



**WHEREAS:** The ocean plastics crisis continues unabated, fatally impacting 260 marine species, and causing up to \$2.5 trillion in damage annually to marine ecosystems. Toxins adhere to plastics consumed by marine species, which potentially transfer to human diets. There could be more plastic than fish by weight in oceans by 2050.

Recently, Pew Charitable Trusts released a groundbreaking study, *Breaking the Plastic Wave*, which concluded that if all current industry and government commitments were met, ocean plastic deposition would be reduced by only 7%. Without immediate and sustained new commitments throughout the plastics value chain, annual flow of plastic into oceans could nearly triple by 2040.

Improved recycling will not be sufficient to stem the plastic tide, and must be coupled with upstream activities like reduction in demand, materials redesign, and substitution. “Brand owners, fast-moving consumer goods companies and retailers should lead the transition by committing to reduce at least one-third of plastic demand through elimination, reuse, and new delivery models,” the report states, adding that reducing plastic production is the most attractive solution from environmental, economic, and social perspectives.

Competitor Unilever has taken the most significant corporate action to date, agreeing to cut plastic packaging use overall by 100,000 tons by 2025. PepsiCo has committed to substitute recycled content for 35% of virgin plastic in its beverage division. Kraft Heinz has no absolute nor virgin plastic reduction goal.

Companies should set high recycled plastic content goals to support a circular economy. Competitor Proctor & Gamble uses more than 6% recycled plastic content and competitor Nestle SA has a goal to use 15% recycled plastic content by 2025. Kraft Heinz has no recycled plastic content goal.

Up to 30% of Kraft Heinz’s packaging is flexible plastic film, which cannot be recycled. Flexible packaging represents 59% of all plastic production but an outsized 80% of plastic leaking into oceans.

The company received a score of D- in an As You Sow study ranking corporate leadership on plastic pollution. This ranking demonstrates that Kraft Heinz lags in its commitments, specifically on overall cuts in plastic packaging, increasing use of recycled plastic content, and facilitating recyclability of flexible packaging by 2025.

**BE IT RESOLVED:** Shareholders request that the board of directors issue a report by December 2021 on plastic packaging, estimating the amount of plastics released to the



environment by our use of plastic packaging, from the manufacture of plastic source materials, through disposal or recycling, and describing any company strategies or goals to reduce the use of plastic packaging to reduce these impacts.

**SUPPORTING STATEMENT:** Proponents note that the report should be prepared at reasonable cost, omitting confidential information, and include an assessment of the reputational, financial, and operational risks associated with continuing to use substantial amounts of plastic packaging while plastic pollution grows unabated. In the board's discretion, the report could also evaluate opportunities for dramatically reducing the amount of plastics used in our packaging through redesign or substitution.