WWF's Implementation Guide to
The Alliance for Water Stewardship's

International Water Stewardship Standard

What the AWS Standard Is	**vs.**	What the AWS Standard is Not
is voluntary		is not mandatory
drives advanced practice & innovation		does not define minimum legal requirements
supports regulation		does not replace regulation
is a framework for engagement		is not a blueprint for solving water issues
is internationally-consistent		is not one size fits all
is a step-wise learning journey		is not all or nothing
is supported by accredited service providers		is not a stand-alone effort

Advancing Water Stewardship Journeys

There is no substitute for water. Every business depends on this precious resource in one way or another: for growing agricultural commodities in the supply chain, processing or manufacturing at plants and facilities, or helping maintain community and employee health.

As the global population grows and economic development changes consumption patterns, demand for water and thirst for products will increase. At the same time, the amount of water and its quality is also changing, escalating competition in the public and private sectors for available water resources, according to a 2014 report from Vox Global and Pacific Institute.

Water can no longer be taken for granted. Healthy water resources are now directly tied to risks a company might face. But because water is shared in the same ecosystem or catchment[1], no one entity can ensure sustainable management of the resource. **A business may be on the forefront of water efficiency and treatment, but if its neighbor is consuming too much or polluting too freely, the health of shared freshwater ecosystems will continue to decline, and the leading business will remain vulnerable, and likely suffer the impacts of, water risks.** As a result, the understanding of water risk must be broadened. Internal, or facility-based, water risk is linked to the catchment's condition and to others that depend on this same resource. Mitigating water risks demands more responsible water use, as well as sustainable water management outside the fence lines.

Companies that see the connection and have made broad commitments on water recognize that meeting their global goals will require individual actors throughout their opera-

tions and supply chains to identify local risks and suitable mitigation strategies. Determining how to introduce and harmonize a water stewardship program, especially for global companies, can be arduous. For this reason, Alliance for Water Stewardship (AWS) led a multi-stakeholder process to develop the first internationally recognized framework for implementing comprehensive water stewardship: the AWS International Water Stewardship Standard. ISEAL, a non-governmental organization dedicated to strengthening sustainability standards systems, has found AWS to be in compliance with its Codes of Good Practice, which ensures credibility in the way that standards are developed, improved and managed.

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1   Throughout this implementation guide, catchment may be interchanged with watershed.

Water stewardship is the use of water that is socially equitable, environmentally sustainable and economically beneficial.

The Standard's framework helps companies initiate a coordinated water stewardship program across multiple sites with the flexibility for sites to tailor actions most meaningful at the local level. All sites assess the same categories of information, understand local water contexts and their role within those contexts, and then develop a plan that helps address local needs in a timeframe that is set by the sites.

For sites interested in leading action on water stewardship in their catchments, the AWS Standard provides a framework that recognizes current efforts on water, while also identifying new opportunities to improve and engage with others beyond the fence line, and communicate water stewardship activities with various stakeholders. The Standard guides sites as they create a roadmap to advance their water stewardship journey.

The AWS Standard Is Easy, Empowering and Engaging

AWS defines water stewardship as the use of water that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site- and catchment-based actions. Good water stewards first understand their own water use, catchment context and shared concerns in terms of water governance, water balance, water quality and important water-related areas, and then engage in meaningful individual and collective actions that benefit people and nature.

At 14 pages, the Standard is one of the most succinct voluntary performance standards. The six-step approach is intended to complement existing water management initiatives and amplify their impact by incorporating them into the context of the local catchment. For example, if an agricultural site is in a water abundant area, perhaps stewardship focus should be on water quality or building

resilience rather than water efficiency. The Standard's intuitive, cyclical framework underscores the iterative nature of water stewardship. To assist with implementation, the Standard is accompanied by 157 pages of guidance with criteria accompanied by further information, examples, and resources to help sites implement.

At its core, the Standard helps sites contextualize water use and risks, while providing a framework to develop a plan to mitigate risks and create shared value from water resources. This ensures the site can justify why they are undertaking different water stewardship activities. By asking key questions in Step 2 such as "What are the local regulations," "What are the most pressing water issues in the area," and "Is water scarce in your area," a site can then articulate *why* they are engaging on certain tasks (e.g., efficiency and treating effluent). Activities are no longer only being performed for the sake of meeting corporate commitments, but are grounded in the local catchment's context and local water risks. Following the Standard's framework initiates these types of questions and helps guide and explain the site's water stewardship decisions.

Let's Get Started

Initially, the Standard may seem intimidating. After all, it is "one more thing" to add to an already lengthy to-do list and many site leaders worry about the resources required to move through all six steps. However, the Standard was designed to easily help do just that. To get started, you will need dedicated staff time, data gathered on site water usage, willingness to discuss water with partners to better understand the catchment context, and patience, as this process can take time.

Additionally, the Standard helps "connect the dots" on water initiatives and practices that may already be implemented so that there is a single, strategic approach to addressing all water-related issues that may impact a site.

Other investments are not required unless determined appropriate for the local site. If realized, for example, that new technology, data collection or stakeholder initiatives should be important components of the site's water

stewardship plan, these efforts may take additional time and investment. The key is to decide what makes sense locally and phase your actions accordingly. You are driving the process.

And you are not alone. Following the Standard allows you to engage your employees, buyers and suppliers on water in a positive, empowering way. Organizations, including AWS and WWF, are available to help as well.

The Standard helps "connect the dots" so that there is a single, strategic approach to addressing all water-related issues.

AWS Standard
IS BASED ON 4 outcomes:

1 Good Water Governance

Sustainable water governance requires equitable and transparent management of all water resources within a defined area, ideally an entire basin. Governance lays out a framework of processes and decision making on how water is managed, and includes aspects of access, rights, policy and claims.

2 Sustainable Water Balance

Sustainable water balance ensures adequate availability for all users—including nature—at all times. It addresses the amount and timing of water use, including whether the volumes withdrawn, consumed, and returned are sustainable relative to renewable supplies.
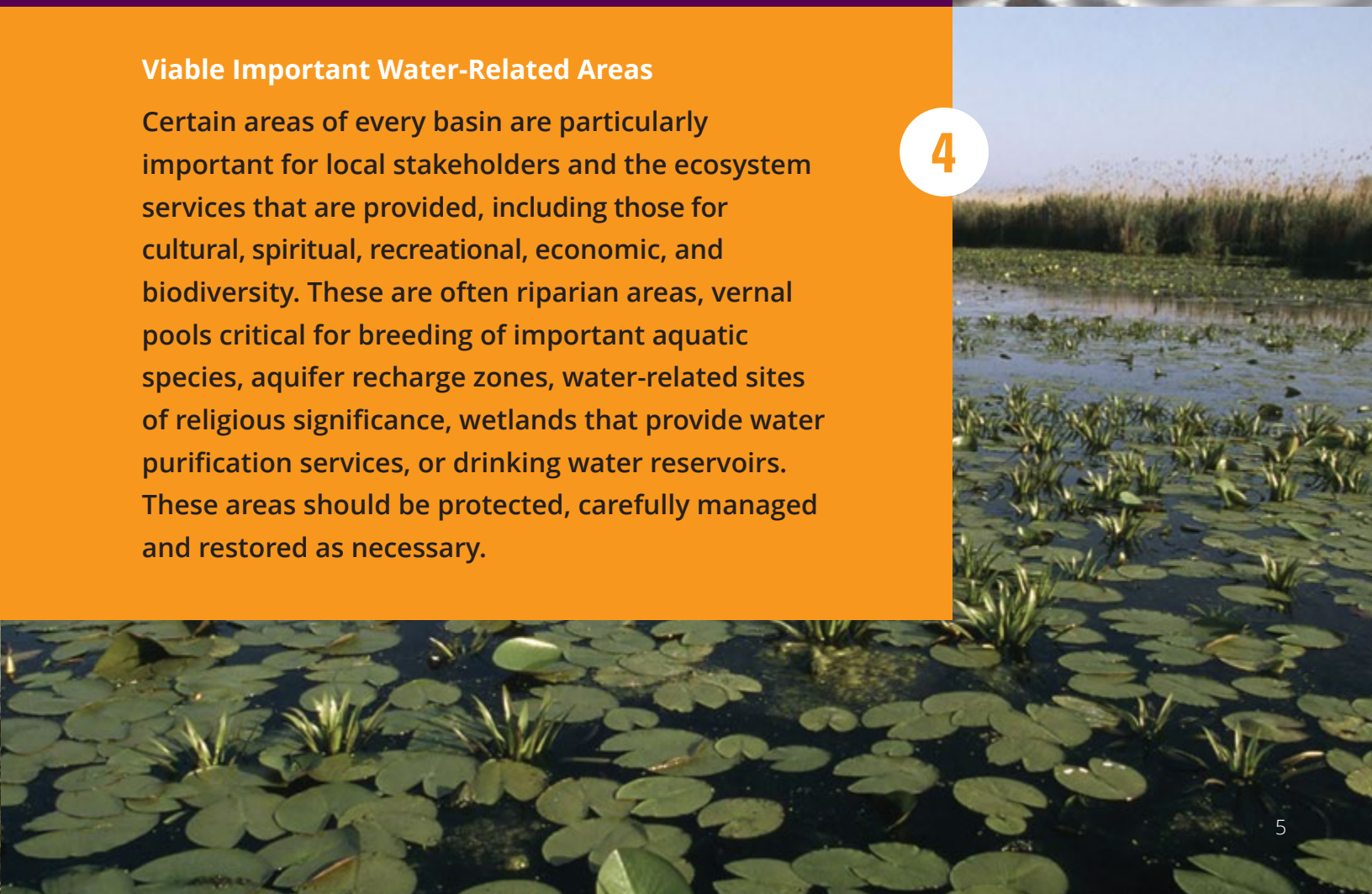
Good Water Quality Status

Good water quality depends on the chemical, physical, and biological characteristics of water required to maintain ecosystems and meet the needs of all users of the shared resource.
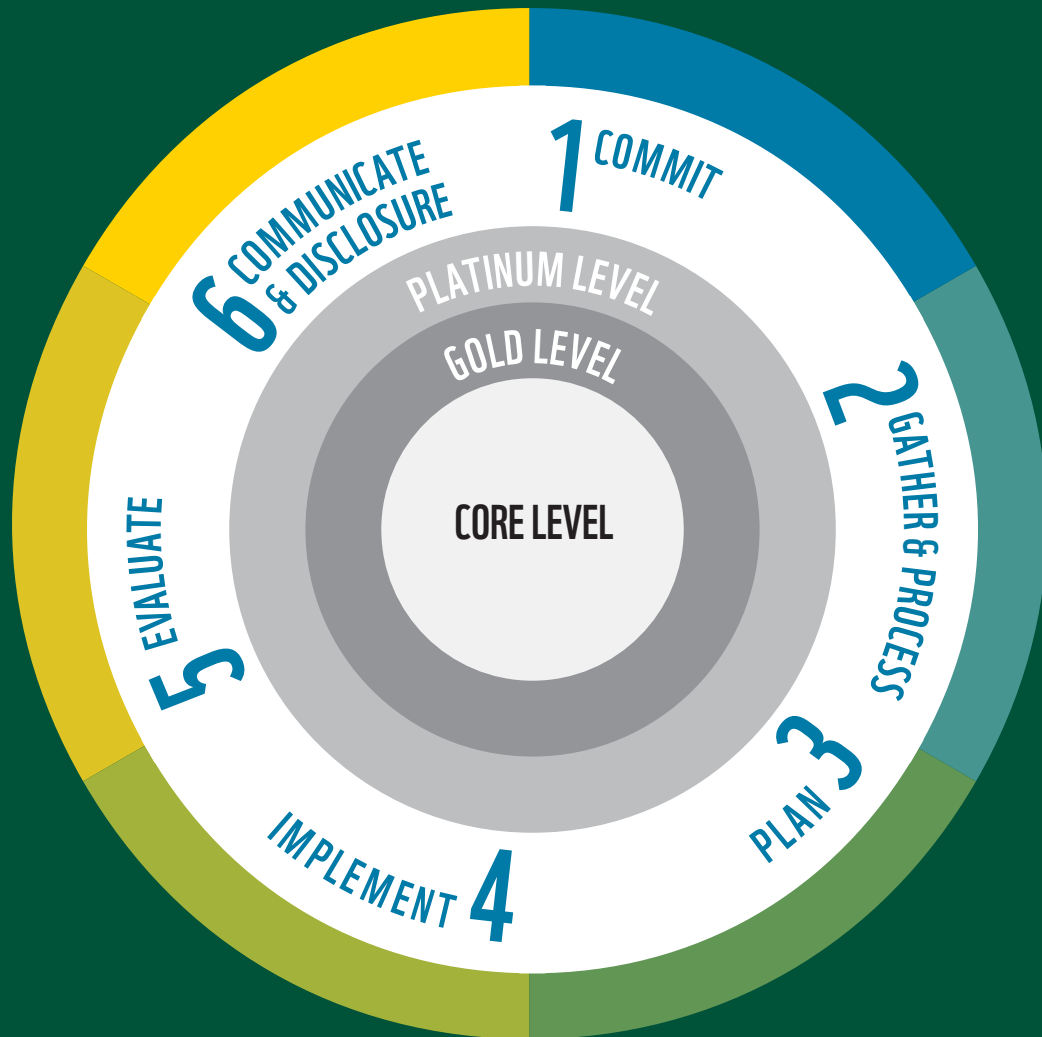
3

Viable Important Water-Related Areas

Certain areas of every basin are particularly important for local stakeholders and the ecosystem services that are provided, including those for cultural, spiritual, recreational, economic, and biodiversity. These are often riparian areas, vernal pools critical for breeding of important aquatic species, aquifer recharge zones, water-related sites of religious significance, wetlands that provide water purification services, or drinking water reservoirs. These areas should be protected, carefully managed and restored as necessary.

4

Steps to AWS Certification

- **1** COMMIT
- **2** GATHER & PROCESS
- **3** PLAN
- **4** IMPLEMENT
- **5** EVALUATE
- **6** COMMUNICATE & DISCLOSURE

PLATINUM LEVEL
GOLD LEVEL
CORE LEVEL

STEP 1

Commit

"As a Natural Resource Manager for Nestle Waters North America I am committed to the principles and practices of water stewardship. The AWS standard provides a useful tool to codify our rigorous water stewardship activities and expand the level of community awareness and benefit through such a shared process."

— Larry Lawrence, Nestle Waters North America

Taking the first step, making the commitment to water stewardship, should be seen as an extension of your good business sense. Business needs water to operate and grow. Employees, consumers and neighbors need water to stay healthy.

Internal investments in efficiency and technology upgrades alone will not secure your local freshwater resources. Water supply is affected by neighbors' use, regulations and weather patterns, among other causes. This first step toward water stewardship requires a commitment to learn more about how your site's water-use impacts others in the catchment, and then a commitment to take action.

Step 1 requires site-level...

- **Commitment to dedicate staff time.** This does not require a full-time position, especially for steps 1-3. Additional staff and resource commitment may be required based on the site's Water Stewardship Plan and ambitions.

- **Commitment to empower dedicated staff to gather information** about your site's water use and the catchment context in which you operate, as well as work with other stakeholders as needed.

- **Creation of a leadership statement** that commits to:

  – Engaging and disclosing to relevant stakeholders;

  – Complying with regulatory requirements and support of relevant national and international treaties;

  – Respecting water rights (e.g., access to safe water, sanitation and hygiene for all workers);

  – Supporting and coordinating with relevant catchment plans and policies;

  – Maintaining the organization's capacity to implement your water stewardship plan, which means dedicated authorized staff time;

  – Sustaining your site's water stewardship journey.

Step 1 delivers...

A documented green light for your site to develop and implement water stewardship activities that will help identify catchment-level risks and coordinate with current programs. It will also assist in credibly defending water practices, articulating the site's dedication, and aim toward becoming a sustainable water steward. This commitment and statement can build on a wider corporate commitment to or policy on water stewardship.

Rest assured, it is very common for a site to go through Step 2 and even a piloted water stewardship plan before fully implementing Step 1. This is encouraged and is a way for you to make a commitment that reflects your site's individual circumstances.

STEP 2

Gather & Understand

"In early 2014, Olam's water stewardship efforts began using a variety of online water risk assessment tools to self-assess our water risk exposure. At the same time, we were working with our growers and processing facilities to better understand the shared water risks in stressed California watersheds. But, we were looking for credible outside resources to help us think more holistically about our water and our business. AWS asked the right questions to get us to think outside the norm. So while it's not a tool that's going to give you the exact solution, it's going to take you through a series of checkpoints that can help you develop a local water stewardship strategy that serves the business needs while also serving the larger watershed and stakeholders."

— Alejandra Sanchez, Olam-USA

Consider this step foundational for your site's water stewardship plan. Information and data gathering helps a site understand shared water challenges and water-related risks, identify core opportunities for sustainable water management, and highlight issues best positioned to be addressed. It will also assist in determining how existing water stewardship efforts can be coordinated to maximize impact.

Step 2 requires...

- **Compilation of a site's current activities around water,** such as:
  - Information gathered on water shortages, water quality and community concerns, and environmentally important areas;
  - Regulatory requirements relating to discharge, permits, environmental health and safety;
  - Best management practices used, including company or crop-specific guidelines for production;
  - Site's indirect water use; and
  - Involvement with community programs that improve access to or enjoyment of water resources.

    As you compile this list, you may realize the activities are not always managed by the

same internal group (e.g., EHS, sustainability and operations). This step will help organize all related efforts that give you the big picture of how water is used, related to, and promoted by your site.

- **Information gathered to better understand your relationship with the water resources you depend on.** This may include:

  – Maps of the catchment;

  – Understanding who your stakeholders are;

  – The catchment's water balance, including seasonal variances;

  – Future projections for the catchment;

  – Areas important for the functionality of the water resource, like ground water recharge areas;

  – Infrastructure needs; and

  – Actions other organizations and stakeholders are undertaking in the area related to water.

  Some of this information and data gathering may require engagement with your stakeholders or with a third party, such as your conservation district, extension service, academic institution or a partner nonprofit organization. Some groups will have this information readily available and can be extremely helpful in navigating these elements.

- **Analyzation of the information gathered** for the site and catchment in relation to each other in order to prioritize water stewardship actions as part of Step 3.

Criterion 2.7 in the Standard will guide you through prioritizing risks and opportunities that will form the basis of your water stewardship plan. Connecting site and catchment information with prioritized actions will help you articulate and explain why you are working on various water stewardship projects.

Step 2 delivers...

An accurate and complete view of your site's water use in relation to the catchment, which enables smart, impactful decisions based on relevant information.

More information on Step 2 can be found in the Standard on pages 16-19 and 59-110.

Develop a Plan

We were able to use the information gathered during the AWS Step 2 to pinpoint areas for implementation. From that process we identified improvements to catchment outcomes while reducing on-site risks and strengthening our connection to the community. For example, our riparian rehabilitation project allowed us to improve the site environment and reduce diffuse impacts on the creek while engaging employees in the natural environment. Because our site team was involved in the development of the water stewardship plan, we have a widespread sense of what it means for our site as well as the community. We're committed to the principles of water stewardship and our site plan reflects that.

— Hudson Cameron, Inghams Enterprises

Armed with information about your site's water use, the catchment's health, how other rely on this shared water resource, and how it might change in the future, you will be able to develop a water stewardship plan that integrates existing regulatory and management reporting with best practices. This plan will also help you address essential broader catchment concerns and create public and private benefits. All sites using the AWS Standard must gather the same type of information to understand what water issues are most relevant, but the uniqueness of each catchment will mean the activities under-taken to address them will vary greatly. Therefore, each site must decide what to include in their water stewardship plan based on individual assessment.

Putting a plan into action will not solve water challenges overnight and serve as the panacea of water stewardship, but it will position your site on a water stewardship journey that lets you continually improve, set appropriate site targets, and communicate successes in a credible way.

Step 3 requires...

- **Documentation** of all water-related legal or regulatory compliance;

- **A strategy** outlining how your site will perform on water stewardship and why;

- **Identification of activities over a 1-3 year period** that will help you combat sites and catchment risks, and act on opportunities outlined in a water stewardship plan;

- **Identification of activities that include engagement with other stakeholders,** including notification of catchment-level activities to any relevant catchment authorities; and

- **Description of how the site will be responsive and resilient** to water risks.

Step 3 delivers...

- **A site water stewardship strategy** grounded in the context in which you operate;

- **Communications materials** to explain why you are doing what and where; and

- **Goals, targets and milestones** that can contribute to corporate water goal(s) achievement and benefit the broader public and environment.

Remember, your engagement on water stewardship is a journey. All issues identified in Step 2 do not have to be addressed in your first water stewardship plan. You should prioritize issues that need to be addressed immediately and issues you can make progress on, as well as position your site for action on additional water stewardship concerns in the next iterations of your plan. If you are using the Standard's framework, the type of information gathered will be consistent site to site. This consistency will make it easier to connect water stewardship evaluated achievements (determined in Steps 4 and 5) for contribution toward your company's global water goals.

STEP 4

Implement

"Implementing the AWS Standard at the Global Water Center takes the theoretical into practice and builds on our commitment to water stewardship and sustainability. The Global Water Center is just under three years old and LEED certified but, as the anchor in a multi-acre water technology park, it is important for us to continually demonstrate leadership on water issues. Implementing the AWS Standard will ensure our internal systems are optimized and, importantly, connect us with local stakeholders. As a commercial building, we're learning just how much impact we can have through water stewardship. Getting our building manager, AWS implementation team, and local stakeholders together to discuss our impact is showing us how much value the AWS Standard has for our operations and the surrounding neighborhood."

— Dean Amhaus, The Water Council

Once you have developed your water stewardship plan in Step 3, you need to put it into action. The criteria and indicators for this step are designed to help show and track your impact in the four outcomes of good water stewardship (Balance, Quality, important water related areas (IWRAs), and Governance) and specifically on other select cross-cutting key components (e.g., legal and regulatory compliance, indirect water use, WASH, and infrastructure). "Progress on this step can only be measured after the site has initiated the critical components of the water stewardship plan.

Step 4 requires...

- **Resources** to implement the water stewardship plan and meet the targets set; and

- **Documentation** of how activities are meeting the eight core criteria of Step 4 (found on pages 22 and 23 of the Standard).

Step 4 delivers...

- **Reassurance and validation** that your water stewardship plan is making a positive impact in the catchment and mitigating your water risk; and

- **Performance data** required for Steps 5 and 6.

Innovation that helps achieve corporate targets needs to come from all levels of the business. Several sites have discovered the biggest champions of and contributors to progress are on-site employees. More information can be found in the Standard on pages 122-150.

STEP 5

Evaluate

"Olam's plantation development in Tanzania began in 2011, before the launch of the AWS Standard and, as a project pre-requisite, we undertook an assessment of the risks and challenges we shared with other river users at the basin level. This marked our first steps towards water stewardship beyond our plantation boundaries. However, AWS helped us to formalise and refine our approach. Once we had completed our first AWS Audit, we re-assessed our water stewardship activities through continual engagement with a wide range of stakeholders. This ensured inclusivity and transparency in the process, enabling shared issues to be addressed."

— Jeremy Dufour, Olam Tanzania

It's time to understand your site's water stewardship performance. Did you achieve what you wanted to achieve? What do your key stakeholders think of your work? Are your efforts meeting the expectation of leadership and others whose opinions you value? You also will look at external factors, such as events that happened within the catchment beyond your business that impacted operations.

Step 5 requires...

- **Time to review your water stewardship plan** internally and with select external stakeholders;

- **Documentation of internal and stakeholder feedback** (annually at minimum); and

- **Consultation** of how any extreme events or emergency incidents (e.g., weather, spills, and loss of business) affected your site.

Step 5 delivers...

- **An updated and adaptive water stewardship plan** that responds to site circumstances ;

- **Validation** that water stewardship actions are leading in the right direction; and

- **Data-driven evidence** that you are being a good water steward.

Ultimately Step 5 helps identifies any necessary changes to the water stewardship plan to increase future success.

Communicate & Disclose

"We learned through our water stewardship program at our manufacturing plant in Taicang, China, how important it was to communicate our progress. By sharing our catchment information and water plans, we helped other companies in the watershed better understand how they might manage their own operating risks and implement water stewardship activities, and helped drive collective action toward shared stewardship outcomes."

— Emilio Tenuta, Vice President of Corporate Sustainability, Ecolab

This step is meant to drive transparency and accountability, not cause harm. Keep in mind that you are not required to disclose business confidential or otherwise sensitive information, and you are in control of your site's messages. While encouraged to share information normally shared based on materiality with stakeholder groups, only a small subset of items are required to be made public or shared with targeted audiences. These include:

- **Contact information for the person at your site accountable for compliance.** This is most likely legal counsel or the site manager. You can also include a summary of your legal compliance system for this indicator.

- **Performance against the targets set in your site's water stewardship plan.** This does not have to be an exhaustive list of performance, but must include performance that has a material effect on the intended audience.

- **Description of efforts to address shared challenges** identified in Step 2, including stakeholder engagement.

- **Documentation of any water-related compliance violations** and any corrective actions taken.

- **Description of efforts to raise water awareness** at the site.

Step 6 requires...

- **An understanding of what is material to your stakeholders;** and

- **Accessible and appropriate communications** (e.g., newsletters, websites, meetings, and emails);

Step 6 delivers...

- **An understanding of how to participate** in various disclosure initiatives such as GRI or CDP;

- **Increased understanding** of efforts to date to address your site and catchment-level water issues;

- **Peace of mind** that your communications content on performance has been independently verified and vetted with key stakeholders; and

- **Motivation for** others to get involved in your catchment, thereby increasing impact and long-term stewardship of your shared water resources.

Conclusion

The AWS Standard is a productive tool that can guide water stewardship progress and success. Following these six steps will help you on your water stewardship journey.

In order for your site to be AWS Certified, you must carefully document and demonstrate that you have met the core criteria listed in the Standard to an independent, AWS accredited conformity assessment body.

However you choose to move forward, remember:

Safeguarding water provides benefits for your business and community. Everything depends on water, from wildlife to communities to economies. Institutional investors, shareholders and other external stakeholders are holding companies accountable for credibly and transparently accounting for water-related risks in their direct operations and supply chains. It is time to recognize the value, both monetary and indirect, that freshwater resources have contributed to your growth and profitability. Water stewardship helps you to sustainably create share value from those water resources so important to businesses and communities.

Water stewardship needs a champion. Advancing your work on water will require commitment from someone who is familiar with your operations and existing water efforts, and can gather relevant information and liaise with partners and supporters along the way. To be successful, dedicate staff time to realizing your water goals.

You are not alone. Reach out to other organizations that can help you gather catchment-level data and help you think through what it means for your operations. NGOs, including WWF, have experience helping companies through this process.

Help garner additional ideas, reinforce your investments, and inspire new actions by others who share your water resources.

Water is important to everyone. You share your water resources with a myriad of stakeholders. Talk to them—starting with your employees. You might be amazed with the practical insight they have in support of your water stewardship journey.

Your water stewardship journey should work for you. Water stewardship doesn't mean scrapping everything you already do on water. Instead, it's about coordinating existing work with the context of your catchment, and identifying a new path that is inspiring, achievable and credible—based on information you have gathered and analyzed.

Talk about what you're doing. Communicating learnings about your catchment and what you're doing is important. Share knowledge and experiences with internal and external stakeholders. It may help garner additional ideas, reinforce your investments, and inspire new actions by others who share your water resources.

Additional Resources

Water Stewardship

Alliance for Water Stewardship (AWS)
allianceforwaterstewardship.org

WWF Water Stewardship
worldwildlife.org/waterstewardship
worldwildlife.org/AWS

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> "An integral and shared resource, water can only be managed sustainably if all users in a watershed work together, and the private sector is uniquely positioned to drive collaborative action. Nimble, influential and keenly aware of the risks to growth, businesses can move quickly on water issues, introduce innovation and bring others into the conversation."
>
> — SEDEX/WWF Water Risk Briefing Q1 2015

Water Risks: Shifting from Concern to Action

Many major companies recognize water as a current risk to their business, and acknowledge that water risks are expected to grow. However, there has been inadequate response or investment by companies to prepare for risks. Therein lies the challenge—bridging the gap between concern and action.

Some companies are paving the way by making bold commitments on water. They recognize the risks and solutions for water are shared, and are fundamentally changing the way water is addressed in their short- and long-term business plans. Crucial to success is the innovation, cooperation and determination of their facilities and supply chain partners. These individual sites in susceptible basins are key to the successful implementation of global corporate-water goals.

Determining how to best respond to water risks and commit to driving solutions at the local level can be challenging. That's why Alliance for Water Stewardship (AWS) developed an International Water Stewardship

Standard dedicated to helping sites build a strong approach to water that can add value to their sustainability journey and benefits beyond their operations. Developed through a multi-stakeholder process, the Standard is the first globally accepted framework for water stewardship.

This Guide outlines the AWS Standard's six-step process to identify and pursue new, water-responsible opportunities, and secure recognition for existing efforts on water. The Guide's format is designed to facilitate site level under-standing of the applicability, feasibility, and ultimately implementation of the AWS Standard.

Through targeted guidance, the hope is more companies will turn concern into action, and that these actions will increase potential to achieve a water secure world.

For more information on water stewardship and AWS, contact Lindsay Bass, Manager Corporate Water Steward-ship, World Wildlife Fund at Lindsay.Bass@wwfus.org.

WWF