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**Proxy Voting Guidelines for External Managers**

**Topic:** Environmental Issues  
**Subtopic:** Waste Reduction – Plastic and Polystyrene Packaging and Products  
**Approved:** July 19, 2019

**Description:**

Resolutions that ask companies to report on their management of non-recyclable plastic and polystyrene waste, including policies and goals to reduce these forms of waste and impact analyses of the business risk and/or environmental impact of their continued use.

**Topic background:**

The evidence of the harmful impact on the environment of the enormous quantities of discarded plastic waste, especially to ocean and marine life, is increasing, as is public awareness and concern about these harms. Important sources of plastic and polystyrene waste include both packaging and disposable products, such as utensils and straws, packaging, and polystyrene food and beverage containers, and also pre-production plastic feedstocks in the form of pellets, granules, and powders. Once discarded, significant quantities of these non-biodegradable materials enter seas and oceans, where they are ingested by marine creatures at every level in the food chain, a phenomenon which not only endangers the well-being of these creatures, but also introduces toxins into the food chain and, therefore, into human diets. Non-recyclable, non-biodegradable plastic and polystyrene waste is generated in significant quantity in a number of industries, including food services, manufacturing, consumer goods, and shipping.

**Considerations for voting:**

As a major institution with its own environmental footprint to manage, Harvard believes that it has an “accountability to the future” regarding the environment and that that responsibility should be met not only through research and teaching, but through its campus-wide initiatives to reduce waste, energy use, and materials use.<sup>1</sup> Given these principles, we share in the increasing concern regarding the grave threats to marine life and ocean terrestrial environments posed by non-recyclable, non-biodegradable plastic and polystyrene waste and believe it is in an organization’s best interest to seek to reduce its generation of waste in these forms.

- Well-constructed proposals seeking reports on the management of these wastes and/or analyses of their environmental impacts or business risks can usefully focus management’s attention on the issue of plastic waste while potentially yielding information of value to shareholders.
- Some leading companies see a reputational and competitive advantage in publicly setting ambitious goals for plastic and polystyrene waste reduction, including Procter & Gamble and Colgate-Palmolive, which have pledged to use 100 percent recyclable packaging in most or all of their product lines by 2020.

- Such proposals are consistent with Harvard University’s institutional goal of reducing waste, which includes a shift to compostable straws and disposable food containers.

### **Illustrative examples of votes:**

1. Vote in support of resolutions requesting that a company report to shareholders on efforts to manage and reduce the environmental impact of discarded non-recyclable, non-biodegradable packaging and related consumer-oriented materials, including plastic straws, polystyrene products, other non-recyclable products or packaging, through means such as sustainable packaging initiatives.
2. Vote in support of resolutions requesting that a company report on efforts to manage and reduce the environmental impact of non-biodegradable pre-production plastics, such as pellets, granules, and powders, that persist in the environment.

These reports may also include the company’s assessment of the potential environmental impacts (such as adverse health effects) of its plastic waste on marine life and human health.

*Harvard offers broader general guidance on its recommended approach to considering shareholder resolutions in “Overview of Harvard University’s Proxy Voting Guidelines for External Managers” (follow [link](#) to download full text). When determining votes on resolutions, we consider each resolution in light of this general guidance as well as in light of a resolution’s specific request and contextual information about the relevant company and its approach to the issue.*

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<sup>i</sup> Harvard University has committed to many [waste reduction initiatives](#), including composting and reusable container programs by Dining Services. For further information, see <https://green.harvard.edu/commitment>.