



WHEREAS:

Kraft Food's environmental policy commits to "reducing the environmental impact of our activities and promoting the sustainability of the natural resources upon which we depend..." yet a significant amount of its brand product packaging is not recyclable, and new studies suggest plastic packaging that reaches the ocean is toxic to marine animals and potentially to humans.

Two prominent examples of non-recyclable packaging are Kraft's iconic Capri-Sun and Kool-Aid Jammers juice drinks. Capri-Sun has been sold for more than 30 years in the U.S. market packaged in a laminate and foil pouch that cannot be recycled into new pouches and is rarely collected for recovery. Capri-Sun could be dispensed in recyclable PET plastic or glass bottles, paper cartons or aluminum cans as are Minute Maid, Juicy Juice, Tropicana and other juice drink brands. Using non-recyclable packaging when recyclable alternatives are available wastes enormous amounts of valuable resources such as aluminum that could be recycled virtually endlessly.

An estimated 5 billion units of Capri-Sun are sold worldwide. Many billions of pouches, representing significant amounts of embedded value and energy, lie buried in landfills. Non-recyclable packaging is more likely to be littered and swept into waterways. A recent assessment of marine debris by a panel of the Global Environment Facility concluded that one cause of debris entering oceans is "design and marketing of products internationally without appropriate regard to their environmental fate or ability to be recycled in the locations where sold..."

California spends nearly \$500 million annually preventing trash, much of it packaging, from polluting beaches, rivers and oceanfront. In the marine environment, plastics break down into small indigestible particles that birds and marine mammals mistake for food.

Further, studies by U.S. Environmental Protection Agency Region 9 suggest a synergistic effect between persistent, bioaccumulative, toxic chemicals and plastic debris. Plastics absorb toxics such as polychlorinated biphenyls and dioxins from water or sediment and transfer them into the marine food web and potentially to human diets, essentially forming a "toxic cocktail" increasing the risk of adverse effects to wildlife and humans. One study of fish from various parts of the North Pacific found one or more plastic chemicals in all fish tested, independent of location and species.

Making all packaging recyclable, if possible, is the first step to reduce the threat posed by ocean debris. Companies who aspire to corporate sustainability yet use these risky materials need to explain why they market non-recyclable packaging instead of recyclable packaging.

THEREFORE BE IT RESOLVED:

Shareowners of Kraft Foods Group request that the board of directors issue a report at reasonable cost, omitting confidential information, by October 1, 2014 assessing the environmental impacts of continuing to use non-recyclable brand packaging.



AS YOU SOW

2014 Shareholder Resolution
KRAFT FOODS GROUP
Recyclable Packaging

SUPPORTING STATEMENT:

Proponents believe that the report should include an assessment of the reputational, financial and operational risks associated with continuing to use non-recyclable brand packaging and if possible, goals and a timeline to phase out non-recyclable packaging.