# INTRODUCTION TO THE CEO WATER MANDATE

Garnering commitments and building capacity for corporate water stewardship









## INTRODUCTION TO THE UN GLOBAL COMPACT'S CEO WATER MANDATE

#### What is water stewardship?

Water is perhaps humanity's most vital natural resource. By the same token, water crises pose some of the most vital sustainable development challenges of our time. According to the <u>World Economic Forum</u>, water crises have been among the top five global risks in terms of impact in each of the last four years.

Water stewardship is the use of water in ways that are socially equitable, environmentally sustainable, and economically beneficial. Stewardship can be adopted by businesses - through corporate water stewardship - as well as by growers, communities, and others. Ultimately, stewardship is a key practice to address critical water challenges, drive water security, and achieve the Sustainable Development Goals.

Corporate water stewards implement five core activities that drive water security:

- 1. Provide water, sanitation, and hygiene for all employees
- 2. Drive water use efficiency and reduce pollution throughout their operations
- 3. Facilitate improved water performance throughout their value chain
- 4. Advance collective action in river basins
- 5. Achieve continuous, meaningful dialogue with stakeholders

In addition, stewards often implement several actions that inform and support these core activities, such as risk and impact assessments, target setting, and embedding water into corporate strategy.

#### What is the CEO Water Mandate?

The <u>CEO Water Mandate</u> is a global **commitment platform** for corporate water stewardship. By endorsing the Mandate, companies publicly commit to advancing water stewardship across six commitment areas\*:

- 1. Direct Operations
- 2. Supply Chain & Watershed Management
- 3. Collective Action
- 4. Public Policy
- 5. Community Engagement
- 6. Transparency

<sup>\*</sup>To learn more about the commitment areas, go to: https://ceowatermandate.org/about/the-six-commitment-areas/

Endorsing the Mandate is an **aspirational pledge**; we welcome companies of all sizes and all levels of water stewardship maturity so long as they commit to continuous improvement.

The Mandate is a special initiative of the UN Secretary-General and the <u>UN Global Compact</u>, implemented in partnership with the <u>Pacific Institute</u>. Established in 2007, the initiative was created out of the acknowledgement that global water challenges create risk for a wide range of industry sectors, the public sector, local communities, and ecosystems alike. As such, cross-sectoral collaboration is the most effective and credible path to water security. The private sector can be a critical partner in this effort.

In addition to garnering public commitments, the Mandate also advances stewardship by:

- Developing research, guidance, and tools
- Convening multi-stakeholder events
- Facilitating meaningful on-the-ground collective action

#### What is required of companies wishing to endorse the Mandate?

Companies of all sizes, industry sectors, geographies, and levels of water stewardship maturity are eligible and encouraged to endorse the Mandate. We welcome endorsements from companies with limited experience with water who want to use the initiative to spark their stewardship efforts. All that is required is that companies make an earnest commitment to continuous improvement regarding the Mandate's six commitment areas.

However, to endorse the Mandate, companies must already be signatories of the UN Global Compact **OR** agree to become UN Global Compact signatories within one year of endorsing the Mandate.

There is **no financial commitment required** to endorse the Mandate.

Once they have endorsed the Mandate, **companies must publicly report on their progress** toward water stewardship on an annual basis, in what are known as Communications on Progress or COPs. COPs for the Mandate can take several forms (see examples here) including:

- A company's CDP Water Questionnaire response
- A section within the company's broader UN Global Compact COP reports
- A section within the company's broader annual sustainability report
- A standalone report

**NOTE:** For companies that are already UN Global Compact signatories and already complete the CDP Water Questionnaire on an annual basis, no extra work is required.

### What are the benefits of endorsing the Mandate?

By endorsing the Mandate, companies can:

- Attend Mandate events to learn about stewardship trends and cutting-edge best practices
- **Demonstrate their commitment** to sustainability to investors, customers, employees, communities, and other key stakeholders

• Keep abreast of engagement opportunities through quarterly email communications from Mandate Secretariat to all endorsing companies

The Mandate is now endorsed by more than <u>140 companies</u> worldwide include: AB InBev, The Coca-Cola Company, Danone, Diageo, Dow Chemical, Ecolab, Ford Motor Company, General Mills, H&M, Hilton, Mars, Microsoft, Nestle, Netafim, Nike, PepsiCo, PVH, Radisson, Siemens, Unilever, and many others.

#### How do companies endorse the Mandate?

Endorsing is easy! Companies can endorse the Mandate by simply filling out this <u>form</u> on behalf of their CEO, C-suite representative, or equivalent.

#### What is the Mandate's Water Security through Stewardship Action Platform?

Companies that wish to take their water stewardship engagement even further can join the Mandate's Water Security through Stewardship Action Platform.

The Action Platform houses all of the Mandate's programmatic work and <u>working groups</u>. It is the core mechanism through which companies, UN entities, governments, NGOs, and other stakeholders work together to: 1) test, refine, and scale cutting-edge water stewardship practices and 2) foster local partnerships, collective actions, and policy engagement.

The Action Platform is carried out across four focus areas, each with its own associated working group:

- 1. Direct Operations & Supply Chains
- 2. Collective Action & Policy Engagement
- 3. Metrics, Indicators & Disclosure
- 4. WASH & Human Rights

By joining the Action Platform, Mandate endorsing companies can:

- Participate in any and all of the four Mandate Working Groups;
- Receive regular updates on Mandate projects and activities;
- Inform and offer counsel to Mandate projects and activities;
- Attend the annual Action Platform Members meeting; and
- Gain eligibility for the Mandate's Steering Council.

Companies must be Mandate endorsers to join the Action Platform. Action Platform participation is entirely optional.

There are three tiers of Action Platform participation. The majority of members participate at the standard "Action Platform membership" level. However, companies with a keen interest in deepening their involvement in the Mandate's activities and receiving prominent brand recognition for their contribution the initiative can participate at the "Event Sponsor" or "Patron Sponsor" levels.

Event Sponsorship benefits (in addition to AP membership benefits)

- Formal brand recognition at all Mandate working conferences, workshops, and webinars;
- Formal brand recognition on homepage of the Mandate's website.

Patron Sponsorship benefits (in addition to all Event Sponsorship benefits)

- Participation in high-level convening of Action Platform patrons, UN Global Compact Board Members, and UN Heads during General Assembly week;
- Brand recognition in Action-Platform-specific media and promotional materials and at all Mandate events and publications;
- Early invitations to UN Global Compact flagship events and programmatic events;
- First right of refusal for sponsorship renewal at the end of each calendar year.

In addition to their UN Global Compact annual contribution, Action Platform members pay a participant fee based on their annual sales/revenue.

Annual Sales / Revenue (USD)	Annual Action Platform Fee (USD)	Annual Global Compact Contribution Fee (USD)
> \$ 5 bn	\$20,000	\$20,000
\$1 – 5 bn	\$15,000	\$15,000
\$250 ml – 1 bn	\$10,000	\$10,000
\$50 – 250 ml	\$5,000	\$5,000
\$25 – 50 ml	\$2,500	\$2,500
< \$25 ml	\$1,250	\$1,250

Event sponsors contribute an additional \$30,000 per year. Patron sponsors contribute an additional \$80,000 per year (i.e., AP fee plus Global Compact fee plus \$80,000). There are only three remaining Patron Sponsor spots available for 2019.

