

## **Water Impacts of Business Operations 2017 – Tyson Foods, Inc.**

Tyson Foods is exposed to regulatory, reputational, and financial risk associated with water pollution from animal feed and byproducts through its direct operations, contract farms, and feed suppliers.

The cultivation of feed ingredients for average weekly production of 35,529,000 livestock requires fertilizer inputs that can contribute to nutrient pollution if improperly managed. Animal waste from direct operations and over 11,000 independent or contract farmers may contain nutrients, antibiotic-resistant bacteria and pathogens, and pharmaceutical residue. These contaminants and poor manure disposal practices can contaminate local waterways, endangering the environment, workers, and public health (including contributing to “blue baby syndrome” and cancer).

The UN Human Right to Water ensures the right to sufficient, safe, acceptable and physically accessible and affordable water for personal and domestic uses. Contamination of water sources from Tyson operations and contract farms would interfere with this right. UN Sustainable Development Goal 6 includes a commitment to improve water quality by reducing pollution and minimizing release of hazardous chemicals.

Many of Tyson’s 83 processing plants release huge volumes of toxic substances into waterways. In 2014, Tyson discharged over 20 million pounds of permitted toxic pollutants to waterways.<sup>1</sup> In 2015, Tyson paid a \$540,000 judgment in Missouri after a wastewater discharge caused a major “fish kill.” Tyson faces ongoing federal criminal investigation by the U.S. EPA into this incident, which could cost Tyson up to \$500 million annually if government contracts are suspended. In 2015, Tyson reported 117 wastewater permit exceedances, 29 notices of violation, and 11 chemical releases,<sup>2</sup> representing potential financial or legal liabilities.

There is a growing trend toward increased state regulation and oversight of animal production and water stewardship, including in Iowa, Washington, Wisconsin, Maryland, and Virginia, with tightened requirements related to manure disposal, field application of manure, and groundwater monitoring.

Wal-Mart, Tyson’s largest customer with 16.8% of 2015 sales, uses a Sustainability Index to assess suppliers, which includes Key Performance Indicators on water, manure management, nutrient management, and fertilizer use.<sup>3</sup> Tyson competitor Perdue has launched a large-scale poultry litter recycling operation to prevent nutrient pollution.

Tyson’s policies, contracts, and codes do not address water quality. Tyson’s disclosure on water quality does not include its supply chain and contract farms. Shareholders cannot assess performance due to lack of metrics, goals, or information about management of contamination risks.

**RESOLVED:** Shareholders request the Board of Directors adopt and implement a water stewardship policy designed to reduce risks of water contamination at: Tyson-owned facilities; facilities under contract to Tyson; and Tyson’s suppliers.

**Supporting Statement:** Proponents believe the water policy should include:

- Requirements for leading practices for nutrient management and pollutant limits;
- Financial and technical support to help implement the policy;
- Robust and transparent measures to prevent water pollution incidents;
- Specific time-bound goals to ensure conformance with the policy; and
- A transparent mechanism to regularly disclose progress on adoption and implementation of the policy.

1. Environment America, <http://www.environmentamerica.org/news/ame/report-tyson-1-water-polluter-among-agribusinesses>

2. <http://www.tysonsustainability.com/environment#Water>

3. [http://www.walmartsustainabilityhub.com/app/answers/detail/a\\_id/242](http://www.walmartsustainabilityhub.com/app/answers/detail/a_id/242); <https://www.sustainabilityconsortium.org/product-categories/>