

Expectation #1 – Water Quantity			
Companies do not negatively impact water availability in water-scarce areas across their value chain.			
Core Indicator	Sub-indicators and assessment criteria	Sub-Indicator Points	Total Available Points (15)
<b>1.1</b> Company sets time-bound, science or contextual goals, targets and/or policies to address impacts on water availability in water scarce areas across its value chain	<b>(1.1A)</b> Company has a <b>risk-differentiated<sup>1</sup>/science-based/contextual<sup>2</sup></b> approach to setting targets to not negatively impact water availability in water-scarce areas considering where water is most material <sup>3</sup> in <b>direct operations and supply chain.</b> <sup>4</sup>  [Assessment criteria] <ul style="list-style-type: none"> <li>[Target ambition] Company has set a process/outcome-oriented<sup>5</sup> or quantitative target to address its impacts on water availability.</li> <li>[Value chain coverage] Targets must cover all direct operations and supply chain in areas of high-water stress/priority locations.</li> <li>[Water risk assessment] Areas of high-water stress/priority locations are identified through a water risk assessment.</li> </ul>	5	+5
	<b>(1.1B)</b> Company has a <b>risk-differentiated/science-based/contextual</b> approach to setting targets to address impact on water availability in water-scarce areas considering where water is most material in <b>direct operations and partial supply chain.</b> <sup>6</sup>  [Assessment criteria] <ul style="list-style-type: none"> <li>[Target ambition] Company has set a process/outcome-oriented or quantitative target to address some of its impacts on water availability.</li> <li>[Value chain coverage] Targets must cover all direct operations and partial sections of the supply chain in areas of high-water stress/priority locations.</li> <li>[Water risk assessment] Areas of high-water stress/priority locations are identified through a water risk assessment.</li> </ul>	4	
	<b>(1.1C)</b> Company has a <b>risk-differentiated/science-based/contextual</b> approach to setting targets to address impacts on water availability in water-scarce areas considering where water is most material in <b>direct operations or partial supply chain.</b>  [Assessment criteria] <ul style="list-style-type: none"> <li>[Target ambition] Company has set a process/outcome-oriented or quantitative target to address some of its impacts on water availability.</li> <li>[Value chain coverage] Target must cover at least their direct operations or partial supply chain in areas of high-water stress/priority locations.</li> <li>[Water risk assessment] Areas of high-water stress/priority locations are identified through a water risk assessment.</li> </ul>	3	

1. A “risk-differentiated” approach sets more aggressive targets for higher-risk regions. High-risk regions: water stressed areas/basins/regions/watersheds, water scarcity, etc.
2. A context-based target is a specific time-bound objective that sets the desired outcome to include both a component that speaks to the company’s water performance and a component that speaks to the basin’s conditions ([Exploring the Case for Corporate Context-Based Water Targets](#)).
3. The most material sections of the supply chain are those identified through a water risk assessment and considered as a priority.
4. “Supply chain” refers to “relevant” suppliers for which water is material at the time the assessment was conducted.
5. A process-oriented target is one that drives a process that can meaningfully reduce risk and address shared water challenges, e.g., setting a contextual water target for operations with water-related material risk ([A Recipe for Impact: Key Ingredients for Companies to Drive Measurable Impact in Watershed Health](#)).
6. Company has included only parts of its supply chain in the target(s) although it has identified and mapped material sections of the supply chain based on risk assessments.

	<p><b>(1.1D)</b> Company has set <b>time-bound goals and/or targets</b> to address impacts on water availability in <b>direct operations and supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Value chain coverage] Target must cover direct operations and supply chain but not specifically considering areas of high-water stress/priority locations.</li> <li>[Water risk assessment] Company has conducted water risk assessments for its direct operations and supply chain.</li> </ul>	2	+5 (continued)
	<p><b>(1.1E)</b> Company has set <b>time-bound goals and/or targets</b> to address impacts on water availability in <b>direct operations and/or partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Value chain coverage] Target must cover direct operations and/or partial sections of the supply chains but not specifically considering areas of high-water stress/priority locations.</li> <li>[Water risk assessment] Company has conducted water risk assessments for its direct operations and/or supply chain.</li> </ul>	1	
	<p><b>(1.1F)</b> Limited or no evidence of time-bound goals and/or targets to address impacts on water availability across the value chain.</p>	0	
* <b>1.1X.</b> Company has publicly disclosed <b>interim goals/roadmap/next steps</b> for achieving its targets and/or participates in <b>collective action</b> <sup>7</sup> to address its impacts on water availability.	<p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Interim goals/roadmap/next steps] Company discloses how it is going to reach its commitment/target. (+0.5)</li> <li>[Collective action] Evidence of collective action to reach its targets to address impacts on water availability. (+1.5)</li> </ul>		<b>+2</b>
<p><b>1.2</b> Company publishes progress towards meeting commitments to address impacts on water availability in their direct operations and supply chain</p>	<p><b>(1.2A)</b> Company annually discloses the volumes of <b>water withdrawn and consumed</b> at the asset or corporate level for <b>direct operations and supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported withdrawn and consumed volumes (aggregated at the asset or corporate level) include all their direct operations and the supply chain including suppliers where water is the most material.</li> </ul>	3	+3
	<p><b>(1.2B)</b> Company annually discloses the volumes of <b>water withdrawn and consumed</b> at the asset or corporate level for <b>direct operations and partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported withdrawn and consumed volumes (aggregated at the asset or corporate level) include all their direct operations and some of the supply chain water withdrawn and consumed from some of their suppliers.</li> </ul>	2	

\* **NOTE:** Additional Advanced Indicators are identified throughout with an “X” suffix.

7. Working with other stakeholders, at various scales, as part of a robust water stewardship strategy (Collective Action, WWF, CEO water mandate).

	<p><b>(1.2C)</b> Company annually discloses volumes of <b>water withdrawn and consumed</b> at the asset or corporate level for <b>all direct operations or partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported withdrawn and consumed volumes (aggregated at the asset or corporate level) include all their direct operations or partial supply chain.</li> </ul>	1	+3 (continued)
	<p><b>(1.2D)</b> Company annually discloses volumes of <b>water withdrawn and consumed</b> at the asset or corporate level for <b>some direct operations</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported withdrawn and consumed volumes (aggregated at the asset or corporate level) include some of their direct operations.</li> </ul>	0.5	
	<p><b>(1.2E)</b> Limited or no evidence that the company annually discloses volumes of water withdrawn and consumed at the asset or corporate level across any of its direct operations or supply chain.</p>	0	
<p><b>1.2X.</b> Company <b>publishes year on year progress</b> towards meeting its targets to address impacts on water availability.</p>			<b>+3</b>
<p><b>1.2XX.</b> Company discloses <b>water withdrawals by source type</b> and/or includes <b>contextual water quantity related impacts and assessments</b> within its disclosure.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Water source] Company discloses the source of their water withdrawals (e.g., surface water, groundwater, municipal water, reclaimed water.) (+1)</li> <li>[Water impacts disclosure] Company discloses the contextual water withdrawals related impacts and the approach used to identify those impacts. (+0.5)</li> <li>[Context based] Company provides descriptions of any contextual factors that were considered for water quantity related assessments/impacts in the watershed. (+0.5)</li> </ul>			<b>+2</b>

<b>Expectation #2 – Water Quality</b>			
Companies do not negatively impact water quality across their value chain.			
<b>Core Indicator</b>	<b>Sub-indicators and assessment criteria</b>	<b>Sub-Indicator Points</b>	<b>Total Available Points (15)</b>
<b>2.1</b> Company sets time-bound, science, or contextual goals, targets and/or policies to address impacts on water quality from point and nonpoint sources across the value chain	<p><b>(2.1A)</b> Company has a <b>risk-differentiated/science-based/contextual</b> approach to setting targets to not negatively impact water quality from point and/or nonpoint sources considering where water quality is most material in <b>direct operations and supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Target ambition] Company has set a process/outcome-oriented or quantitative target to address its impacts on water quality.</li> <li>[Value chain coverage] Targets must cover all direct operations and supply chain in areas of high-water quality stress/priority locations.</li> <li>[Water risk assessment] Priority locations are identified through a water risk assessment including water quality risk.</li> </ul>	5	+5
	<p><b>(2.1B)</b> Company has a <b>risk-differentiated/science-based/contextual</b> approach to setting targets to address impacts on water quality from point and/or nonpoint sources considering where water quality is most material in <b>direct operations and partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Target ambition] Company has set a process/outcome-oriented or quantitative target to address its impacts on water quality.</li> <li>[Value chain coverage] Targets must cover all direct operations and some sections of the supply chain in areas of high-water quality stress/priority locations.</li> <li>[Water risk assessment] Priority locations are identified through a water risk assessment including water quality risk.</li> </ul>	4	
	<p><b>(2.1C)</b> Company has a <b>risk-differentiated/science-based/contextual</b> approach to setting targets to address impacts on water quality from point and/or nonpoint sources considering where water quality is most material in <b>direct operations or partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Target ambition] Company has set a process/outcome-oriented or quantitative target to address its impacts on water quality.</li> <li>[Value chain coverage] Target must cover at least their direct operations or partial supply chain in areas of high-water quality stress/priority locations.</li> <li>[Water risk assessment] Priority locations are identified through a water risk assessment including water quality risk.</li> </ul>	3	

	<p><b>(2.1D)</b> Company has set <b>time-bound goals and/or targets</b> to address impacts on water quality from point and/or nonpoint sources in <b>direct operations and supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Value chain coverage] Target must cover direct operations and supply chain but not specifically considering areas of high-water quality stress/priority locations.</li> <li>[Water risk assessment] Company has conducted water risk assessments for its direct operations and supply chain.</li> </ul>	2	+5 (continued)
	<p><b>(2.1E)</b> Company has set <b>time-bound goals and/or targets</b> to address impacts on water quality from point and/or nonpoint sources in <b>direct operations and/or partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Value chain coverage] Target must cover direct operations and/or partial supply chains but not specifically considering areas of high-water quality stress/priority locations.</li> <li>[Water risk assessment] Company has conducted water risk assessments for its direct operations and/or supply chain.</li> </ul>	1	
	<p><b>(2.1F)</b> Limited or no evidence of time-bound goals and/or targets to address impacts on water quality from point and non-point sources across the value chain.</p>	0	
<p><b>2.1X.</b> Company has publicly disclosed <b>interim goals/roadmap/next steps</b> for achieving its targets to address impacts on water pollution from point and non-point sources across the value chain and/or participates in <b>collective action</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Interim goals/roadmap/next steps] Company discloses how it is going to reach its commitment/target. (+0.5)</li> <li>[Collective action] Evidence of collective action to reach its target to address impacts on water quality. (+1.5)</li> </ul>		<b>+2</b>	
<p><b>2.2</b> Company publishes progress towards meeting commitments to address impacts on water quality from point and non-point sources across their direct operations and supply chain</p>	<p><b>(2.2A)</b> Company annually discloses the volumes of <b>water discharged</b> at the asset or corporate level for <b>all direct operations and supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported discharge volumes (aggregated at the asset or corporate level) include all of their direct operations and their supply chain water discharge from all of their suppliers where water is most material.</li> </ul>	3	+3
	<p><b>(2.2B)</b> Company annually discloses the volumes of <b>water discharged</b> at the asset or corporate level for <b>all direct operations and partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported discharge volumes (aggregated at the asset or corporate level) include all of their direct operations and some of the supply chain water discharge from some of their suppliers.</li> </ul>	2	

	<p><b>(2.2C)</b> Company annually discloses the volumes of <b>water discharged</b> at the asset or corporate level for <b>all direct operations or partial supply chain</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported discharge volumes (aggregated at the asset or corporate level) include all of their direct operations or partial supply chain.</li> </ul>	1	+3 (continued)
	<p><b>(2.2D)</b> Company annually discloses the volumes of <b>water discharged</b> at the asset or corporate level for <b>some direct operations</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Scope of disclosure] Company discloses that the reported discharge volumes (aggregated at the asset or corporate level) include some of their direct operations.</li> </ul>	0.5	
	<p><b>(2.2E)</b> Limited or no evidence that the company annually discloses volumes of water discharged at the asset or corporate level across any of its direct operations or supply chain.</p>	0	
<p><b>2.2X.</b> Company <b>publishes year on year progress</b> towards meeting its targets to address impacts on water quality.</p>		<b>+3</b>	
<p><b>2.2XX.</b> Company discloses <b>industry pollutants of concern</b> and/or includes <b>contextual water quality related impacts and assessments</b> within its disclosure.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Industry pollutants of concern] Company discloses industry pollutants of concern including how they were defined and approach for setting any internal discharge limits. (+1)</li> <li>[Water impacts disclosure] Company discloses the contextual water-discharge related impacts and the approach used to identify those impacts. (+0.5)</li> <li>[Context based] Company provides descriptions of any contextual factors that were considered for water quality related assessments/impacts in the watershed. (+0.5)</li> </ul>		<b>+2</b>	

<b>Expectation #3 – Ecosystem Protection</b>			
Companies do not contribute to the conversion of natural ecosystems critical to freshwater supplies and aquatic biodiversity and actively work to restore degraded habitats that their businesses depend upon.			
<b>Core Indicator</b>	<b>Sub-indicators and assessment criteria</b>	<b>Sub-Indicator Points</b>	<b>Total Available Points (15)</b>
<b>3.1.</b> Company sets ecosystem protection and restoration targets and/or projects to not contribute to the conversion of natural ecosystems critical to freshwater supplies and aquatic biodiversity	<p><b>(3.1A)</b> Company has set ecosystem <b>protection/restoration targets</b><sup>8</sup> to not contribute to the conversion and/or further degradation of natural ecosystems <b>critical to freshwater supplies and aquatic biodiversity and participates in ecosystem protection/restoration projects.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Targets] Company has time-bound goals or targets for ecosystem protection/restoration.<sup>9</sup></li> <li>[Projects] Company has established projects<sup>10</sup> to support its target.</li> </ul>	5	+5
	<p><b>(3.1B)</b> Company has <b>announced/committed to set ecosystem protection/restoration targets</b> to not contribute to the conversion and/or further degradation of natural ecosystems critical to freshwater supplies and aquatic biodiversity and participates in <b>ecosystem protection/restoration projects.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Targets] Company has announced/committed to setting a time-bound goal or targets for ecosystem protection/restoration.</li> <li>[Projects] Company provides examples of the ecosystem protection/restoration projects it is participating in.</li> </ul>	3	
	<p><b>(3.1C)</b> Company participates in <b>ecosystem protection/restoration projects</b>, but there is no evidence of announcing/committing to set ecosystem protection/restoration target.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Projects] Company provides examples of the ecosystem protection/restoration projects it is participating in.</li> </ul>	1	
	<p><b>(3.1D)</b> Limited or no evidence the company has set ecosystem protection/restoration targets or participates in projects to not contribute to the conversion of natural ecosystems critical to freshwater supplies and aquatic biodiversity.</p>	0	

8. This benchmark provides a general assessment of a company's ecosystem protection/restoration efforts. For instance, for points to be awarded, this benchmark does not look for a specific target date for implementation of the commitments.

9. The process of assisting the recovery of land from a degraded state (IPCC).

10. Examples of projects to be accounted for as per the [Volumetric Benefit Water Accounting Guide](#) include important water-related ecosystems activity category: land conservation and restoration (including reforestation), water quality (constructed wetland treatment systems, agricultural best management practices related to conservation tillage, laser leveling, and cover crops), aquatic habitat restoration (wetland protection, wetland restoration and creation, floodplain inundation/reestablish hydrologic connection).

<p><b>3.2</b> Company ensures capital expenditures and sourcing decisions do not contribute to conversion and/or continued degradation of natural ecosystems in regions where they operate and source from</p>	<p><b>(3.2A)</b> Company ensures sourcing decisions do not contribute to the conversion<sup>11</sup> and/or continued degradation of natural ecosystems through the development and implementation of <b>sourcing commitments, policies, and supplier engagement programs</b>.<sup>12</sup></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Sourcing commitments] Company has time-bound goals or targets for sustainably sourcing key raw materials.</li> <li>[Sourcing policy] Company has a clear sustainable sourcing policy and supplier expectation with emphasis on the protection of natural ecosystems.</li> <li>[Supplier engagement/programs] Company has supplier engagement programs for key suppliers (e.g., supplier training, support for supplier certification, green incentives, etc.).</li> </ul>	5	+5
	<p><b>(3.2B)</b> Company ensures sourcing decisions do not contribute to the conversion and/or continued degradation of natural ecosystems through the development and implementation of <b>sourcing policies and supplier engagement programs</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Sourcing policy] Company has a clear sustainable sourcing policy and supplier expectation with emphasis on protection of natural ecosystems.</li> <li>[Supplier engagement/programs] company has supplier engagement programs for key suppliers (e.g., supplier training, support for supplier certification, green incentives, etc.).</li> </ul>	3	
	<p><b>(3.2C)</b> Company ensures sourcing decisions do not contribute to the conversion and/or continued degradation of natural ecosystems through the implementation of <b>sourcing policies</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Sourcing policy] Company has a clear sustainable sourcing policy and supplier expectation with emphasis on protection of natural ecosystems.</li> </ul>	1	
	<p><b>(3.2D)</b> Company acknowledges the importance of ensuring sourcing decisions do not contribute to the conversion and/or continued degradation of natural ecosystems, but there is no evidence of how this is ensured.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Statement] Company acknowledges the importance of ensuring sourcing decisions do not contribute to the conversion and/or continued degradation of natural ecosystems.</li> </ul>	0.5	
	<p><b>(3.2E)</b> Limited or no evidence that the company ensures sourcing decisions do not contribute to the conversion and/or continued degradation of natural ecosystems in areas where they operate and source from.</p>	0	

11. Companies can look to best practice guidance in the Accountability Framework (AFI), a resource to help companies establish effective policies and implementation systems to achieve supply chains free from deforestation and conversion. AFI calls for companies to eliminate deforestation and ecosystem conversion from their supply chains and in doing so companies help to protect the critical value of forests for carbon storage, biodiversity, water supplies, and the wellbeing of local people and communities.

12. This benchmark provides a general assessment of a company's ecosystem protection/restoration efforts, including commitments, policies, and supplier engagement programs and practices around sourcing with a focus on natural ecosystems critical to freshwater supplies and aquatic biodiversity. Also, for points to be allocated, this benchmark does not evaluate company policies to determine if it includes both deforestation and conversion.



**3.2X.** Company discloses how it **assesses the ecosystem impacts** of its **direct operations and supply chain**.

[Assessment criteria]:

- [Impact assessment] Company has undertaken an assessment of the environmental impacts of current and projected capex/sourcing decisions to ensure water resilience and habitat integrity. (+2,5)
- [Risk assessment] Company provides details of their risk management processes for identifying and assessing nature-related risks in direct operations and supply chain. (+2,5)

**+5**

<b>Expectation #4 – Access to Water and Sanitation</b>			
Companies contribute to the social, economic, and ecological resilience of communities they interact with by contributing to achieving universal and equitable access to WASH <sup>13</sup> (water access, sanitation, and hygiene) across their value chain.			
<b>Core Indicator</b>	<b>Sub-indicators and assessment criteria</b>	<b>Sub-Indicator Points</b>	<b>Total Available Points (15)</b>
<b>4.1</b> Company commits to taking action on WASH across their value chain, including at the workplace (at an appropriate level of standard for all employees in all premises), among their suppliers, as well as in the communities that surround their workplaces and/or where their workers live	<p><b>(4.1A)</b> Company takes action on WASH across <b>direct operations, supply chain, and the communities</b> that surround their workplaces and/or where workers live — with evidence of designated financial and human resources to respect the human right to water and sanitation.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Financial &amp; human resources] Evidence of designated financial and human resources for addressing WASH.</li> <li>[Scope of WASH] Company describes the scope and content of how it takes action on the human right to water, sanitation and hygiene in direct operations, supply chains, and the communities where they operate (all assessment criteria below are met):               <ul style="list-style-type: none"> <li>[Community WASH] Company has disclosures around supporting communities that surround their workplaces and/or where their workers live on WASH.</li> <li>[Supplier WASH] Company includes access to water and sanitation requirements in its contractual arrangements with its suppliers or in its supplier code of conduct. The company describes how it works with its supply chain partners to improve their practices in relation to water access, sanitation, and hygiene.</li> <li>[Employee WASH] Company ensures WASH at all its premises at an appropriate level of standard for all its employees. Access to WASH is included in facilities audits and/or there is a third party that certifies access to WASH in all premises at an appropriate level.</li> </ul> </li> </ul>	6	+6
	<p><b>(4.1B)</b> Company takes action on WASH across <b>direct operations/supply chain and/or communities</b> that surround their workplaces and/or where workers live — with evidence of designated financial and human resources to respect the human right to water and sanitation.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Financial &amp; human resources] Evidence of designated financial and human resources for addressing WASH.</li> <li>[Scope of WASH] Company describes the scope and content of how it takes action on the human right to water, sanitation and hygiene in direct operations/supply chains, and/or the communities where they operate (two assessment criteria below are met):               <ul style="list-style-type: none"> <li>[Community WASH] Company has disclosures around supporting communities that surround their workplaces and/or where their workers live, on WASH.</li> <li>[Supplier WASH] Company includes access to water and sanitation requirements in its contractual arrangements with its suppliers or in its supplier code of conduct. The company describes how it works with its supply chain partners to improve their practices in relation to access to water access, sanitation, and hygiene.</li> <li>[Employee WASH] Company ensures WASH at all its premises at an appropriate level of standard for all its employees. Access to WASH is included in facilities audits and/or there is a third party that certifies access to WASH in all premises at an appropriate level.</li> </ul> </li> </ul>	4	

13. WASH is an acronym used in the international development landscape to refer to the combined area of effort to address basic human water needs and rights related to accessible, safe water. WASH includes the provision of safe drinking water, adequate sanitation and hygiene education and is primarily sought after to combat water-related illnesses and diseases. (UNICEF)

	<p><b>(4.1C)</b> Company takes action on WASH across <b>direct operations or supply chain or communities</b> that surround their workplaces and/or where workers live — with evidence of designated financial and human resources to respect the human right to water and sanitation.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Financial &amp; human resources] Evidence of designated financial and human resources for addressing WASH.</li> <li>• [Scope of WASH] Company describes the scope and content of how it takes action on the human right to water, sanitation and hygiene in direct operations or supply chains or the communities where they operate (one assessment criterion below is met):             <ul style="list-style-type: none"> <li>○ [Community WASH] Company has disclosures around supporting communities that surround their workplaces and/or where their workers live on WASH.</li> <li>○ [Supplier WASH] Company includes access to water and sanitation requirements in its contractual arrangements with its suppliers or in its supplier code of conduct.</li> <li>○ [Employee WASH] Company ensures WASH at all its premises at an appropriate level of standard for all its employees.</li> </ul> </li> </ul>	2	+6 (continued)
	<p><b>(4.1D)</b> Limited or no evidence the company takes action on WASH and no evidence of financial and human resources that respects the human right to water and sanitation within operations, supply chain, and the communities that surround their workplaces and/or where their workers live.</p>	0	
<p><b>4.2</b> Company has adopted a corporate policy with designated financial and human resources that respects the human right to water and sanitation</p>	<p><b>(4.2A)</b> Company has a <b>publicly available policy</b> that explicitly <b>states the human right to water and sanitation</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Corporate policy] Policy must explicitly state and acknowledge the human right to water and sanitation.</li> </ul>		+2
<p><b>4.1X.</b> Company has a <b>time-bound WASH target</b> and/or has included <b>WASH in water-related risk assessments</b> to understand where WASH is needed most in its direct operations, supply chain, and/or communities.</p>	<p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Target] Company has a time-bound WASH target for direct operations and/or supply chain and/or communities. (+2)</li> <li>• [Risk assessment] Company includes WASH in its water-related risk assessments, identifying where WASH is needed the most within its direct operations, supply chain, and the communities where it operates and/or where suppliers live. (+2)</li> </ul>		+4
<p><b>4.1XX.</b> Company applies a <b>gender lens</b><sup>14</sup> to its WASH strategy, acknowledging the burden that women and girls experience when it comes to accessing WASH.</p>	<p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Strategy tied with gender] Clear evidence and rationale that gender issues are integrated into the overall corporate WASH strategy. (+3)</li> </ul>		+3

14. Applying a gender lens to company WASH strategies and projects creates significant potential to make those investments go further and achieve greater impacts that result in better, more sustainable WASH outcomes and are critical on the pathway to gender equality and women's empowerment. ([Water, Sanitation and Hygiene: A Pathway to Realizing Gender Equality and the Empowerment of Women and Girls](#))

<b>Expectation #5 – Board Oversight</b>			
Corporate boards and senior management oversee water management efforts.			
<b>Core Indicator</b>	<b>Sub-indicators and assessment criteria</b>	<b>Sub-Indicator Points</b>	<b>Total Available Points (15)</b>
<b>5.1</b> Company corporate board and senior management formally oversee material and salient water issues & Company adopts sustainability linked governance practices, e.g.: Water is linked to pay or incentive compensation for senior executives	<b>(5.1A)</b> Corporate board and senior management <b>oversee</b> material <sup>15</sup> and salient <sup>16</sup> water issues and <b>have sustainability linked governance practices, specifically for water.</b>  [Assessment criteria] <ul style="list-style-type: none"> <li>• [Board briefing frequency] The board is briefed by management on water issues at least once annually.</li> <li>• [Governance practice] Governance systems are tied to considerations of material risk and include monetary/non-monetary incentives for executives.</li> <li>• [Examples] Company provides examples of the water-related issues the board and senior management oversee, and/or details on the material issues that the board prioritizes, and how it addresses those priorities.</li> </ul>	5	+5
	<b>(5.1B)</b> Corporate board and senior management <b>oversee</b> material and salient water issues and <b>have plans/stated commitment to adopt sustainability linked governance practices, specifically for water.</b>  [Assessment criteria] <ul style="list-style-type: none"> <li>• [Board briefing frequency] The board is briefed by management on water issues at least once annually.</li> <li>• [Governance practice] There is evidence/formal statements that monetary/non-monetary incentives linked to water will be tied to senior executives' compensation/performance assessments.</li> <li>• [Examples] Company provides examples of the water-related issues the board and senior management oversee, and/or details on the material issues that the board prioritizes and how it addresses those priorities.</li> </ul>	4	

15. Material topics are those that have a direct or indirect impact on an organization's ability to create, preserve, or erode economic, environmental, and social value for itself, its stakeholders, and society at large (GRI 2020). The business case perspective which indicates that a topic is material is when it has a significant (positive or negative) impact on the financial performance of the company. (WBCSD)

16. Salient issues mean the company is looking at social issues that may not be fiduciary duty in the short term but in the future could have financial implications associated. Salient issues can be identified by considering the company's environmental and social impact. (WBCSD)

	<p><b>(5.1C)</b> Corporate board and senior management <b>oversee</b> material and salient water issues but <b>have no sustainability linked governance practices, specifically for water.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Board briefing frequency] The board is briefed by the management on water issues less than once a year.</li> <li>[Governance practice] There is no evidence the company has sustainability linked governance practices linked to water.</li> <li>[Examples] Company provides examples of the water-related issues the board and senior management oversee and/or details on the material issues that the board prioritizes and how it addresses those priorities.</li> </ul>	3	+5 (continued)
	<p><b>(5.1D)</b> Corporate board and senior management <b>acknowledge</b> material and salient water issues but show <b>no evidence of formal oversight of water.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Board briefing frequency] The board is briefed by the management on water issues but there isn't clear evidence of how frequently this happens or if there is a formal process for how the board oversees water.</li> </ul>	1	
	<p><b>(5.1E)</b> Limited or no evidence the company corporate board and senior management formally oversee or acknowledge material and/or salient water issues.</p>	0	
<p><b>5.1X.</b> The company's <b>board committee charter</b> explicitly addresses water-related issues.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Board committee charter] Company's board committee charter clearly mentions water. (+2)</li> </ul>			+2
<p><b>5.1XX.</b> At least one <b>board member has expertise</b> in water management.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Board expertise] Evidence of a board member having expertise in water management. (+1)</li> </ul>			+1
<p><b>5.2</b> Corporate boards and senior management integrate water risks and opportunities into decisions on strategy, risk, and revenue</p>	<p><b>(5.2A)</b> Corporate boards and senior management <b>consider water risks and opportunities</b> as part of major business planning activities and investment decisions for their <b>assets and supply chain, integrating them into decisions on strategy, risk, and revenue.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Risks &amp; opportunities considered] Company can explain the likely effect of future water-related impacts, risks, and opportunities on its water strategy and company performance (i.e., there is evidence of a link between water risk assessments and financial impacts), including its assets and supply chain.</li> <li>[Operational scope] Examples of how water is integrated into decisions on strategy, risk, and revenue must apply to assets and supply chain.</li> <li>[Integrated into decision making] Evidence as to how risks are integrated into strategic decisions.</li> </ul>	5	+5

	<p><b>(5.2B)</b> Corporate boards and senior management <b>consider water risks and opportunities</b> as part of major business planning activities and investment decisions for their <b>assets or supply chain, integrating them into decisions on strategy, risk, and revenue.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Risks &amp; opportunities considered] Company can explain the likely effect of future water-related impacts, risks, and opportunities on its water strategy and company performance (i.e., there is evidence of a link between water risk assessments and financial impacts), including its assets or supply chain.</li> <li>[Operational scope] Examples of how water is integrated into decisions on strategy, risk, and revenue must apply to assets and/or supply chain.</li> <li>[Integrated into decision making] Evidence as to how risks are integrated into strategic decisions.</li> </ul>	3	+5 (continued)
	<p><b>(5.2C)</b> Corporate boards and/or senior management <b>make statements around considering water risks and opportunities</b> as part of major business planning activities for their <b>assets and/or supply chain</b> but show <b>no evidence of integrating into decisions on strategy, risk, and revenue.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Risks &amp; opportunities considered] Company makes general statements around water risk and opportunities (e.g., no evidence of a link between water risk assessments and financial impacts), for its assets and/or supply chain.</li> <li>[Operational scope] Examples of how water is integrated into decisions on strategy, risk, and revenue must apply to assets and/or supply chain.</li> <li>[Integrated into decision making] No evidence of how water is integrated into strategic decisions.</li> </ul>	1	
	<p><b>(5.2D)</b> Limited or no evidence corporate boards and/or senior management integrate water risks and opportunities as part of major business planning activities and investment decisions.</p>	0	
<p><b>5.2X.</b> Company has set an <b>internal price for water.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>Company has conducted shadow pricing of water/utilizes tools/assessment methods to evaluate the true cost of water considering the externalities and context-based risks and opportunities. (+1)</li> </ul> <p>OR</p> <p>Company has set an <b>internal price for water showing wider environmental and societal benefits.</b></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>Company has set an internal price for water considering the wider societal benefits which means not only is the water saving counted but also the monetization value of river pollution avoided, biodiversity maintained etc. (+2)</li> </ul>			<p><b>+1</b></p> <p>OR</p> <p><b>+ 2</b></p>

<b>Expectation #6 – Public Policy Engagement</b>			
Companies ensure that all public policy engagement and lobbying activities are aligned with sustainable water resource management outcomes.			
<b>Core Indicator</b>	<b>Sub-indicators and assessment criteria</b>	<b>Sub-Indicator Points</b>	<b>Total Available Points (15)</b>
<b>6.1</b> Company proactively advocates for strengthened water governance, infrastructure and equitable access to water	<p><b>(6.1A)</b> Company <b>proactively advocates</b><sup>17</sup> around <b>water-related issues</b> (such as strengthened water governance or water infrastructure improvements or equitable access to water), providing <b>examples</b> of these efforts in the majority of its <b>high water-stress priority regions and/or in environmental justice (EJ)</b><sup>18</sup>/<b>frontline communities</b>.<sup>19</sup></p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Proactive advocacy] Company demonstrates how it partners with governments, businesses, civil society, industry groups and other stakeholders to advance sustainable water management.</li> <li>• [Stakeholder engagement] Company provides examples of how it works with local policymakers and policy-oriented bodies.</li> <li>• [Advocacy activities] Company provides examples of advocacy activities which could include efforts to strengthen water governance, improve infrastructure, and/or ensure equitable access to water.</li> <li>• [High water-stress areas or EJ/frontline communities] Examples must be provided for the majority of the company’s high stress priority regions.</li> </ul>	10	+10
	<p><b>(6.1B)</b> Company <b>proactively advocates</b> around <b>water-related issues</b> (such as strengthened water governance or water infrastructure improvements or equitable access to water), providing <b>examples</b> of these efforts focused in some of its <b>high water-stress priority regions</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Proactive advocacy] Company demonstrates how it partners with governments, businesses, civil society, industry groups, and other stakeholders to advance sustainable water management.</li> <li>• [Stakeholder engagement] Company provides examples of how it works with local policymakers and policy-oriented bodies.</li> <li>• [Advocacy activities] Company provides examples of advocacy activities which could include efforts to strengthen water governance, improve infrastructure, and/or ensure equitable access to water.</li> <li>• [High water stress areas] Examples must be provided for some but not the majority of the company’s high stress priority regions.</li> </ul>	6	

17. Proactive advocacy means the company provides specific examples of advocacy efforts/activities around water.

18. Environmental justice communities: Low-income communities and communities of color overburdened by environmental hazards or underserved by environmental benefits. (Based on original intellectual content created by [Dr. Robert Bullard](#))

19. Frontline communities are those that experience “first and worst” the consequences of climate change and its root causes. These are communities who are often denied access to resources, including communities of color and low-income, whose neighborhoods often lack basic infrastructure to support them and who will be increasingly vulnerable as the climate deteriorates. ([Georgetown Climate Center Equitable Adaptation Legal & Policy Toolkit](#))

	<p><b>(6.1C)</b> Company <b>advocates</b> around <b>water-related issues</b> (such as strengthened water governance or infrastructure or equitable access to water) and may/may not be providing <b>examples</b> of these efforts (unclear if advocacy is focused in the company’s water stress priority regions).</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Advocacy] Company explicitly states that it partners with governments, businesses, civil society, and other stakeholders to advance sustainable water management.</li> <li>• [Stakeholder engagement] Company supports/states that it works with local policymakers and policy-oriented bodies on water.</li> </ul>	4	+10 (continued)
	<p><b>(6.1D)</b> Company <b>advocates</b> around <b>sustainability-related issues</b>, not necessarily including water, providing clear examples of these efforts.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Advocacy] Company demonstrates how it partners with governments, businesses, civil society, and other stakeholders to advance the body of knowledge, intelligence, and tools for sustainability-related issues, not including water.</li> <li>• [Advocacy activities] Company provides examples of advocacy activities around sustainability-related issues but not necessarily for water.</li> </ul>	1	
	<p><b>(6.1E)</b> Limited or no evidence company advocates around water or sustainability-related issues.</p>	0	
<p><b>6.2</b> Company ensures direct and indirect lobbying activities are aligned with its water policy</p>	<p><b>(6.2A)</b> Company ensures its <b>lobbying activities are aligned with its water policy</b> and demonstrates this through <b>disclosing examples</b>.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>• [Commitment] Company has a specific commitment/position statement to conduct all its lobbying in line with its water policy.</li> <li>• [Addressing misalignment] The company discloses its action plan to address any misalignment of its lobbying activities (policy advocacy and industry associations) with its water policy.</li> <li>• [Examples] Specific examples are provided, for example, of policy asks/support (e.g., company signs-on to a public letter advocating for specific policy action) or clearly presenting the role and responsibility of the private sector in supporting integrated water resource management.</li> </ul>	5	+5



	<p><b>(6.2B)</b> Company states its <b>lobbying activities are aligned with its water policy</b> but <b>does not disclose examples</b> of what this means in practice.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Commitment] Company has a specific commitment/position statement to conduct its direct or indirect lobbying in line with its water policy.</li> <li>[Addressing misalignment] The company discloses its action plan to address any misalignment of its lobbying activities (policy advocacy and industry associations) with its water policy.</li> </ul>	3	+5 (continued)
	<p><b>(6.2C)</b> Company ensures <b>lobbying activities are aligned with its sustainability policy</b> and demonstrates this through providing specifics for how efforts are aligned with its sustainability policy.</p> <p>[Assessment criteria]</p> <ul style="list-style-type: none"> <li>[Commitment] Company has a specific commitment/position statement to conduct its direct and indirect lobbying in line with its sustainability policy.</li> <li>[Addressing misalignment] The company discloses its action plan to address any misalignment of its lobbying activities (policy advocacy and industry associations) with its sustainability policy.</li> </ul>	1	
	<p><b>(6.2D)</b> Limited or no evidence the company ensures lobbying activities are aligned with its water or sustainability policies.</p>	0	