



December 28, 2015

Dear IBWA Member:

As Chairman of the International Bottled Water Association (IBWA), I'm writing to thank you for your involvement in IBWA in 2015 and to ask you to renew your membership for 2016. Your past support of the association, through your dues dollars and active participation, has helped IBWA continue to be a very effective advocate for all bottled water companies – bottlers, suppliers and distributors – and all sizes: small, medium and large. We appreciate your continued commitment to IBWA and the bottled water industry.

As a result of your support, IBWA was able to accomplish a great deal in 2015. For example, IBWA once again worked hard to highlight bottled water's stringent state and federal regulations, our members' environmental sustainability efforts, and the safety of all plastic bottled water containers, including those containing BPA.

Implementation of the Food Safety Modernization Act (FSMA) continues to be a very important issue for the bottled water industry. IBWA remains heavily involved in the process to see FSMA fully operational, including submitting comments to FDA on the Current Good Manufacturing Practice and Preventive Controls proposed rule. IBWA offered members several ways to receive FSMA updates and prepare for compliance, including educational sessions held during IBWA meetings and at state and regional association conferences, and through webinars and IBWA's publications, – News Splash and Bottled Water Reporter.

Included at the end of this letter is a summary of the many ways IBWA has been working on your behalf in the government relations, environmental sustainability, communications, technical, and education arenas. In addition, the enclosed 2015 IBWA Annual Progress Report provides further details on the many activities and accomplishments of your association during the past year.

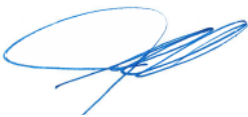
Regardless of your company's role in the production and sale of bottled water, the many issues facing our industry can negatively impact your business. IBWA members, staff, and consultants, along with our allies, will continue to work hard to represent the bottled water industry with facts and truth. We are committed to proactively promoting the safety and quality of bottled water and challenging the attacks, regulations and proposals that characterize bottled water unfavorably and/or would have a negative financial impact on our member companies.

We need your help. **Please renew your membership today.** By renewing your IBWA membership, you will help ensure that we can continue to aggressively defend the bottled water industry against all negative proposals (many of which are listed at the end this letter) and proactively communicate the facts about our products to the media, government officials, activist groups and others.

As you complete your dues renewal form and calculate your dues, please take time to consider what is in store for our industry in 2016 and the magnitude of the response needed to effectively challenge the increased scrutiny and criticism of bottled water. Consider the tools and resources provided by the Association, which contribute to your ability to successfully operate your business and assist you in producing a quality product, meeting new regulations and requirements, and avoiding unnecessary and burdensome laws and regulations that would negatively impact your company. The return on investment for your dues dollars is significant when compared to the financial and other resources you would need to achieve the same results by yourself. I urge you to invest in your business and the industry by renewing your membership for 2016.

I am very proud to be part of the bottled water industry and I know you are too, and I'm very excited about the future of IBWA and the many opportunities available to the bottled water industry. Thank you for your support of IBWA. I welcome your comments anytime.

Sincerely,



Joe Bell
Aqua Filter Fresh
IBWA Chairman

Enclosures:

2016 IBWA Dues Form
2015 IBWA Annual Progress Report
2016 Bottled Water Audit Program Package (Bottlers and Candidate Bottlers only)
Upcoming IBWA Meetings
Drinking Water Research Foundation Flyer
Kristin Safran Scholarship Flyer
Alan Leff Memorial Lecture Fund Flyer
Why A Political Action Committee (PAC) Flyer

Summary of IBWA Activities in 2015

Government Relations

- IBWA continued its efforts to expand our outreach to federal and state legislators and governors in order to educate them further about the bottled water industry and to gain their support. IBWA staff and members had more than 150 meetings on Capitol Hill, with both members of Congress and their staff.
- At the state level, IBWA monitored more than 600 bills and 400 regulatory proposals concerning bottled water in 2015. IBWA worked on many important state bottled water issues, including proposed bottled water bans, groundwater resource management measures, bottle deposits, taxes, labeling, and Bisphenol-A (BPA).
- IBWA continued to defend the safety of BPA. In 2015, over 80 bills in 22 states addressed the issue of the use of BPA in various consumer products, with a dozen states introducing bills that would have had a direct impact on bottled water. Once again, no BPA legislation was adopted during the past year that would negatively impact the bottled water industry.
- In 2015, we submitted oral and written testimony/comments on proposed legislation and regulations a dozen times, at both the state and local levels.
- In terms of federal legislation, IBWA monitored and commented on several draft and introduced bills and reports dealing with bottled water labeling and quality, proposed bans on BPA in food containers, FDA funding and food facility user fees, sales and use taxes, water infrastructure measures, and other burdensome proposals.
- IBWA continued to oppose a National Park Service (NPS) policy that allows individual park units to ban the sale of bottled water, while still permitting other beverages packaged in plastic—e.g., soft drinks, sports drinks, and fruit juices—to be sold. We achieved a major win recently when a report accompanying legislation that funds the federal government in 2016 expressed Congress's concerns about this issue and required NPS to submit a report within 60 days on

the data it used to justify the sales ban. While only 19 of the more than 400 parks have banned bottled water sales, IBWA continues to oppose this highly visible policy because it adds to the negative narrative being told by bottled water critics.

- Through its Political Action Committee (PAC), IBWA was able to educate members of Congress about bottled water issues and build strong champions for the industry in 2015. Thanks to the generous contributions of IBWA members, the IBWA PAC met its 2015 fundraising goals and was able to distribute funds to nine congressional candidates. As the November 2016 elections are just around the corner, and because they could have a major impact on the bottled water industry, it is more important than ever for all IBWA members to fill out the enclosed Authorization to Solicit form and return it to IBWA.

Communications

- Throughout this past year, media stories have continually highlighted the important role water plays in all our lives, the importance of protecting natural resources, and the critical need for bottled water during times of emergency and natural disaster. Our industry knows well the vital role our products play in the lives of individuals around the world and the necessity of continuing to protect, preserve, and conserve our water resources wherever they may be. As a result, IBWA continues to be the media's "Go-To" source for comprehensive information about bottled water.
- Our social media programs allowed us to address industry critics in a direct, engaged, and conversational manner. The ability to engage with supporters, critics, and consumers in real-time is vital and directly impacts the perception of our industry and our products. IBWA has a strong and growing presence on multiple social media platforms. The association has produced 38 YouTube videos (with more than 400,000 views) that cover a wide range of topics: bottled water's role in emergencies/natural disasters, plastic safety, recycling, and bottled water regulations. IBWA also has a growing collection of video vignettes (short videos lasting no more than 15 seconds) on Twitter, Facebook, and Instagram. Three targeted Twitter feeds have nearly 5,600 followers. IBWA's Facebook pages have more than 8,000 "likes."
- We regularly engage with bottled water supporters and critics through social media and internet news platforms. On a daily basis, IBWA comments on news stories and blog posts and engages in conversations and debates on Facebook and Twitter. We also have a growing Pinterest page, Instagram channel, and we have even tried "live casting" on Periscope.
- IBWA and Covestro, a global polycarbonate supplier (formerly known as Bayer MaterialScience), issued a joint press release to encourage a fact-focused conversation about polycarbonate plastic. In the release, the organizations

provide consumers with important facts about polycarbonate plastic, its many uses, and the facts about the safety of BPA.

- State officials worried about water scarcity issues in 2015, particularly in California, and bottled water often became a target of misguided efforts to deal with the issue. However, the amount of water used for bottling water in the United States is very small: less than 0.02 percent of the total groundwater withdrawn each year. Thus, IBWA points out that singling out bottled water is ineffective and notes that any groundwater legislation must be based on sound science and treat all users equitably. Although the California drought prompted a lot of attention on the region's water scarcity issues, this is not just an issue for California. A Government Accountability Office report has found that 40 of the 50 state water managers predict water shortages within the next 10 years. IBWA's Hydrate California campaign will be used as a template for any future PR efforts and can be adapted for other states and regions, as needed.
- We continued to provide members with up-to-date information about the bottled water industry through the weekly e-newsletter, News Splash, bi-monthly magazine, Bottled Water Reporter and as-needed bulletins.

Technical and Education

- IBWA continued to be an active leader by putting technical and scientific expertise to work for your company. We analyzed FDA regulations, and assisted members in understanding and interpreting these regulations, and educated regulators on our industry's operations to help ensure fair and sensible regulation of the industry. From routine information requests from the public and members to assistance with technical regulations, IBWA is always available to help.
- IBWA continued to regularly follow and monitor the latest FSMA developments in order to assist our members in complying with all of the new regulations. This included providing important information about the key regulatory provisions—such as FDA's revised cGMPs, new requirements for hazard analysis and preventive controls, record keeping, ancillary requirements (e.g., environmental monitoring), and impact on IBWA's annual inspection program. IBWA continued educating members about this rule by covering it in Technical Update columns in Bottled Water Reporter magazine and through a series of six articles in the News Splash e-newsletter. In addition, the 2015 IBWA Annual Business Conference included a half-day FSMA workshop, which includes presentations from key FDA officials.
- In December 2015, IBWA met with the FDA Center for Food Safety and Applied Nutrition staff about matters of vital importance to the industry, including BPA, the Food Safety Modernization Act, source contamination issues under the FDA

groundwater rule, and the application of FDA Food Code Sanitization procedures to product contact surfaces at bottled water plants.

- IBWA has been actively working to communicate our views on the 2015 Dietary Guidelines for Americans, which will be published very early in 2016. Our efforts this year have included submitting comments to the Dietary Guidelines Advisory Committee (DGAC), which makes recommendations to HHS and USDA; sending a letter to a congressional committee focused on this issue; testifying at a public hearing of the DGAC; meeting with HHS and USDA officials and White House staff to educate them about the benefits of water consumption; and working with highly respected academics and nutritionists to promote pro-water consumption recommendations. In all of those activities, IBWA promoted three specific requests: increased recognition of water as an important part of a healthy diet, specific references to bottled water's role in healthy hydration (given that so many Americans get their hydration on-the-go); and adding water to the MyPlate nutrition guide.

Environmental

- IBWA updated its polyethylene terephthalate (PET) container lightweighting study in 2015. The average weight of a half-liter PET water bottle in 2014 was 9.25 grams, a 51 percent decline from the 2000 average weight of 18.9 grams. That is an important statistic when you realize that the bottled water industry sold 59 billion bottles of water in 2014, and nearly 97 percent of those bottles were made of plastic. The ultimate result was that the bottled water industry's lightweighting efforts saved nearly 6.3 billion pounds of resin since 2000.
- IBWA also completed an analysis of the industry's use of recycled PET (rPET). The percentage of bottled water packages that use rPET increased from just 3.3 percent in 2008 to 20.8 percent in 2014—a 17.5 percent increase. That number grew by 8 percent between 2013 and 2014. The average rPET content for all bottled water packaging was 4.1 percent, up from 0.2 percent in 2008. IBWA's study showed that in 2014, for those companies using rPET for bottled water products, the average rPET content was 20 percent per container.
- In October 2015, IBWA held a one-and-a-half day tour of recycling facilities, with an emphasis on how PET is separated from other materials and eventually reused for other products, including rPET bottles. The tour focused on redemption facilities and processors of recyclable materials in the New York metro area. IBWA members and staff visited four different redemption and recycling facilities to observe the entire recycling process—from collecting the empty beverage bottles to the manufacture of new products using rPET. In addition to touring facilities, participants were briefed on IBWA's environmental goals, the challenges the bottled water industry faces in accomplishing those

goals, and the many studies IBWA has undertaken to provide researched facts about the bottled water industry's very small environmental footprint.