



WHEREAS: According to the 2021 IPCC report, climate change is intensifying the water cycle, resulting in more intense droughts globally.¹ Climate change related water scarcity poses material risk to our company, including lowered production capacity and disruption of supply chains.

As set forth in its reporting, the majority of Hain Celestial’s water use comes from its agricultural supply chain. In a 2016 water statement, the company disclosed “ingredient production accounts for approximately 98% of the water used to produce our products.”² Yet, while Hain has conducted water risk assessments on its annual water withdrawals for its manufacturing operations, it neglects to provide the same disclosure for water use in its agricultural related ingredient production – the most water intensive function of its business.³

It is likely that some portion of Hain’s source ingredients are supplied by growers in water vulnerable locations. Because Hain Celestial either does not assess supply chain water risk, or does not disclose such risk to investors, the company’s water related risk remains in question.

To identify water risk and reduce costs, many peer companies – including Conagra Brands, General Mills, Kellogg Company, Nestlé, and Unilever – conduct water risk assessments for both operations and supply chains.⁴ Recognizing the importance of such assessments, in 2017 Hain Celestial committed to conduct a comprehensive water risk assessment but has made no notable progress in disclosing or addressing its exposure to water quality and quantity risks across its supply chain.⁵

A core pillar of Hain Celestial’s Environmental, Social, and Governance (ESG) strategy is to “lessen its impact on resource scarcity.”⁶ The company cited water as one of ten top ESG issues in its 2021 Sustainability Report, highlighting the importance of “applying best-in-class water management strategies... to keep our water footprint in check.”⁷

¹ <https://www.ipcc.ch/report/sixth-assessment-report-working-group-i/>

² <http://www.hain.com/wp-content/uploads/2016/10/Water-Management-HAIN-Statement-2016.pdf>

³ <https://www.hain.com/wp-content/uploads/Hain%20Celestial%20ESG%20Report%20FY%202021.pdf>

⁴ <https://feedingourselfthirsty.ceres.org/company-scorecards>

⁵ <http://www.hain.com/wp-content/uploads/2016/10/Water-Management-HAIN-Statement-2016.pdf>

⁶ <https://www.hain.com/company/esg/>

⁷ <https://www.hain.com/wp-content/uploads/Hain%20Celestial%20ESG%20Report%20FY%202021.pdf>



Without a full value chain water risk assessment, and disclosure of quantitative performance metrics and best practices for water management in areas of water stress, investors cannot gauge whether Hain Celestial adequately manages its water risk.

BE IT RESOLVED: Considering the growing pressure on water supply posed by climate change, shareholders request that Hain Celestial conduct and report to shareholders, using quantitative indicators where appropriate, on the water risk exposure of its supply chain and its responsive policies and practices to reduce risk and prepare for water supply uncertainties associated with climate change.

SUPPORTING STATEMENT: Proponents request the report disclose, at management’s discretion:

- Identification of water assessment tools used by Hain or its suppliers to assess supply chain water related risk
- Results of water risk assessments across its agricultural supply chain, including identifying the regions of at-risk ingredient production and supply chains
- Any additional monitoring of supply chain water resources
- Water scarcity planning and responsive actions
- A description of how water management is integrated into governance mechanisms
- A description of water-related engagement with value chain partners