

2021 Shareholder Resolution DuPont De Nemours | Plastic Pellet Handling Standards

WHEREAS: Plastic pollution is a global environmental crisis, and DuPont de Nemours is a leading producer of transportation and industrial plastics. Most plastic products originate from pre-production plastic pellets, or nurdles. Due to spills and poor handling procedures, pellets are routinely swept into waterways during production and transportation, and are increasingly found on beaches and shorelines.

Eleven million metric tons of plastics - including pellets - leak into oceans annually, causing fatalities in more than 800 marine species from ingestion, entanglement, suffocation, or drowning. Pellets are similar in size and shape to fish eggs and are often mistaken by marine animals for food. Plastic pellets can absorb toxins such as dioxins from water and transfer them to the marine food web and potentially to humans through consumption of seafood.

Plastic pellets are estimated to be the second largest direct source of microplastic pollution to the ocean by weight, with more than ten trillion spilled every year. More than two hundred pellet, flake, and powder spills have been reported to the National Response Center since reporting began. Plastic does \$13 billion in damage to marine ecosystems annually. If no action is taken, oceans are expected to contain more plastic than fish by 2050.

Pellet spills create financial risk. Formosa Plastics Corporation USA recently paid a \$50 million fine for emitting plastic pellets at its Texas facility. In August 2020, more than one billion pellets manufactured by Dow Chemical spilled into the Mississippi River. Frontier Logistics currently faces a federal lawsuit for violating the Clean Water Act and Resource Conservation and Recovery Act through the discharge of plastic pellets into Charleston Harbor and other connected waters.

DuPont is a member of Operation Clean Sweep, an industry program that encourages best practices to reduce pellet loss, but which provides no public reporting on spill incidents.

Given the severe biodiversity and economic impacts of plastic pollution described above, there is an urgent need to increase reporting on pellet spills and remediation. In the least two years, corporate peers, Chevron Phillips Chemical, ExxonMobil Chemical, Dow Chemical, and three others have agreed to public reporting of pellet spills. Such reporting is a necessary first step to the company realizing its 2030 goal to, "Integrate circular economy principles into our business models considering lifecycle impacts in the markets we serve."



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BE IT RESOLVED: Shareholders request that the Board of Directors of DuPont issue an annual report to shareholders, beginning in 2021, at reasonable cost and omitting proprietary information, on plastic pollution. The report should disclose trends in the amount of plastic in various forms released to the environment by the company annually, and concisely assess the effectiveness of the company's policies and actions to reduce the volume of the company's plastic materials contaminating the environment.

SUPPORTING STATEMENT: Proponent recommends that the report include discussion of loss prevention, cleanup and containment for all relevant categories of plastic materials released, regardless of whether they are pellets, powder, flake, granules, or other particles.