovernmental Panel on Climate Change dictates the need to limit global warming to 1.5°C by mid-century to reduce the destructive impacts of climate change. Given the science and growing global impacts of climate change, shareholders are asking companies to take action to align company emissions with this global goal.

Companies have responded to shareholder concern regarding climate change. [More than 1,541 companies](#) have now pledged to adopt some form of net-zero targets, although with widely varying timelines for achieving them.

Widespread adoption of net zero targets is critical to achieving global climate goals. Companies and shareholders must have a common understanding of what net zero means, and accepted methods of achieving it. Many companies are relying on offsets to achieve long-term net zero targets, rather than decarbonization of their own enterprise and supply chain emissions.

Shareholders expect companies' use of offsets to align with expert guidance including the [Science Based Targets initiative \(SBTi\)](#) and/or the [CA100+ Benchmark](#). Both emphasize that carbon credits should not be counted toward progress in near-term emissions reductions, and in the long term, carbon offsets should be used only for neutralizing residual emissions where viable decarbonization technologies do not yet exist. Carbon credits can optimally be used to compensate for ongoing emissions while companies reduce emissions over time.

Investors require disclosures on how carbon credits are applied in order to assess whether a company's emissions reduction strategy is science-based and aligned with limiting global warming to 1.5 degrees.

Our Company has committed to reduce operational (Scopes 1-2) emissions 50 percent by 2030 and to achieve carbon neutrality" by 2025. Our Company states that it will "offset any GHG we don't eliminate, making our impact neutral." This implies that our company does not intend to reduce its full Scopes 1-2 emissions or its Scope 3 emissions, relying instead on carbon credits generated outside of the company to attain "carbon neutrality." Investors seek greater clarity from Williams-Sonoma on its use of carbon credits.

BE IT RESOLVED: Shareholders request that Williams-Sonoma issue a report within a year, at reasonable expense and excluding confidential information, disclosing additional information on its use of carbon credits, including type of credits, verification,



timing, and whether carbon credits are intended to substitute for emissions reductions beyond current goals.

SUPPORTING STATEMENT: Proponents suggest, at Board and Company discretion, the report describe:

- A description of credits purchased;
- The number of credits purchased and retired each year;
- If and how credits are accounted for in emissions data;
- The amount of carbon credits expected to be used to achieve net zero emissions, including for what scopes of emissions and approximate time frames for use;
- The organization from which offsets and credits are or will be verified;
- The Company's standards or policies for purchasing carbon offsets.