

Water Impacts of Business Operations 2015 – Tyson Foods, Inc.

WHEREAS: Tyson Foods is exposed to environmental, reputational, and financial risk associated with water pollution from animal feed and byproducts in its direct operations, contract facilities, and supply chain. The company produces feed for the production of 41,500,000 livestock per week. This requires fertilizer use and presents risks of nutrient runoff that may contain nitrogen and phosphorus, which can leach into local waterways, potentially endangering the environment, public health and the Company's own water supply. Animal waste from direct operations and over 5,500 contract farmers, which may contain nitrogen, phosphorous, bacteria, and antibiotics residue, may leach into water supplies and runoff into local waterways. The 79 Company processing plants produce wastewater high in toxins that must be properly transported and treated. A recent report by Environment America using data collected in EPA's Toxics Release Inventory, indicates Tyson was the highest polluting company, releasing 18,556,479 pounds of toxic waste, or 9% of nationwide discharges, into national waterways in 2012 from direct operations.

While Tyson has taken steps to reduce the quantity of water used, its reporting does not extend beyond the Company's direct operations to include contract farms or suppliers, and lacks information about water quality.

Increased storm events heighten these concerns. More intense precipitation exacerbates fertilizer and waste runoff, increasing the risk of damaging algal blooms and contamination of public drinking water supplies. Over 500,000 people in Toledo, Ohio were temporarily left without access to freshwater in August 2014, due to an algal bloom caused by over-fertilized fields and livestock pens. A water stewardship policy might mitigate risks like this within Tyson operations.

A 2004 settlement with Tyson and five companies over the leaching of 170 million pounds of phosphorus- and nitrogen-rich chicken litter in the local watershed cost the group \$7.3 million.

Recent allegations against our Company demonstrate the risks associated with our operations continue. The Missouri Attorney General is suing over a chemical leak from a feed plant into state waters that led to a massive fish kill. Arkansas rice growers filed suit alleging that 3-Nitro, linked to high arsenic levels, was present in chicken litter.

In a growing trend toward improved sustainability, Wal-Mart, which comprised 13% of the Company's sales for at least the past five years, announced a goal for U.S. farmers in its supply chain to increase efficiency of fertilizer use by 30% by 2020. Our Company would benefit from being prepared to meet new customer standards for increased sustainability within all operations.

RESOLVED: Shareholders request the Board of Directors adopt and implement a water stewardship policy that outlines leading practices to improve water quality for all company-owned facilities, facilities under contract to Tyson, and suppliers.

Supporting Statement: Proponents believe the policy should elucidate leading practices for nutrient management, using robust and transparent measures to prevent water pollution incidents. We encourage setting specific goals and timelines and including information on the policy and its implementation in the Sustainability Report.