

WHEREAS

Demand for transparent labeling of products containing genetically modified organisms (GMOs) has risen to unprecedented levels among U.S. consumers. In a July 2013 New York Times poll, 93% of Americans favored labeling of genetically modified foods. Companies that fail to support informed consumer choice by providing transparent labeling risk alienating consumers concerned about this issue.

The public health and environmental risks associated with the presence of genetically modified organisms (GMOs) in our nation's food supply remain unknown. The peer reviewed study, "Long Term Toxicity of Roundup-Tolerant Genetically Modified Maize" found that 70% of rats fed GMO corn over a two year period had significantly shorter lifespans than controls due to organ failure and increased tumor growth. A September 2013 New York Times article, "A Disease Cuts Corn Yields", cites genetic modification as a primary factor for the blight which destroyed nearly half of Iowa's corn crops.

Bills or ballot initiatives that would require the labeling of genetically engineered foods have been introduced in over 20 states in 2013, with both Connecticut and Maine already approving such legislation. According to a New York Times article "Genetic Changes to Food May Get Uniform Labeling", over 20 major food companies including WalMart, PepsiCo, and ConAgra have convened to discuss lobbying for federal labeling legislation¹. The Proponents believe that mandatory labeling of products containing GMOs is inevitable.

Some companies are moving more rapidly than others to capitalize on this shift in public attitudes by voluntarily labeling or phasing out products containing GMOs. Whole Foods, a Safeway competitor, announced in March 2013 that all products containing GM ingredients in U.S. and Canadian stores must be labeled as such by 2018. Other food companies, including Chipotle and Ben & Jerry's, have adopted similar policies for disclosing the presence of GMOs in products.

Through its Health & Wellness private brand portfolio, Safeway is working to position itself competitively among consumers interested in all-natural and organic products. Research indicates that GM ingredients are a key concern among these consumers. An article titled 'Shoppers Urge Safeway to Mandate GMO Labels' noted that Safeway has already faced pressure from consumers regarding labeling of all products containing GMOs . As competitors move to address consumer demands by labeling or phasing out GM ingredients, proponents are concerned that Safeway risks losing market share among this target demographic.

Therefore let it be resolved that: Shareholders request that the company's board of directors adopt a policy that until and unless long-term safety testing demonstrates that genetically engineered crops, organisms or products thereof are not harmful to humans, animals and the environment, the company will identify and label, where feasible, all food products manufactured or sold under the company's brand names or private labels that may contain genetically engineered ingredients, and report to shareholders, at reasonable cost and excluding proprietary information, on such policy and its implementation by October 31, 2014.

¹ http://www.nytimes.com/2013/02/01/business/food-companies-meet-to-weigh-federal-label-for-gene-engineered-ingredients.html?pagewanted=all&_r=0