

Two Major Companies Announce New AgWater Challenge Commitments to Improve Water Stewardship and Sustainable Agriculture Practices On More Than 1 Million Total Acres of Agricultural Land

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Bold commitments moving towards positive water impacts come months after Ceres and the World Wildlife Fund release a new pathway for companies to improve soil health and nutrient management practices for key commodities produced in high-risk watersheds.

March 9, 2021: Two major agricultural giants, representing **12 billion USD** in annual revenue, announced new commitments to improve water stewardship as part of the Ceres and World Wildlife Fund (WWF) AgWater Challenge. They include Danone North America, owner of iconic dairy and plant-based brands and leading sweetener and starch producer Ingredion.

"We welcome these bold commitments to reduce water impacts by deploying strong soil health practices," said Dr. Beth Hooker, senior manager of water and agriculture resilience at Ceres. "Having commitments from companies which range across multiple crops--corn, dairy feed, almonds, cassava, potatoes--provides many opportunities to promote positive water outcomes through the implementation of practices that improve soil health. We hope these commitments encourage more companies to take action to preserve and protect watersheds where they have a footprint for generations to come."

Launched in 2016 by Ceres and WWF, the AgWater Challenge encourages better water stewardship among the world's most influential food and beverage companies. These two commitments set a high water mark for businesses to protect freshwater resources in their agricultural supply chains. With the global food sector using 70% of the world's freshwater supply, food and beverage companies play an important role in protecting water quality and supply.

In August, the AgWater Challenge released a new area of focus, calling on companies to go a step deeper by committing to sustainable agriculture principles that create a positive effect on water resources via soil health and nutrient management practices. These practices have been shown to support crop productivity, reduce erosion, increase water holding capacity, promote biodiversity, improve water quality and, in many cases, increase soil carbon levels. Furthermore, the commitments also detail how companies will support farmers and advocate for collective actions that are key components to improving local water outcomes.

With these two commitments, the AgWater Challenge facilitated the addition of **1.1 million acres** over the next ten years to the land farmed with both water stewardship and sustainable agriculture in mind.

"As human demand for water grows—particularly for agriculture, the pressures on critical freshwater ecosystems also grow," said Nicole Tanner, manager of Corporate Water Stewardship at WWF. "When companies incorporate soil health into their water stewardship practices across their agricultural supply chains, they not only improve water quality and quantity, but protect the livelihoods of the farmers who need those resources."

Details of the individual commitments can be found below. As part of the AgWater Challenge, these companies also pledge to measure the positive impacts they have made in freshwater basins from these efforts and to provide transparency about the success of commitments and how they drive more resilient production systems.

Danone:

- Acreage: Committing to expanding efforts that promote soil health and water outcomes on 82,000 acres in existing programs and on an additional 18,000 acres in high water risk regions across the US---by 2025. The efforts will focus on dairy feed and almonds.
- Incentives: Creating incentive programs that will cover 100% of acres and farmers associated with this commitment by 2025, including technical assistance through <u>EcoPractices Assessments</u> and support for farmers to identify and secure financial assistance to foster practice adoption.
- Collective Action: Participating in collective watershed action in high water risk watersheds via collaboration with appropriate NGOs.

"Water is fundamental and smart management of this finite resource is critical," said Deanna Bratter, Head of Sustainable Development at Danone North America. "Our participation in the AgWater Challenge connects us with like-minded partners and enables both collaboration and transparency on our journey of continuous improvement as we work to protect and restore the water cycle and use our business as a force for good."

Ingredion:

• Acreage: Committing to adoption of regenerative agricultural practices on 500,000 acres of corn, tapioca, potato, pulses,

and stevia grown in high-risk watersheds by 2027, and across 1 million acres by 2030. This acreage represents about 30% of total global sourcing.

- Incentives: Providing technical assistance to farmers through Ingredion agronomists, training programs designed to share
 efficient farming practices and their potential economic benefits, and implementation support for technological
 improvements.
- Collective Action: Collaborating with the <u>Sustainable Agriculture Initiative Platform</u> (SAI Platform), and its member organizations on the development of a food and beverage industry regenerative agriculture standard, planned to be completed by 2022. Participating in collective watershed action through collaboration with customers and/or appropriate NGOs, such as Field to Market and the Thai Tapioca Starch Association.

"As a company guided, united, and inspired by our purpose of bringing the potential of people, nature, and technology together, Ingredion relies on the good work of growers to provide the agricultural inputs that are critical to our business," said Brian Nash, Ingredion's vice president of global sustainability. "We are committed to supporting the efficient use of water in agriculture and we look forward to collaborating with Ceres and WWF to leverage the expertise and leadership that they help bring to this program to further advance our sustainability efforts."

The new commitments from Danone North America and Ingredion build on previously made commitments from other AgWater Challenge participants including Target, Driscoll's, Diageo, General Mills, Hormel Foods, Kellogg Company, and PepsiCo. This is the second AgWater Challenge Commitment for Danone North America. Since committing to advance their sustainable water sourcing strategies, the original AgWater Challenge companies have made significant strides in engaging with farmers and suppliers across their value chain, sourcing responsibly, and reducing their overall exposure to water risks.

About Ceres

Ceres is a nonprofit organization working with the most influential capital market leaders to solve the world's greatest sustainability challenges. Through our powerful networks and global collaborations of investors, companies and nonprofits, we drive action and inspire equitable market-based and policy solutions throughout the economy to build a just and sustainable future. For more information, visit ceres.org and follow @CeresNews.

About World Wildlife Fund (WWF)