

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

The growing plastic pollution crisis poses increasing risks to Amazon. Corporations could face an annual financial risk of approximately \$100 billion should governments require them to cover the waste management costs of packaging they produce.² Governments around the world are increasingly enacting such policies, including five new state laws that impose fees on corporations for single-use plastic (SUP) packaging.³ The European Union has banned ten SUP pollutants and taxed some non-recycled plastic packaging.⁴ A French law requires 10% of packaging be reusable by 2027 and Portugal requires 30% reusable packaging by 2030.⁵ Additionally, consumer demand for sustainable packaging is increasing.⁶

Pew Charitable Trusts' groundbreaking study, *Breaking the Plastic Wave* ("Pew Report"), concluded that improved recycling alone is insufficient to address plastic pollution—instead, recycling must be coupled with reductions in use, materials redesign, and substitution.⁷ The Pew Report finds that the greatest opportunity to reduce or eliminate plastic lies with flexible plastic packaging, often used for chips, sweets, and condiments among other uses, and virtually unrecyclable in America. With innovation, redesign, and substitution, 26 million metric tons of flexibles can be avoided globally.⁸

The Company markets more than 100 brands of consumer goods, food, and beverages, many of which are packaged in flexible plastic. Its Whole Foods subsidiary and Happy Belly brand sell numerous goods in flexible multi-layer packaging that cannot be routinely recycled. The Company is also notably absent from participation in the largest pre-competitive corporate initiative to address plastic pollution, the New Plastics Economy Global Commitment. Competitors, including Walmart and Target, have adopted goals to make plastic packaging recyclable, reusable, or compostable by 2025, while Amazon has not.

Our Company could avoid regulatory, environmental, and competitive risks by adopting a comprehensive approach to addressing flexible plastic packaging use at scale.

RESOLVED: Shareholders request that the Board issue a report, at reasonable expense and excluding proprietary information, describing how Amazon could address flexible plastic packaging in alignment with the findings of the Pew Report, or other authoritative sources, to reduce its contribution to plastic pollution.

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/sustainable-packaging/recycling/article/22922253/ameripen-shares-key-lessons-from-early-epr-adopters>

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

⁵ <https://www.greenpeace.org/international/story/51843/plastics-reuse-and-refill-laws>

⁶ <https://www.shorr.com/resources/blog/the-2022-sustainable-packaging-consumer-report/>

⁷ https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.9

⁸ https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.51;
https://www.pewtrusts.org/-/media/assets/2020/10/breakingtheplasticwave_mainreport.pdf, p.51

SUPPORTING STATEMENT: The report should, at Board discretion:

- Assess the reputational, financial, and operational risks associated with continuing to use non-recyclable plastic packaging while plastic pollution grows;
- Evaluate actions to achieve fully recyclable packaging including elimination and accelerated research into innovative reusable substitution; and
- Describe opportunities to pre-competitively work with peers to research and develop reusable packaging as an alternative to single-use packaging.