

July XX, 2015

Attention:

[FIRST NAME, LAST NAME], CEO
[FIRST NAME, LAST NAME], Director, Sustainability/CSR
[FIRST NAME, LAST NAME], Director, Investor Relations
[FIRST NAME, LAST NAME], Corporate Secretary

COMPANY
[ADDRESS]

Re: Request for Increased Water Disclosure through CDP Water Questionnaire 2016

Dear [SALUTATION] [LAST NAME],

We the undersigned investors with **XX** in total assets under management believe that global water risk management is a critical aspect of financial risk oversight in the food and beverage sector. Just this year, The World Economic Forum rated water crises among the top five global risks facing society. As such, **COMPANY** may be exposed to a range of physical, regulatory, reputational and community impact risks, which could substantively jeopardize the sector's short and long-term ability to operate. These threats can, and already are having profound near-term business impacts on food and beverage companies that are disrupting operations and supply chains, increasing capital expenditures and operating costs, and constraining revenue growth.

We commend the company for **[add in indicators here if/where COMPANY scored well]**. Yet, after a comprehensive review of **COMPANY'S** current disclosure documents, it is unclear to this coalition of interested shareholders how the company is tracking and managing its water-related risks and opportunities. In addition, growing research, such as Ceres' new report, *Feeding Ourselves Thirsty: How the Food Sector is Managing Global Water Risks*, scored **COMPANY XX/100¹** on its water risk management, well-below peer companies in the **BLANK INDUSTRY**.

In order to remain competitive in the market and hedge future risks that are being exacerbated by climate change impacts, it is vital that **COMPANY** set and implement strong systems to collect and interpret data on the company's exposure to water risks within both its direct operations and supply chains. Already, companies in **BLANK INDUSTRY** are recognizing and acting on risks – **including these COMPETITOR(s)**.

As concerned shareholders with long-term investment strategies, we recognize **COMPANY** may be developing robust risk assessment strategies, but seek increased transparency and disclosure about your exposure to water risk, as well as the plans, strategies and progress you are making in mitigating the company's exposure to these issues.

¹ Reference: Ceres' *Feeding Ourselves Thirsty*, Appendix A
(<http://www.ceres.org/issues/water/agriculture/water-risks-food-sector>)

Comparable, meaningful and material data, consistently reported is vital to informed decision making. CDP's water program provides a clear framework that allows for standardised effective reporting and action. Companies that respond to the questionnaire signal to our investor coalition that they are strategically measuring and addressing water related risks.

As such, we would appreciate receiving notification of **COMPANY'S** intent of responding to our request to disclose to the 2016 CDP Water Questionnaire by **DATE** or immediately following your next Board meeting. A complete response is requested however should you wish to take a staged approach to your disclosure, specific CDP indicators in the questionnaire of significant importance to the undersigned group are detailed below:

- **COMPANY'S** basic company-wide water accounting (W1. Company-Wide Water Accounting),
- The company's approach to assess and manage water risk (W2. Procedures and Requirements),
- Disclosure on who has the highest level of direct responsibility for water within your organization, including what role the Board is playing to oversee water risk management at **COMPANY** (W6. Governance & Strategy Indicators), and
- Information on whether key suppliers are required to report on water use, risks and management (W1. Supplier Reporting).

We realize that these are complex issues and welcome the opportunity to meet with you to discuss our requests in more detail. **Indicate if COMPANY is currently engaging via investor-driven water-initiatives through the Interfaith Center on Corporate Responsibility (ICCR), Ceres' Investor Network on Climate Risk (INCR) and/or the United Nations -supported Principles for Responsible Investment (PRI).** Please direct your response to Siobhan Collins, Senior Associate, Water Program at Ceres (collins@ceres.org, 617-247-0700 ex. 181), who is coordinating this engagement on behalf of the participating investors and will communicate your response to the undersigned.

Thank you for your leadership on these issues – we look forward to hearing from you in the coming weeks.

Sincerely,

SIGNED INVESTORS