

**WHEREAS:**

Discarded food service and product packaging is a source of waste and greenhouse gas (GHG) emissions, a significant consumer of natural resources and energy, and implicated in the impairment and death of marine animals. More than half of U.S. product packaging is discarded rather than recycled. Only a negligible amount of food service packaging is recycled in the U.S. Just 12% of all plastic packaging is recycled. The value of wasted packaging is estimated at \$11 billion annually.

Packaging waste is a large component of marine debris which has impacted 663 species, according to a report by the Convention on Biological Diversity. Nine of the top 10 reported beach debris items are packaging or containers: caps/lids, plastic bags, food wrappers, plastic utensils, plastic straws, paper bags, plastic bottles, glass bottles and metal cans. Ingestion can be fatal, but also compromise the ability of marine animals to capture and digest food, sense hunger, escape from predators, and reproduce. Ingestion of micro-plastics is also of concern as it could provide a pathway for transport of harmful chemicals. Recycling of food service packaging could reduce the volume of materials that ends up as ocean debris.

YUM! Brands 2010 corporate social responsibility report states that understanding and addressing the impact of packaging on the environment is a long-term imperative for the sustainability of its business, yet the company has no comprehensive packaging recycling strategy or stated goals for collecting and recycling the containers that its food and beverages are sold in.

Our competitor Starbucks has committed to recycle all post-consumer paper and plastic cups left in its cafes by 2015. It offers a discount for customers who provide reusable beverage containers and pledged to serve 25% of beverages from reusable containers by 2015. Its beverage cups have 10% recycled content.

Yum! Brands pledged in its 2010 report to recycle its packaging, but has not provided a specific goal or timeline. The company said it would educate consumers and stakeholders about its approach to environmental sustainability and corporate social responsibility related to packaging, yet has not responded to numerous inquiries from proponent seeking information on program activities.

Increased recycling can also reduce reliance on virgin raw materials, make more materials available to provide recycled content in new packaging, and reduce carbon footprint and energy usage.

THEREFORE BE IT RESOLVED:

Shareowners of YUM! Brands request that the board of directors adopt a comprehensive on-premises recycling strategy for food and beverage packaging. The strategy should include aggressive recycling goals for all food service packaging as feasible and development of recycled content goals for packaging. The board shall prepare a report by September 1, 2013 on the company's efforts to implement this strategy. The report, to be prepared at reasonable cost, may omit confidential information.