



PEPSICO AND THE NATURE CONSERVANCY ANNOUNCE “WATER FOR THE PLANET:” A WATER REPLENISHING STRATEGY FOR LATIN AMERICA

PepsiCo and The Nature Conservancy announce a new collaboration for water replenishment in Latin America with a commitment to invest \$3 million in the next seven years and impact five watersheds in Mexico, Brazil, Guatemala and Colombia

NY, New York, November 15, 2016- PepsiCo Latin America and The Nature Conservancy (TNC) in Latin America announced “Water for the Planet,” a new collaboration that will work to replenish five different watersheds for the urban areas of Mexico City, Monterrey, São Paulo, Guatemala City and Bogota in the next seven years.

The \$3 million joint commitment toward the “**Water for Planet**” program aims to enable long-term, sustainable water security in the watersheds located near where PepsiCo works and includes cross-sector collaboration with suppliers and business partners. By supporting a watershed conservation initiative with large-scale results in four countries (five watersheds) in Latin America, the positive impact on water and people can have an amplified, long-lasting effect. With the announcement signed at the PepsiCo office by PepsiCo Latin America CEO Laxman Narasimhan, TNC President and CEO Mark Tercek and TNC Latin America Managing Director Aurelio Ramos, PepsiCo, TNC and its bottlers in Latin America seek to be a model of positive, collective impact.

“All across PepsiCo, we continue to find innovative ways to grow our business while using fewer natural resources,” said PepsiCo Latin America CEO Laxman Narasimhan. “We met or exceeded all of our water goals set for 2015, including maximizing water efficiency per unit of production by 25.8% since 2006, while saving approximately \$80 million in costs over five years. We have also successfully partnered to provide safe water access to more than 9 million people globally since 2006, significantly exceeding our goal of 6 million people by 2015,” Narasimhan added.

TNC in Latin America

According to TNC, today, 80% of the Latin American population lives in urban areas, and this proportion is expected to increase to 90% by 2050. This scenario urges the implementation of efficient investments in solutions to secure clean water for growing populations, industries and food production in general.

TNC in Latin America has extensive experience and expertise in freshwater conservation work. TNC aims to improve water security by working in the watersheds that supply water to almost 40 urban areas throughout the Latin American region. TNC, alongside PepsiCo, will implement activities designed to reduce water risks, such as investing in tailored upstream nature restoration activities, for each watershed located near urban centers where PepsiCo works.

“Our science shows that Nature-based solutions can play a major role in providing clean, cost-effective drinking water for millions of city residents, allowing for both nature and people to



thrive,” stated Mark Tercek, President and CEO of The Nature Conservancy. “By collaborating with companies, we are able to unleash the power of nature to make cities more resilient and livable. Therefore, we value and welcome PepsiCo’s commitment to water security,” added Mark Tercek.

PepsiCo Performance with Purpose

This announcement comes a month after PepsiCo announced its Performance with Purpose 2025 Agenda and sustainability goals focused on contributing solutions to shared challenges by taking action in three areas: 1) transforming its food and beverage portfolio and offering healthier options 2) producing more food with less environmental impact and 3) laying the groundwork for a healthier future by empowering people.

In terms of water, specifically, PepsiCo is striving for Positive Water Impact –meaning its efforts and partnerships will be designed to enable long-term, sustainable water security for its business and others who depend on water availability. The company will do this by addressing agriculture’s important role in water security, building on its operational water-use efficiency achieved to date with an additional 25% improvement by 2025, and working to provide access to safe water to a total of 25 million people in the world’s most at- water-risk areas by 2025, a continuation of efforts that began in 2006. Through the different activities to be implemented as part of the new partnership with TNC, PepsiCo Latin America is contributing to the Performance with Purpose 2025 goals.

PepsiCo and The Nature Conservancy

PepsiCo and TNC first partnered in 2010 in what has evolved into a long-standing, far-reaching alliance focused on global water conservation projects and country-specific interventions around the company’s manufacturing facilities. These projects include:

- **PepsiCo Global Operations** – In 2010, the PepsiCo Global Operations team and TNC partnered to better understand water risk. This initiative helped identify, design and evaluate watershed remediation strategies.
- **PepsiCo United States – “Recycle for Nature” Program:** This is a five-year partnership between PepsiCo and The Nature Conservancy that aims to protect U.S. drinking water sources by recycling beverage bottles and cans. This year, the program added the American River Headwaters to the initiative. By contributing to the American River project, which will take place over a three-year period, Recycle for Nature can work to reduce the risk of catastrophic wildfires on more than 10,000 acres of forest, safeguard water quality and advance research on the link between healthier watershed conditions and water supply.
- **The Latin America Conservation Council (LACC)** is comprised of over 30 global leaders who call for protecting nature and effectively managing its resources for the sustainable prosperity of future generations. PepsiCo, a member of the Council, has focused its efforts on water security.



- **Mexico – Water Fund in Monterrey:** PepsiCo Latin America collaborated with TNC to address water challenges in Monterrey, Mexico, one of the most water-stressed locations in Mexico. PepsiCo joined the initiative of the local water fund developed by TNC and, through it, supports restoration activities in the aquifer.
- **Guatemala – Water Fund in Guatemala City:** PepsiCo is contributing to this fund together with CBC, PepsiCo's bottler in Central America, Puerto Rico, Jamaica and Ecuador. Through this funding, PepsiCo Latin America is supporting restoration activities in the same aquifer from which CBC draws water for our operations in Guatemala City.
- **Brazil – Green-Blue Water Coalition:** PepsiCo is collaborating with the Green-Blue Water Coalition in Brazil, led by TNC. The coalition has the objective of engaging in collective action investments that contribute to water security around 12 metropolitan areas in Brazil.

About PepsiCo

PepsiCo products are enjoyed by consumers one billion times a day in more than 200 countries and territories around the world. PepsiCo generated more than \$63 billion in net revenue in 2015, driven by a complementary food and beverage portfolio that includes Frito-Lay, Gatorade, Pepsi-Cola, Quaker and Tropicana. PepsiCo's product portfolio includes a wide range of enjoyable foods and beverages, including 22 brands that generate more than \$1 billion each in estimated annual retail sales.

At the heart of PepsiCo is Performance with Purpose—our fundamental belief that the success of our company is inextricably linked to the sustainability of the world around. We believe that continuously improving the products we sell, operating responsibly to protect our planet and empowering people around the world is what enables PepsiCo to run a successful global company that creates long-term value for society and our shareholders. For more information, visit www.pepsico.com.

About PepsiCo Latin America

PepsiCo Latin America is a division that includes all of its beverage, food and snack businesses in Latin America, comprising 54 emerging and developing markets. Our beverage, food and snack businesses in Latin America include snacks, beverages, cookies & crackers and nutrition categories, which generated \$8.2 billion in net revenue in 2015. Our Beverages business in the region operates through 12 major bottlers.

About The Nature Conservancy

The Nature Conservancy is a global conservation organization dedicated to conserving the lands and waters on which all life depends. Guided by science, we create innovative, on-the-ground solutions to our world's toughest challenges so that nature and people can thrive together. We are tackling climate change, conserving lands, waters and oceans at unprecedented scale, and helping make cities more sustainable. Working in more than 65 countries, we use a collaborative approach that engages local communities, governments, the private sector, and other partners. To learn more, visit www.nature.org or follow [@nature_press](https://twitter.com/nature_press) on Twitter.”



About the Latin America Conservation Council

The Latin America Conservation Council (LACC) is an unprecedented group of global leaders, leveraging their collective influence, expertise, and resources to make Latin America a model of environmentally-responsible growth. Working closely with The Nature Conservancy, the Council was formed to accelerate innovative, effective and scalable solutions to three of the region's greatest challenges –Water Security, Sustainable Food, and Smart Infrastructure– so both people and nature can flourish. <http://www.laconservationcouncil.org>

For more information, please contact:

Valeria Rivas,
Executive and External Communications Manager
PepsiCo Latin America
valeria.rivas@pepsico.com
+5255 2582 3448

Marcelo Moura
Director of Marketing & External Communications
The Nature Conservancy – Latin America
mmoura@tnc.org
+1 305 445-8352