

## Investors Ask General Mills to Step Up Packaging Responsibility

Jennifer Elks | Sep. 23, 2013

This week, investors are asking General Mills to take responsibility for recycling its post-consumer packaging waste.

At the company's annual meeting on Tuesday, shareholders will vote on a resolution asking the company to assess post-consumer waste strategies, including a policy which shifts responsibility for packaging waste from taxpayers and governments to producers known as extended producer responsibility (EPR). The resolution was filed by **As You Sow (AYS)**, a nonprofit organization that promotes corporate responsibility through shareholder advocacy. The resolution is co-filed by Clean Yield Asset Management.

"After two years of dialogue, General Mills continues to avoid the basic question of what responsibility it should bear for recycling packaging waste in the U.S.," says **As You Sow** SVP Conrad MacKerron. "The company currently contributes to mandated producer responsibility systems in nearly all of the European Union and several Canadian provinces, yet it has not agreed to support similar responsibility for its packaging in the U.S."

**AYS** has engaged scores of companies to support shifting responsibility for financing the recycling of packaging from taxpayers to producers. More than 40 countries require companies to take partial or total responsibility for recycling packaging.

Research by **AYS** has concluded that packaging materials worth \$11.4 billion are buried in landfills annually, an enormous waste of resources. "Given the scope of the post-consumer waste problem and the lack of a viable broad-based policy to deal with it by industry, we believe this proposal merits investor support."

Prior to filing, MacKerron was in dialogue with General Mills management, asking them to initiate new programs to demonstrate their commitment to sustainable packaging. One request was to take steps that would lead to an increase in recycling of the hundreds of millions of Yoplait yogurt cups sold annually in the U.S. by funding municipal collection of polypropylene, also known as #5 plastic. According to the U.S. Environmental Protection Agency, only about 15% of these kinds of containers are recycled, which means that the vast majority end up in landfills. In 2010, General Mills launched a pilot program with Waste Management in Denver to educate customers about #5 plastic recycling, but would not make any further commitments to increase recovery in other areas.

"We hope General Mills shareholders will send a message to management that it should take responsibility for the packaging it generates, as it does in other countries," said MacKerron.

**AYS** is engaging several other giant consumer brands on the same issue including Colgate-Palmolive, Kraft Foods, Mondelez International, Procter & Gamble, and Unilever.

The **AYS** resolution will be presented at General Mills' annual meeting Tuesday, September 24th in Minneapolis.

In March, **As You Sow** released its 2013 Proxy Preview report, which showed a record number of investors filed shareholder resolutions on environmental and social issues in 2012 — on issues ranging from eliminating GMOs in food products to greater transparency around the effects of fracking and other risks associated with fossil-fuel production.