

# Understanding your relationship with water

22<sup>nd</sup> June 2017

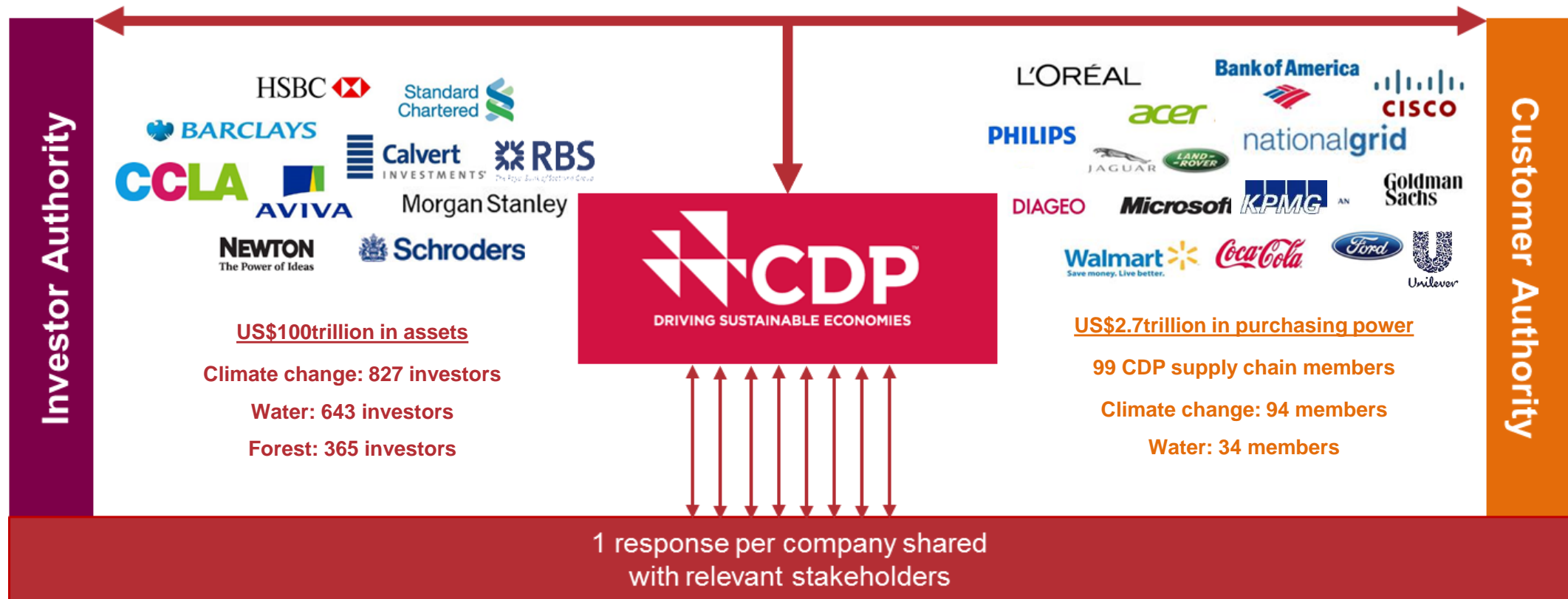
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# About CDP – how does it work?

CDP is an international not-for-profit organization providing the only global environmental disclosure system.



# Framework for water stewardship

CDP aims to support, contribute to and reflect advanced corporate reporting practices, our questionnaire:

- ▼ Drives greater transparency of water issues;
- ▼ Facilitates informed decision making;
- ▼ Encourages action to improve water security; and
- ▼ Promotes competent and robust governance of water issues.

## CDP's 2017 Water Information Request

CDP works to catalyze action to improve water security. In 2016, 643 investors with over US\$67 trillion in assets backed CDP's water information request.

The following set of questions form CDP's 2017 water information request. Companies are asked to answer these questions in the Online Response System (ORS) provided by CDP through its website. As such, this document is a representation of the request and whilst the questions will remain the same, the format may differ online particularly where drop down options and tables have been included for ease of response. Guidance is available on the CDP website from December 2016 which details all of the options available and provides screen shots of the ORS to aid companies in completing the request.

We request a reply to the following questions by 29 June 2017.

Please respond to the information request using our Online Response System (ORS). This is the same ORS as is used for CDP's 2017 climate change and forests information requests. In early February 2017, instructions on how to access the ORS will be sent to you by email. If you are unable to respond via the ORS, please email [respond@cdp.net](mailto:respond@cdp.net). In addition to investor signatories requesting your response, you may also be asked to share your response with the members of CDP's supply chain program if they are your customers. In this case, you will be notified by email in early April 2017 and asked for your approval for this.

We encourage companies to consult CDP's 2017 water reporting guidance and CDP's 2017 water scoring methodology at [www.cdp.net/en/guidance](http://www.cdp.net/en/guidance), as well as refer to the guidance within the ORS.

CDP's investor signatories are requesting this information to increase their confidence that you are aware of the water risks your organization faces as well as working to develop comprehensive risk mitigation strategies whilst realizing greater strategic advantage. Please answer the questions as comprehensively as possible. Where you do not have all of the information requested, please respond with what you have as this is more valuable to your investors than no response at all. Where questions have been amended from 2016 to 2017 this is indicated next to the relevant questions.

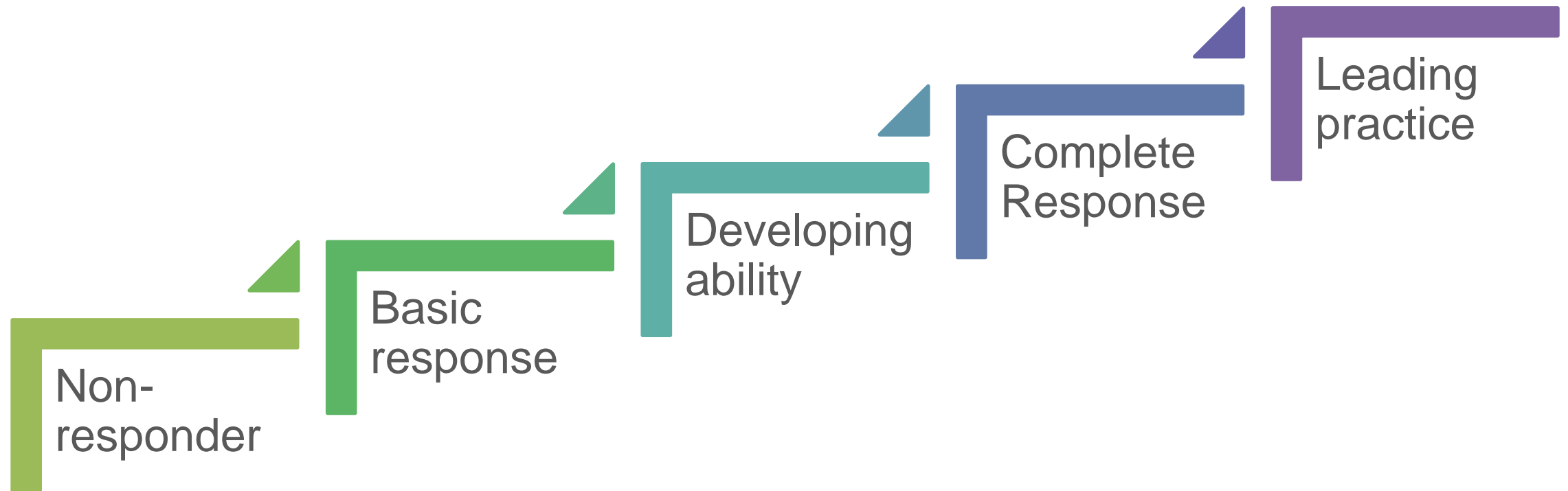
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# The pathway of progression

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# A basic response

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- ▼ Show understanding of the importance of water to your business
- ▼ Understand where your source water from, how much you use and discharge
- ▼ Conduct a water related risk assessment
- ▼ Set a basic target and/or goal
- ▼ Learn from the gaps in your response



Basic response

## Case study - measuring & monitoring

The Anglo-Dutch consumer goods company, **Unilever** has set a target for 2020 to hold water abstraction by its factories around the world to below 2008 levels, despite significantly higher anticipated production volumes. In 2015, it reported abstraction at 19 million cubic meters below 2008 levels, representing a 77% reduction in absolute terms compared with 1995.



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# Developing ability

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- ▼ Undertake a comprehensive water risk assessment
- ▼ Provide insight into your water risks and opportunities
- ▼ Provide detailed and comprehensive water accounting
- ▼ Deliver on basic water accounting targets



## Case study – water risk assessment

Currently **GSK** use the WWF-DEG water risk filter, supplemented with the WRI Aqueduct tool and company intelligence in its risk and water impact assessments. This is due to the robust and good quality geographical data that the WWF-DEG tool provides. If data is missing it uses the WRI tool to fill in gaps and supplement this with company intelligence.





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# A complete response

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- ▼ Demonstrate how water is integrated within your business strategy and have a robust policy on water
- ▼ Conduct a water related risk assessment at the river basin level
- ▼ Require suppliers to report water use, risks and management



Complete  
response

## Case study – Supply chain

**AstraZeneca** is taking water resources into consideration for new product development by utilising Life Cycle Analysis (LCA) to identify the areas across its product's lifecycles where the greatest water efficiencies can be achieved. In addition, its new product design process assesses prospective supply chains for water stress to identify and mitigate any water risks which could affect new product development.



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# Towards leadership

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- ▼ Undertake all the actions covered in previous steps
- ▼ SMART targets and goals
- ▼ Take action to minimise future risks
- ▼ Collective and collaborative action



# Case study - Collaboration

**Coca-Cola European Partners** established that approximately 80% of the water footprint of their value chain came from agricultural ingredients, including beet and cane sugars, fruit juices, coffee, and pulp and paper products.

In response, CCEP has committed to sustainably source 100% of their key agricultural ingredients by 2020. To achieve this, they established a set of Sustainable Agriculture Guiding Principles (SAGPs), in conjunction with **The Coca-Cola Company**, which they expect key agricultural suppliers to adhere to.

