

EXPOSING PLASTIC RISK

Questions for investors and lenders to ask management

Recommended Questions		Report's Key Takeaways
<p>Q.1</p> <p>How is your company measuring plastic related risks?</p> <p>Background: Corporates in the plastic value chain face physical, transitional, legal and reputational risks. Each plastic company's risk register should include exposure to CO₂ emissions, harmful toxic discharges, visible and invisible plastic pollution (for land, sea and air), chemical additives exposure and rising harm to people and nature.</p> <p>Target: Creation of contingency plans on the risks linked to plastic; evaluation whether risks are priced into capital markets.</p>	<ul style="list-style-type: none"> • The vast majority (83%) of the 8,245 documents, transcripts and filings analysed by Planet Tracker make no mention of plastic-related risks. • Executives of plastic value chain companies are increasing plastic risk disclosures, rising almost six-fold over the last five years. • The companies that make the most plastic risk disclosures in each segment of the supply chain are Borealis [BRLS], 17% of all upstream disclosures, Berry Global [BERY] and Uflex [UFLX], 18% each of midstream disclosures, and Unilever [ULVR], is a standout with 24% of all downstream disclosures. • The risk disclosures are split fairly evenly over the three main segments of the plastic value chain. • Reports, rather than transcripts, are 5 times more likely to be used to convey risk information. • The quality of plastic-related risk disclosures has increased over time; last year 30% were high quality although a similar percentage were also low quality. • Most plastic risk disclosures focus on circularity, accounting for 73% of all risk disclosures. References to feedstock and pollution were among the rarest. <p>Disclaimer: Click here</p>	
<p>Q.2</p> <p>How is your company transitioning away from fossil fuel-based feedstocks and reducing your toxic footprint?</p> <p>Background: Plastic production is not transitioning away from fossil fuel. About 2% of plastic feedstocks are from non-fossil fuels sources.</p> <p>Target: Reduction of fossil fuel production by min 20% by 2030 for recycled/alternative feedstocks when compared to virgin.</p>		
<p>Q.3</p> <p>What are your company's targets for refillable and reusable content?</p> <p>Background: Waste production overwhelms the recycling infrastructure. Recycling is not the answer to plastic pollution. Note that 91% of plastic waste is not recycled.</p> <p>Target: The replacement of virgin plastic in packaging with refillable and reusable content when applicable.</p>		
<p>Links:</p> <ul style="list-style-type: none"> • Plastic Risk - Measuring risk in the plastic sector • Packaging Labels – Don't lose your bottle over the label • UNEP: Undertaking Negotiations to Eliminate Plasticization • The Greenwashing Hydra 		<p>Click to view report</p> 