



Shareholders Representing \$35B Press P&G for Recyclable Packaging

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Consumer goods giant Procter & Gamble has made a qualified commitment that 90 percent of its packaging will be recyclable by 2020. The commitment came the day before an October 14 vote on a shareholder proposal filed by shareholder advocacy group **As You Sow** asking the company to phase out unrecyclable packaging. The proposal won significant support — 25 percent of shares voted, representing more than \$35 billion of investments, according to a P&G filing yesterday with the Securities & Exchange Commission.

“It’s encouraging that P&G appeared to make a significant commitment to recyclable packaging at the same time shareholders were delivering a strong message to senior management to move in that direction,” said Conrad MacKerron, SVP of **As You Sow**. “However, we are concerned that vague phrasing could dilute that commitment.”

On Oct. 13, the company issued several new sustainability goals, one of which commits to “insuring that 90 percent of product packaging is recyclable — or that programs are in place to recycle it” by 2020.

“The company appears to qualify its commitment by implying that it may instead work on improving local recycling programs,” said MacKerron. “The company should make an unqualified commitment to both actions rather than saying it will do one or the other. Often, these qualified commitments mean a company will pursue whichever option is least expensive.”

Earlier this year, Colgate-Palmolive made a stronger and less qualified commitment to recyclable packaging after engagement spurred by an **As You Sow** shareholder resolution. As consumers and shareholders increasingly advocate for packaging that is both recyclable and produced from recycled materials, companies are becoming aware that unrecyclable brand packaging presents a reputational risk.

Crest toothpaste in laminate tubes and Tide detergent pods in laminate pouches are examples of popular P&G products that cannot be conventionally recycled. Unrecyclable packaging doesn’t just end up in landfills — according to a recent assessment of marine debris by the Global Environment Facility, it often gets swept into waterways, which contributes to the growing problem of plastic pollution of the world’s oceans and damages marine ecosystems. There is also emerging evidence that plastic particles in the marine environment can absorb and spread toxics through the marine food web, and possibly to humans.

As You Sow’s Waste program advocates for more responsible production and recycling of consumer products and packaging to preserve the Earth’s limited natural resources. Packaging should be designed to be recycled, reducing the use of virgin natural resources and mitigating emissions that contribute to climate change. These resources should be generating profits and green jobs. Instead they play a role in poisoning the environment, contribute to ocean toxicity, and generate risk for the companies that produce them.

The proposal presented to P&G was also filed with General Mills, Mondelez International and Kraft Foods this year.

In April, a coalition of organizations devoted to waste and recycling, plastic pollution and resource conservation launched the Make It, Take It Campaign, a collaborative effort to pressure consumer goods companies to take responsibility for packaging waste. The campaign’s first target is Kraft Foods’ trademark Capri Sun pouch; the coalition says an estimated 1.4 billion Capri Sun pouches are landfilled or littered each year in the United States — stacked end to end,

that's enough pouches to wrap around the Earth almost five times (121,527 miles).