


# The plastic recycling deception

Questions for investors and lenders to ask management of companies

Recommended Questions		Report Key Takeaways
<p><b>Q.1</b></p>	<p><b>Question:</b> How is the company measuring plastic-related risks?</p> <p><b>Background:</b> Corporates in the plastic value chain face physical, transitional, legal and reputational risks. Each plastic company's risk register should include exposure to CO<sub>2</sub> emissions, toxic discharges, visible and invisible plastic pollution (for land, sea and air), chemical additives exposure and rising harm to people and nature.</p> <p><b>Target:</b> Creation of contingency plans on the risks linked to plastic; evaluation whether risks are monitored and (financially) reviewed by management.</p>	<ul style="list-style-type: none"> <li>• Plastic resin codes are often viewed as recycling symbols.</li> <li>• The plastic industry has created the widespread impression that plastic packages &amp; containers are being recycled and that this is the solution to global plastic waste.</li> <li>• About 90% of plastic is not recycled.</li> <li>• The present UN-led negotiations on a plastic pollution treaty demonstrates that the industry wants recycling to be seen as the solution.</li> <li>• Negotiators are still arguing over the definition of the "full cycle of plastic" and appear keen to keep production measures out of scope.</li> <li>• The financial burden of waste treatment falls to local municipalities or their sub-contractors, which is one of the poorest parts of the plastic supply chain.</li> </ul> <p><b>Click to view the report online</b></p> <div style="text-align: center;">  </div> <p>Disclaimer: <a href="#">Click here</a></p>
<p><b>Q.2</b></p>	<p><b>Question:</b> How is the company transitioning away from fossil fuel-based feedstocks and reducing its toxic footprint?</p> <p><b>Background:</b> Recycling alone will not solve plastic pollution – existing waste management infrastructure is overwhelmed. Upstream production measures are needed. Note that plastic production is barely transitioning away from fossil fuel. About 2% of plastic feedstocks are from non-fossil fuels sources</p> <p><b>Target:</b> Recycled/alternative feedstocks account for at least 20% of plastic production by 2030.</p>	
<p><b>Q.3</b></p>	<p><b>Question:</b> Are RIC codes misleading to consumers?</p> <p><b>Background:</b> The RIC code does not constitute a claim of recyclability. The code should only be used to identify resin content, but few recyclers use it. It should be inconspicuous at the point of purchase so it does not influence the consumer's buying decision, and there shouldn't be any recycling claims in close proximity to the code, even if such claims are properly qualified.</p> <p><b>Target:</b> Is the plastic industry's promotion of RIC Codes a likely source of widespread litigation?</p>	

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