WHEREAS: Plastics, with a lifecycle social cost at least ten times higher than its market price, actively threaten the world's oceans, wildlife, and people.[1] The growing scale and impact of global plastic pollution has elevated the issue to crisis levels.[2] Leaders from 193 United Nations member states are currently negotiating a global treaty to end plastic pollution, which will have profound impacts on the plastics value chain.[3]

Textiles provide the third largest market for plastic, consuming roughly 14% of total plastic production.[4] Synthetic plastic fibers comprise 63% of global fiber production, equal to 80 million tons. During production and wear, small synthetic fibers called plastic microfibers are shed from garments. As a result, an estimated 200,000 to 500,000 total tons of plastic microfibers from textiles enter the world's oceans annually.[5] The chronic release of plastic microfibers causes the textile industry to be one of the largest contributors to the growing microplastic pollution problem.

Plastic microfibers have been detected in every major ocean and freshwater environment; in remote polar regions, seabeds, and pristine mountaintops; indoor air; tap water, bottled water and beverages; and foods. Plastic microfibers are particularly dangerous due to their propensity to absorb toxics, such as dioxins, pesticides, and heavy metals from water, transferring them to the marine food web and potentially to human diets.

Lululemon is a signatory to The Microfibre Consortium and has committed to submit the outputs of materials testing each year to The Microfibre Data Portal, a private industry data repository, and to prioritize action on microfiber shedding prevention. Though a positive first step, Lululemon must support this commitment with specific, timebound actions and goals for its fabrics and manufacturing facilities.

Lululemon, which states that it has submitted testing data to The Microfibre Data Portal for 80 of its fabrics, could make this data publicly available, to the extent feasible, to provide customer guidance about which fabrics have the highest shedding rates.

Further, Lululemon could ensure that the manufacturing facilities it utilizes have robust wastewater management systems and optimized effluent treatment processes, such as

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[1] https://wwfint.awsassets.panda.org/downloads/wwf_pctsee_report_english.pdf, p.15
[2] https://www.unep.org/resources/pollution-solution-global-assessment-marine-litter-and-plastic-pollution
[3] https://www.un.org/en/climatechange/nations-agree-end-plastic-pollution
[4] https://www.regulations.gov/document/NOAA-NOS-2022-0061-0002, p.1
[5] https://www.eea.europa.eu/publications/microplastics-from-textiles-towards-a

ultrafiltration and reverse osmosis, which can remove and trap nearly all plastic microfibers that would be shed during production.[6]

These steps would help position Lululemon to compete for consumers increasingly concerned about plastic microfiber shedding from clothing while reducing risk of being caught unprepared for plastics- related government regulations.

BE IT RESOLVED: Shareholders request the Board issue a report, at reasonable expense, describing opportunities for Lululemon to further reduce microfiber pollution from its garments, such as through advanced wastewater treatment technologies during production.

SUPPORTING STATEMENT: The report should, at board discretion:

- Evaluate ways to make its fiber shedding data publicly available, including to consumers;
- Discuss existing, planned, or available manufacturing treatment technologies to minimize fiber shedding, such as ultrafiltration and reverse osmosis; and
- Discuss planned capital expenditures to control microfiber shedding.

[6] https://link.springer.com/article/10.1007/s11356-017-0528-7