



# Healthier Communities through Improved Corporate Water Stewardship

As the impacts of climate change increase, corporate water use is coming under greater scrutiny by investors and NGOs. Across the globe, 748 million people lack access to safe, clean drinking water. The agricultural industry consumes roughly 70% of the Earth's available freshwater, while the remaining industries consume an additional 23%.

ICCR's members press for improved corporate water stewardship in the food, agribusiness, energy production, automotive, mining, apparel and chemical sectors. ICCR urges corporations to measure and report on their water consumption and water impacts, and to develop both corporate policies and global supplier codes that reflect sustainable water practices that respect the human right to water.

Said, Nadira Narine, ICCR Program Director, "In order to safeguard the health of

"Pollution from farm runoff poses multiple risks to companies in the meat industry. Investors are pressing Tyson in particular to take robust and measurable steps to prevent water pollution, and set specific, time-bound goals for doing so, to reduce the impacts of its operations on the right to water in nearby communities."

In late 2015, ICCR launched a public petition calling on Tyson Foods, a leading meat and feed producer, to protect the health and safety of its workers, to prohibit the use of gestation crates, and to prevent water pollution on Tyson-owned and contracted farms. Tyson produces feed for over 41 million livestock, which creates nitrogen and phosphorus-laced runoff. The company is facing an ongoing federal criminal investigation as well as extensive EPA fines from wastewater discharges at a poultry processing plant in Missouri.

responded to investor pressure by agreeing to complete the CDP Water Questionnaire, which will give investors much-needed answers to many key questions they have been asking regarding water risk in corporate supply chains. Other corporations that have begun to take proactive measures to protect their supply chains and help minimize global water stress include Unilever, Nestle and General Mills. Investors are hopeful that their leadership will influence Tyson to follow suit.

In August, investors sent letters to the 15 companies, asking them to improve their water management practices and disclosure. For companies in the food & beverage and agricultural sectors, water risk is an enormous issue; companies face supply chain disruption due to more frequent drought, excessive withdrawals from underground aquifers and growing competition for water. In turn this, increases their capital expenditures, and constrains their revenue growth.

Companies can take a number of practical steps to reduce risk, including setting specific goals for water quality and conservation, and setting reduction goals for water use at all levels. Companies should also identify which of their operations source water from water-stressed regions, and develop specific policies for those areas, in consultation with affected communities.

Investors are hoping to enhance the adoption of responsible corporate water risk policies by encouraging the development of financial incentives and technical assistance that would allow growers to move to new water management technologies and practices, such as drip irrigation, and creating artificial wetlands to filter runoff.

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local communities, and prevent disruption to company operations, ICCR is calling on companies to implement transparent systems to collect data on their water use and management practices, and to report publicly on water risk within their direct operations and supply chains."

The meat and poultry industry is notorious for its environmental and water impacts, and for serious labor and animal cruelty violations. Said David Moore, of the American Baptist Home Mission Societies,

Supported by consumers from the U.S., Europe, South America and Australia, the petition surpassed its goal of 1,000 signatures. When Tyson failed to respond, investors escalated by filing a shareholder proposal calling on it to adopt a comprehensive water stewardship policy. The resolution will go to a vote of all shareholders this spring.

Tyson is one of 15 food & beverage companies that ICCR and its allies are engaging on water. Also on the list is Archer Daniels Midland (ADM), a company which recently