



WHEREAS: Without immediate and sustained new commitments throughout the plastics value chain, annual flows of plastic into oceans could nearly triple by 2040.¹

The growing plastic pollution crisis poses increasing risks to Keurig Dr Pepper (KDP). Corporations could face an annual financial risk of approximately \$100 billion should governments require them to cover the waste management costs of the packaging they produce.² Governments around the world are increasingly enacting such policies, including taxing corporations for single-use plastic (SUP) packaging, including new laws in Maine, Oregon, Colorado, and California.³ The European Union has banned ten common SUP pollutants and imposed a tax on non-recycled plastic packaging waste.⁴

Pew Charitable Trusts' groundbreaking study, *Breaking the Plastic Wave*, concluded that improved recycling alone is insufficient to address plastic pollution – instead, recycling must be coupled with reductions in use, materials redesign, and substitution.⁵ At least one-third of plastic use can be reduced, and reduction is the most viable solution from environmental, economic, and social perspectives.⁶

KDP recently committed to shareholders to increase use of reusable and refillable packaging (Reusables) and report a Reusables baseline assessment as part of its efforts to decrease SUP use.⁷ KDP has failed to meet these commitments, neglecting to state in its sustainability reporting what percentage, or total number, of packages are Reusables, and omitting information on the promised launch of new Reusables pilots.

Further, KDP is reporting *increases* in total plastic used by more than 7% since 2019, undermining the Company's goal to reduce virgin plastic use by 20% by 2030.⁸

Competitors Coca-Cola Co. and PepsiCo have established Reusables packaging systems, with ambitious global goals for expansion. Coke has pledged to deliver 25% of beverages by volume in Reusables by 2030,⁹ and PepsiCo has committed to 20%.¹⁰ These companies are responding to consumer demand for sustainable packaging.¹¹

KDP offers refillable glass bottles in Mexico and could demonstrate a commitment to decreasing total plastic used by expanding Reusables infrastructure to the United States. KDP could mitigate environmental, financial, regulatory, and reputational risk related to plastic pollution by setting

¹ https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.4

² https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.9

³ <https://www.packworld.com/news/sustainability/article/22419036/four-states-enact-packaging-epr-laws>

⁴ https://environment.ec.europa.eu/topics/plastics/single-use-plastics_en

⁵ https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.9

⁶ https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.10

⁷ <https://www.greencentury.com/keurig-dr-pepper-steps-up-efforts-to-address-single-use-plastics-in-response-to-green-century-proposal/>

⁸ <https://www.keurigdrpepper.com/content/dam/keurig-brand-sites/kdp/files/KDP-CR-Report-2022.pdf>, p. 56

⁹ <https://www.asyousow.org/press-releases/2022/2/10/coca-cola-increase-sales-refillable-bottles>

¹⁰ <https://www.asyousow.org/press-releases/2022/12/6/pepsi-pledges-double-zero-waste-packaging-by-2030>

¹¹ <https://www.businessnewsdaily.com/15087-consumers-want-sustainable-products.html>



timebound and quantifiable Reusables goals.

BE IT RESOLVED: Shareholders request the Board issue a report, at reasonable expense and excluding proprietary information, describing the potential and options for the Company to rapidly reduce dependence on single-use plastic packaging in alignment with the findings of the Pew Report or other authoritative sources.

SUPPORTING STATEMENT: The approaches the Company evaluates in the report, at Board and management discretion, could include:

- Expanding global reuse and refill infrastructure;
- Evaluating opportunities to set timebound reuse and refill goals at the country or regional level;
- Establishing uniform methodology for the measurement of reuse and refill servings delivered; and
- Publicly disclosing Company reuse and refill metrics.