

Neutralizing the water footprint: four essential steps for companies

Through measurement, efficiency, compensation and support to aquifer recharge projects, FIFCO has neutralized its water footprint and even replenished more water than it consumes.

Water-related risks are present for all economic activities that depend on this precious resource, and it is essential for the productive sector to take a leading role in its conservation. FIFCO has successfully implemented a series of measures that show how an organization can recharge more water to the hydrologic cycle than it extracts in its industrial operations and shares its results to increase the local and global impact of these actions.

For example, in the case of FIFCO's beverage operation in Costa Rica, it has achieved a positive balance through rational use practices, reduced consumption and compensation that exceed the organization's total water consumption by an additional 20%.

Stakeholder engagement in water conservation

As part of its social and environmental work, FIFCO also works closely with various social actors such as its suppliers, its customers, local communities, its collaborators, other industrial water users and state institutions through various actions such as sustainable procurement, environmental awareness, volunteering and strategic alliances for water conservation.

Gerardo Miranda, FIFCO's Environment, Health and Safety Corporate Manager, pointed out that the organization applies a 4-step strategy: *measurement, control and reduction, compensation and added environmental value to have a "Positive Water" balance.*

Each of these steps requires taking specific actions aimed at meeting goals that the company establishes and validates through an external verification that allows it to be accountable to its stakeholders. This water footprint verification process has been carried out annually since 2012 and it was in 2017 that it first achieved the Water Positive status, which the company maintains to this day.

Thus, according to Miranda, in its environmental management processes "FIFCO measures and controls the total amount of water it uses, a practice that has been improving over time and that allows a constant optimization of its use."

For the control and reduction of water consumption, FIFCO establishes indicators and goals by operation based on historical behavior projections and reduction projects, thus, although there has been an increase in production, the control indicator for all the beverage and food business units in Central America and the United States went from 7.66 hectoliters of water consumed per hectoliter produced in 2021 to 7.04 in 2022. The current corporate indicator for the beverage business in Costa Rica is 3.47 hectoliters consumed/hl produced.

This optimization of water use has been achieved through efforts such as immediate control of leaks and infiltrations, process improvements, reduction of water consumption in production lines,

operational control through best practices in water use, and restoration of basic conditions in equipment with high water consumption, among other actions.

Offsetting as a good practice

FIFCO compensates more than its total water consumption by applying appropriate and forward-looking measures, for example, watershed protection through the Payments for Environmental Services (PES) mechanism of the National Forestry Financing Fund (FONAFIFO), whose aquifer recharge is verified by the Foundation for the Development of the Central Volcanic Range (Fundecor). Protection has been applied in the Upper Barva Basin in the Central Valley since 2002 and currently covers 650 ha for water recharge of the aquifers that supply water to the Metropolitan Area. Beyond this, FIFCO participates, since its foundation in 2015, in the first water fund in Costa Rica "Agua Tica", a financial mechanism in Public-Private Partnership to ensure water resources in quantity and quality in the sub-basins of the Río Grande and Río Virilla rivers.

Reserva Conchal continues to invest resources in the protection of the Nimboyores aquifer as an area of influence of the real estate project, as well as in the aquifer recharge zone of the water supply wells of the coastal communities. This mechanism protects a total of 60 hectares.

About FIFCO

FIFCO is a beverage and food company with 115 years of history, and operations in Costa Rica, Guatemala, Mexico, El Salvador and the United States, 7 manufacturing plants and 15 distribution centers. It has 3 business divisions in Costa Rica: "*Distribuidora La Florida*" (food and beverages), "*Florida Hospitality*" (real estate and hospitality sectors) and "*Florida Retail*" (retail sales). It exports to 18 countries around the world and has a portfolio of 1,500 products.

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