

Operations & Supply Chain Working Group Meeting

Wednesday, September 13, 2017

<u>Attendees</u>

Mathilda Gustafsson (Ericsson) Jenny Sandahl (Ericcson) Sherry Mueller (Ford) Lisa Hook (Gap Inc.) Mai-Lan Ha (Mandate Secretariat) Jason Morrison (Mandate Secretariat) Cora Kammeyer (Mandate Secretariat) Peter Schulte (Mandate Secretariat) Samantha Shiffman (PVH) Kirsten Sims(Woolworths)

<u>Summary</u>

For many companies, the majority of water risk and impacts is in their supply chain. However, it can be challenging to understand what is happening in supply chains and engage suppliers meaningfully. The Mandate surveyed working group members and 70% of respondents said the biggest barrier to suppliers acting on water issues was their technical capacity. This was the impetus for creating the <u>Water</u> <u>Stewardship Toolbox</u>, to provide resources to increase that capacity. The Toolbox was first launched in 2015, and has just gone through a major update. Here are some of the new features:

- Now usable on mobile devices
- Improved interface, including more ways to access info via various filters
- Addition of new resources there are now over 170 tools, reports, case studies, etc.
- Portals for BAFWAC, WASH4Work, Water Risk & Action Framework (and more to come)

The Mandate debuted the revampedToolbox at Stockholm World Water Week and received positive reactions. The main criticism was that the Toolbox and its multitude of resources may be overwhelming. To address this, we are considering developing a series of articles to curate the resources in the Toolbox and provide clear direction, particularly for newcomers to water stewardship.

Discussion

The Mandate asked Working Group members for their general thoughts on direction of Toolbox, and what we could do to make it more useful. Below are some of the questions and comments:

- Several group members like the idea of developing articles to highlight and curate resources.
- Group members themselves may not be the ones using these tools; it would help to have guidance on sharing the resources internally and making sure colleagues know how to use them.
- How best to present this information to suppliers? Companies are already coming to their suppliers with a lot of resources and requests. It may be helpful to highlight the top resources.
 - Perhaps we could add functionality for users to rate the resources themselves, as they're using the Toolbox (similar to how you'd give a product review to an item you buy online).
- Is there a way to converse with others on the website? What about a forum where people can post questions and engage in discussion?

- Perhaps having users provide feedback on the Toolbox as they use it could help serve this discursive function. Also, this is in part the role of the <u>Water Action Hub</u> – connecting practitioners to one another and facilitating idea sharing and collaboration.
- A "cheat sheet" of resources like a table of contents would be helpful.
- In addition to just having the resources, it would be good to have a way to highlight learnings, ways of addressing supply chain issues.
 - The Water Action Hub can be used for this. And projects and learnings on the Hub could be imported into the Toolbox as case studies too.
- Are the tools free?
 - Yes! Everything on the Toolbox is open source and free to anyone.

We want to hear from you: "The Toolbox would be more helpful to my company if it could do X". Please contact Peter Schulte at pschulte@pacinst.org.

Other Updates

Transition to Action Platform

Over next two quarters, we will discuss and define key activities and outcomes of the new Action Platform. *Any endorsing companies are encourage to attend the <u>session</u> on the Action Platform at the UN <i>Global Compact Leader's Summit on September 20th, from 2-4 PM.* The current thinking is that the present four workstreams will be imported into the Action Platform. How might the work evolve in 2018 to be most helpful to your company, and most meaningful for progressing water stewardship?

WASH in the supply chain initiative

We already have dedicated human rights & WASH workstream, but this initiative has implications for the operations & supply chain working group too. We recently launched a <u>paper</u> highlighting where corporations can make an impact on WASH in supply chains, which includes case studies from <u>Gap</u>, <u>Diageo</u>, and <u>Nestle</u>. When we presented this at World Water Week, the feedback was that there's a need for specific guidance on what good practice in WASH in supply chains looks like, with metrics for success.

Sustainable apparel initiative

This new initiative will be a phased approach to apparel action on water stewardship. We'll be thinking about how the water stewardship resources in the Toolbox apply to the apparel industry, and potentially developing a tool for suppliers to evaluate risk and identify actions.

BAFWAC (Business Alliance for Water and Climate)

The purpose of this initiative is to help businesses understand links between water and climate, and commit to action. There are three areas of focus: circular water management, agricultural supply chains, and natural infrastructure. Joining <u>BAFWAC</u> is not as intense of a commitment as CEO Water Mandate – we are hoping it may serve as an entry point for companies.

New potential model for collaboration: tools from Mandate endorsers

Mandate endorsers in many cases have developed their own leading practice. It starts in-house but we are seeing a shift towards open sourcing. For example, Ambev's <u>SAVEh</u> tool for water management in the beverage industry is now publicly available, and we are partnering with them to promote the tool. Similarly, we are working with Ecolab to develop a portal on the Toolbox to showcase their <u>Water Risk</u> <u>Monetizer</u> and other water valuation tools. *Are other companies interested in this type of collaboration?*