

US shareholder advocacy targets BPA, flame retardants and mercury

As You Sow report outlines social and environmental shareholder resolutions expected in 2012

Elizabeth Grossman, 29-Feb-2012

As You Sow, a US non-profit organisation that promotes corporate responsibility through shareholder advocacy, has released a new report, *Proxy Preview 2012*, outlining environmentally and socially focused shareholder resolutions expected in the 2012 corporate annual meeting season. Specific chemicals targeted by resolutions include bisphenol A (BPA), flame retardants, and mercury.

Regarding BPA, Trillium Asset Management has asked the bakery café chain Panera Bread to report on “how the company is responding to public policy challenges associated with BPA,” particularly with regard to use of BPA in cash register receipt thermal paper. **As You Sow** reports that it has reached “a tentative agreement with Safeway,” the supermarket company, regarding its request that the company report on its use of BPA in food can linings and its efforts regarding development of BPA-alternatives. A shareholder resolution concerning BPA filed with Coca-Cola in 2011 received 25% of shareholder support (CW 28 April 2011). Coca-Cola says it has produced the requested information so the US Securities and Exchange Commission (SEC) has said that it can omit the resolutions, but proponents have filed a response asking the company to issue an update on its progress regarding assessment of BPA alternatives for beverage can liners.

On mercury, Mercy Investments has a resolution pending with the dental product manufacturer Danaher, asking the company to report on its use and emissions of mercury used in dental amalgams. Mercy Investments had also filed, but has now withdrawn, a resolution with Honeywell asking the company to report on its collection of used mercury-containing thermostats.

The one active flame retardants proposal, filed by Trillium Asset Management with Newell Rubbermaid, asks the company to report on its policy regarding safer alternatives to halogenated flame retardants was withdrawn after “productive discussions with the company”. Newell Rubbermaid owns Graco, the manufacturer of children’s car seats, strollers, and other children’s products.

As You Sow CEO Andrew Behar notes that 2011 saw a record-breaking number of proxy votes, including five majority votes on social and environmental issues, the most ever in one year. “Support for social and environmental resolutions has become increasingly mainstream,” said Michael Passoff, CEO of Proxy Impact and a co-author of the report. “The last three years have seen a huge shift in how large institutional investors view the impact of social and environmental risks on the bottom line.”

Written with input from more than a dozen organisations that include private and public charitable, environmental, financial, labour, and religious organisations, the report lists more than 350 resolutions, 117 of which focus on environmental and sustainability issues. Additional resolutions concern supply chain sustainability issues, including product safety, vendor and supplier standards, natural resource management and extended producer responsibility (EPR) policies. Regarding the low number of chemical-specific resolutions the report states, “Rather than campaign on discrete toxic substance concerns, proponents in recent years have tended to aim for broader policies that take a holistic approach to environmental management and product safety.”