



**WATER
RESILIENCE
COALITION**



Laying the Foundations for Collective Action and Impact at Scale

2022 IMPACT REPORT

An initiative in partnership with:



LEADERSHIP LETTER



This was a momentous year for the Water Resilience Coalition—as we set both the vision and trajectory to reach ambitious long-term water goals. Since its inception three short years ago, the Coalition has expanded to 29 global companies with combined market capitalization of more than US\$3 trillion. This year's growth illustrates the private sector's increasing momentum to advance SDG 6 solutions. The Water Resilience Coalition's 2030 Strategy launched during 2022 set the course to achieve quantifiable positive water impact in 100 identified water-stressed basins, contribute to water security for three billion people, and enable equitable access to water, sanitation and hygiene (WASH) for 300 million people. This 2030 roadmap is our guiding light, fueled by four key strategies: collective action, innovation, investment, and impact measurement.

Collective Action—Through our collective action strategy, we have witnessed the transformative power of multi-sector partnership. This collaborative opportunity to scale water resilience is exemplified by the São Paulo Water Fund and its connection to the 2022 launch of our first local Water Resilience Coalition Chapter in Brazil. By scaling this model globally, we plan to expand to 21 facilitated projects across 15 basins. These efforts are aligned with the broader 100 identified priority basins, where we will catalyze collective water action in the coming years.

Innovation—Innovation is at the core of our work. And it's clear our Net Positive Water Impact (NPWI) initiative is leading the charge. This global framework has emerged as the north star for companies to reduce water stress as measured through the broader lens of water availability, quality, and accessibility. By harnessing the diverse expertise of our company members and partners, this year our NPWI taskforce has made remarkable strides in mainstreaming and operationalizing NPWI. We eagerly anticipate the release of formal guidance in 2023, which will set the stage for private sector best practices on water.

Investment—Recognizing finance plays a critical role driving change, during 2022, we advanced the Water Resilience Coalition's innovative investment strategy. To unlock new opportunities for water-related investments, this year we collaborated with trusted partners, including WaterEquity, to chart a pathway for long-term sustainable investments in water.

Impact Measurement—Data holds immense power. During 2022, the Water Resilience Coalition scaled its commitment to measuring impact and advancing industry standards. Collaborating with the European Space Agency, we launched a call for proposals to digitize water resilience monitoring. Over the next eight years, we will develop publicly available datasets on water basins worldwide. This will revolutionize our understanding of water resources, while providing new power to scale the most effective initiatives and track the impact of our collective actions.

Together, the companies and partners of the Water Resilience Coalition are building a diverse coalition that thrives on collaboration and collective action. With foundations established in 2022, we are poised to rapidly scale our water initiatives to achieve the ambitious goals of our 2030 Strategy.

Let us remember the immense impact we can make on SDG 6 when we unite under a common cause. We invite you to join us to push boundaries, innovate, and inspire one another as we pursue our shared vision for global water resilience.

Sincerely,



Sanda Ojiambo
Assistant Secretary General and
CEO of the UN Global Compact



Christophe Beck
Chairman and Chief Executive
Officer of Ecolab



ABOUT WRC

The Water Resilience Coalition is an industry-driven, CEO-led initiative to address the global water crisis.

We aim to elevate action on mounting water stress and its connection to climate change to the top of the global corporate agenda.

WRC members work to preserve the world's freshwater resources through collective action in water-stressed basins and through ambitious, quantifiable goals.

We are an initiative of the CEO Water Mandate in partnership with the UN Global Compact and the Pacific Institute.

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OUR 2050 PLEDGE A VISION FOR GLOBAL WATER RESILIENCE

NET POSITIVE WATER IMPACT

Achieve and maintain a measurable and Net Positive Water Impact in water-stressed basins on availability, quality and accessibility through industry-leading water operations and collective action initiatives (halfway mark reached by 2030).

WATER RESILIENT VALUE CHAIN

Develop, implement and enable leading, impact-based water resilience practices across 100 per cent of the global value chain.

GLOBAL LEADERSHIP

Raise global ambition for water resilience through public and corporate outreach.

OUR 2030 AMBITION

COLLECTIVE ACTION

By 2030, we will have positive water impact in over **100 water-stressed basins** that support over **three billion people**.

PROVIDE ACCESS & SANITATION

By 2030, we will enable **equitable and resilient access** to water and sanitation for at least **300 million people**.

AMPLIFY IMPACT

By 2030, we will **recruit 150 companies** with the potential to **influence 1/3 of global water use**.

PROGRESS

21 PROJECTS IN
15 BASINS IN
6 COUNTRIES

100 BASINS
WITH DIAGNOSTICS



OVERVIEW

For the Water Resilience Coalition (WRC), 2022 was a year of breaking ground. Charting a path to realize our 2050 ambition of Net Positive Water Impact (NPWI), Water Resilient Value Chains, and Advancing Global Leadership, the WRC launched our 2030 roadmap. The roadmap employs four key strategies related to collective action, innovation, investment and impact measurement. By laying sturdy foundations for each strategy in 2022, the WRC will enable radical new action on water in 2023 and beyond. Together, the workstreams of each strategy will position the Water Resilience Coalition to achieve positive water impact in 100 basins and provide water, sanitation, and hygiene (WASH) to 300 million people by 2030.

SCALING PROVEN SOLUTIONS VIA COLLECTIVE ACTION

The case of the São Paulo Water Fund exemplifies how a bilateral partnership can multiply its positive impact when transformed into a collective action. To scale this model around the world, the WRC has expanded to 21 facilitated projects in 15 basins and has developed a list of 100 priority basins in which to catalyze collective action in 2023 and beyond.

MULTIPLYING IMPACT OF BUSINESS EXPERTISE THROUGH INNOVATION

Central to our 2050 ambition, the WRC is developing NPWI to push forward private sector best practice on water. Leveraging the diverse expertise of our members and partners, the WRC's NPWI taskforce has made significant progress toward mainstreaming and operationalizing NPWI in advance of releasing formal guidance in 2023.

LEVERAGING INVESTMENTS VIA INNOVATIVE FINANCE

In 2022 the WRC launched a 5-point investment strategy to multiply the capital available for water-related investment. Working with trusted partners including WaterEquity, the Coalition looks forward to catalyzing the growth of balance sheet impact investment to advance water resilience.



MEASURING IMPACT AND ADVANCING INDUSTRY STANDARDS WITH DATA

In collaboration with the European Space Agency (ESA), the WRC launched a call for proposals to digitize water resilience monitoring. Reviewing the bids of 15 firms from around the world, over the next eight years the WRC looks forward to developing new publicly available datasets on water basins worldwide.

The Water Resilience Coalition likewise welcomed two new member companies (Holcim, Keurig Dr Pepper) and Global Water Challenge as a new partner. From the foundation laid in 2022, the WRC will rapidly scale up our water action to achieve our 2030 ambition.

7 COMPANIES
INVOLVED IN
THE NPWI
TASKFORCE

5 POINTS OF
INVESTMENT
STRATEGY

15 BIDS
CONSIDERED

2030 ROADMAP

OVERVIEW

In May 2022 the WRC launched its 2030 Roadmap to achieve positive water impact in 100 basins and provide WASH to 300 million people by 2030. The roadmap uses four key strategies to achieve these goals.



STRATEGY 1

Scaling Proven Solutions Via Collective Action

Existing water resilience solutions cannot rapidly scale up impact with individual companies engaging on individual projects. Collaboration on shared goals in shared basins can drive outsized impact by supporting trusted partners to expand implementation. When companies act collectively to advance proven solutions, benefits at the basin scale can be visible to all.

- Co-funding projects in priority basins that address root issues and achieve watershed outcomes
- Collectively addressing contributing factors where corporate collaboration can drive outsized impact and advance shared goals
- Recruiting additional neighboring corporate leaders to join us locally and elsewhere



STRATEGY 2

Multiplying Impact of Business Expertise Through Innovation

The WRC drives the development and uptake of new, best-in-class water solutions. Members leverage the latest technology and practical experience to positively impact water at scale. Collaboration facilitated by the WRC can multiply collective impacts by combining the unique strengths of each member with the expertise of committed partners.

- Scaling business expertise and innovation
- Ensuring use of best-in-class technologies and innovation for water
- Promoting collaborative open innovation
- Collaborating with our supply chain to increase water resilience



STRATEGY 3

Leveraging Investment via Innovative Finance – The WRC Investment Portfolio (WRC-IP)

The WRC-IP main goal is to leverage the use of proven and innovative financial instruments to multiply the outcomes of collective actions for water. This allows companies to use their balance sheets for impact investment in alignment with the WRC water resilience goals.

- Corporate investments in capital market instruments to fund collective actions
- Advance water resilience via impact investments that return capital
- Start with existing financial instruments while supporting the creation of innovative models
- Provide catalytic capital to attract more investments from the private and public sectors



STRATEGY 4

Measuring Impact and Advancing Industry Standards with Data

Existing systems for measuring water impact are fragmented and incomplete. To address these challenges, the WRC will develop new systems and a digital platform to monitor and evaluate data on basin health. By sharing that data, the WRC can not only ensure accountability on its own progress, but also direct water advocacy and action in ever more targeted ways.

- Addressing previously fragmented measurement of water impact
- Advancing the industry standard with digital measurement and monitoring tools
- Demonstrating and quantifying the co-benefits of collective actions
- Using data from measurement and monitoring for advocacy and accountability

**STRATEGY 1: SCALING UP PROVEN SOLUTIONS
VIA COLLECTIVE ACTION**

**IN THE
SPOTLIGHT:
COLLECTIVE
ACTION IN
BRAZIL**



“ You can’t move mountains alone. The goal of generating positive impact for water – a central goal of the Coalition – depends on collective action.”



**RENATA VAN DER WEKEN
SUPPLY ENVIRONMENT & ENERGY DIRECTOR
AMBEV, BRAZIL**

Dercilio Aristeu Pupin, an organic farmer in Piracaia, Brazil, knows firsthand just how devastating drought can be—and how collective action can respond with effective, promising results.

Pupin saw his once-fertile soil grow parched and his productive pastures dry up from the worsening effects of climate change. His livelihood, that of his community and that of millions of residents of the Piracicaba, Capivari and Jundiai (PCJ) river basin were at grave risk. The PCJ river basin supplies more than 70 percent of the region's water, most notably supporting Brazil's largest city of São Paulo. The region has gone through seven droughts in the last decade.

Recognizing the need for action, Pupin collaborated with student volunteers to lead watershed restoration projects in the PCJ, guided like the WRC on the premise that acting together enables far more impact than acting alone.

In 2016, Ambev—endorser of the CEO Water Mandate and subsidiary of WRC Member ABInBev—partnered with The Nature Conservancy to support the São Paulo Water Fund. The Water Fund works with members of the Piracaia community like Pupin to incentivize Nature-Based Solutions to watershed restoration.

In total, the project has worked with more than 1,500 people to take on-the-ground action with potential to positively impact 11,000 community members and positively influence the water availability of 12 million Brazilians living near São Paulo.

In 2022, the WRC and Global Compact Network Brazil established the Brazil Chapter of the WRC. The Chapter brings together the Local Network, NGOs, multinational WRC members and local Brazilian companies to collaborate on multiple collective action water projects such as the São Paulo Water Fund in prioritized basins.

Joining ABInbev in supporting the water fund have been four other WRC members—The Coca-Cola Co., Cummins Inc., Ecolab and Starbucks—helping to multiply the economic, biodiversity and health benefits far beyond the reach of a single company or partnership.



DERCILIO ARISTEU PUPIN
Piracaia, Brazil

**HUMAN
IMPACTS**

**1,500
COLLABORATORS**

**11,000
POTENTIAL
BENEFICIARIES**

**12 MILLION
INFLUENCED**



“ The solution for ensuring water security for an entire society is through collaboration. Nobody does anything alone. We need to work together.”



**HENRIQUE BRACALE
COORDINATOR OF THE
SÃO PAULO WATER FUND,
THE NATURE CONSERVANCY, BRAZIL**

COLLECTIVE ACTION IS THE FUTURE OF CORPORATE WATER STEWARDSHIP. THE WRC IS LEADING THE WAY.

COLLECTIVE ACTIONS

21

PROJECTS

15

BASINS

6

COUNTRIES

Strategy Progress

Building on the progress of flagship projects in Brazil and India, the WRC is rapidly expanding the collective action model around the world. The WRC now facilitates 21 projects in 15 basins across 6 countries. To continue scaling up, in 2022 the WRC curated a list of 100 priority water-stressed basins. The exercise mapped the basins' needs related to water quantity, quality and access and built an initial list of collective action opportunities to directly address those needs. Growing beyond secretariat facilitated projects, the WRC will leverage this work to catalyze action on water worldwide.

Looking Forward

2023 will be a critical inflection point for WRC collective action. With plans to publish the full 100 basins list and continue building the corresponding project portfolio, lessons learned today can accelerate action tomorrow. The WRC will also expand the new Basin Champions program where member CEOs and their companies serve as ambassadors for watersheds and local WRC activities. With further goals to launch additional local chapters and recruit new members, the WRC is excited to continue scaling collective action around the world.

STRATEGY 2: MULTIPLYING IMPACT OF BUSINESS
EXPERTISE THROUGH INNOVATION

IN THE
SPOTLIGHT:
DEVELOPING
NET POSITIVE
WATER IMPACT

The world is not on track to meet Sustainable Development Goals (SDG) 6 by 2030. One in four people lack infrastructure to access safe, potable water. Eighty percent of wastewater discharges remain untreated. Global demand could outstrip supply by up to 40 percent by 2030.

To address these mounting challenges, the private sector must innovate its approach to water.

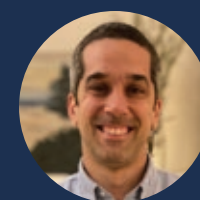
The WRC conceived the Net Positive Water Impact (NPWI) concept as a holistic, quantifiable approach to addressing the global water crisis. Businesses must not only minimize negative impacts but prioritize positive ones.

NPWI seeks to address water stress along three dimensions: availability, quality and access. These components are non-interchangeable (surplus in one area cannot substitute deficit in another) and contextual (surplus in one basin cannot substitute deficit in another). As such, impacts in each dimension and basin must be measured in a standardized, but independent fashion. Increases in accessibility in the Krishna basin must be measured separately from increases in availability and quality in the PCJ.

To address these challenging, but critical requirements, the WRC secretariat's NPWI working group has continuously iterated and advanced the operationalization of the NPWI framework.



“ The WRC NPWI Task Force and Bluerisk recognize impact measurement as critical to substantiating meaningful claims and necessary to demonstrate company contributions to basin outcomes. The current workstream has already outlined an approach and set of metrics for what to measure. Our next step is to define the expectations for how to measure it.”



**PAUL REIG
BLUERISK**

“ NPWI encourages shared goals, metrics and actions. This collective thinking is essential to managing water as a complex and communal resource.”



COLIN STRONG
FORMER MANAGER,
CORPORATE WATER STEWARDSHIP,
WORLD RESOURCES INSTITUTE (WRI)

Strategy Progress



In July of 2022 the NPWI taskforce developed an internal report outlining how to operationalize NPWI within a river basin. This report expanded upon the impact framework outlined in 2021's NPWI Concept and Collective Action Guidance documents. Composed of representatives from WRC member companies, TNC, the Pacific Institute and BlueRisk, the taskforce worked to align the scope and definition of NPWI with external frameworks along with building out approaches to implementing NPWI across a company's supply chain. The WRC looks forward to publishing the guidance in 2023.

Looking Forward



2023 is set to be a watershed year for WRC innovation. The NPWI taskforce will finalize and release its first comprehensive Guidance Document detailing the metrics and methodology for measuring Net Positive Water Impact. WRC member companies will begin to pilot the guidance for wider operationalization.

The WRC will iterate the guidance for use across all priority basins. The WRC looks to promote NPWI via white papers, webinars, and trainings for implementing companies.

The WRC's innovative partnership with European Space Agency (ESA) to digitize water resilience seeks to enhance efforts to monitor basin health. As the partnership transitions from feasibility studies to pilot projects in 2024 and beyond, the technologies advanced will be tailored to implementing the impact measurement approach developed for NPWI.

Achieving NPWI will require innovative new systems, technologies and approaches. By leveraging the expertise of members and partners, the WRC can multiply impact and build a more water-resilient world.

**STRATEGY 3: LEVERAGING INVESTMENTS
THROUGH INNOVATIVE FINANCE**

**IN THE
SPOTLIGHT:
WRC
INVESTMENT
STRATEGY**



Investments in resilient water systems can pay reliable dividends in terms of human health, biodiversity and economic productivity. In addition to this value, the WRC is working to support increased investments in water resilience solutions by leveraging capital market instruments that produce a financial return while making progress on water resilience goals.

The WRC investment strategy seeks to support companies' investments in water resilience by: identifying innovative impact investment opportunities; supporting collective investments to accelerate scale; and monitoring the impact of collective investments towards the WRC's 2030 ambition water resilience goals.

Investments as opposed to philanthropy can provide a more sustainable financing strategy for water. There is currently a \$114 billion a year estimated financing gap to achieve SDG 6. Current development assistance spending levels average just \$14 billion annually. It is recognized that philanthropy and public financing will not be enough to close that gap, and that increasing investment levels will need to be supported by the private sector.

INVESTMENT
REQUIRED TO
ACHIEVE SDG 6

\$114
BILLION
ANNUALLY

Strategy Progress



In December 2021, the WRC's CEO Circle approved the investment portfolio strategy.

In 2022 the WRC identified a pipeline of existing investment mechanisms focused on water, and investment mechanisms that can be adapted to focus on water, that will contribute to water resilience goals of the WRC's 2030 ambition. Current investment opportunities include microfinance, private equity and impact bonds.

WRC members can select which investment opportunities to participate in with capital committed to water. The investment portfolio approach allows WRC members to invest in water across the impact investment ecosystem to achieve desired impact and risk/return objectives.

In collaboration with investment managers the WRC has helped to facilitate the first collective corporate investment commitments to water resilience, to be announced in March 2023.



Looking Forward



In 2023, the WRC will continue to advance the investment portfolio strategy with existing investment opportunities for collective corporate investment actions, in collaboration with investment managers.

The WRC will form an investment portfolio governance committee to provide oversight and expert advice on investment opportunities for members. The governance committee will ensure alignment with the advancement of WRC 2030 ambition goals. The impact of investments made by WRC members will be tracked according to the WRC's Net Positive Water Impact measurement methodology.



**STRATEGY 4: MEASURING IMPACT AND
ADVANCING INDUSTRY STANDARDS WITH DATA**

**IN THE
SPOTLIGHT:
DIGITIZING
WATER
RESILIENCE
MONITORING IN
BASINS**

In November of 2021, CEO Water Mandate Head Jason Morrison and Elodie Viau of the ESA met in Glasgow to sign a groundbreaking agreement. Matching COP26's global ambitions, the WRC and ESA have partnered to connect digital and space technologies to water.

Achieving NPWI requires standardized, accurate and regular monitoring of key water impact indicators. Existing systems for collecting these indicators are often incomplete, outdated, proprietary and incompatible with one another.

THE WRC AND ESA ARE BUILDING SOLUTIONS



Leveraging the power of space and digital technologies, the partnership will produce tools to visualize the levels and drivers of water stress in basins; identify priority areas for collective action and innovation; measure the impact of collective actions in basins; and monitor/report on progress towards WRC goals of positive water impact.

The ESA is providing grant funding to selected digital monitoring service providers that bring expertise in space technologies and digital tools such as artificial intelligence (AI) and internet of things (IoT). Grant recipients will collaborate with the WRC to develop water resilience data collection and diagnostic capabilities and pilot solutions in WRC priority basins.

WRC member companies have the opportunity to bring their digital and innovation expertise to further inform the digitizing of water resilience monitoring in basins. Data sets will be informed by the NPWI methodology and center indicators on water quality, quantity and WASH access.

By improving in-situ data collection and digitizing basin diagnostics, the WRC can inform decision-making and monitor contributions of collective actions to NPWI.

“ [Our collaboration] realises the potential of space to drive commercial solutions for a green economy. This is a great example of how ESA is using space technologies and applications for Net Positive Water Impact.”



ELODIE VIAU
DIRECTOR OF TELECOMMUNICATIONS AND INTEGRATED APPLICATIONS, EUROPEAN SPACE AGENCY



Strategy Progress



In 2022 the WRC and ESA released a call for proposals to engage in digitizing water resilience monitoring in basins. Fifteen technology companies have answered the call to develop projects for digital water resilience monitoring involving space technologies, artificial intelligence, remote sensing and the internet of things.

Technology company partners will be selected in 2023 to help build the ecosystem of digital basin monitoring and next generation water resilience data sets. The technologies will be piloted in WRC priority basins.

The NPWI taskforce made critical advances in metrics and methodologies for monitoring and tracking basin health. Additionally, the WRC collaborated with the CEO Water Mandate's Water Action Hub to identify opportunities for digital collaboration and improving data accessibility.



Looking Forward



In 2023 the WRC and ESA will support digital and space technology partners to develop water resilience monitoring capabilities to enable near real-time basin diagnostics in the areas of water quantity, quality, and WASH.

Additionally, the WRC looks forward to publishing the first installment of NPWI guidance. Developed in collaboration by members and partners, this groundbreaking framework represents a transformation in corporate water stewardship.

The WRC will also begin work on innovating new approaches for corporates to build water resilient value chains. Part of the WRC 2050 Pledge, engaging with entire value chains represents one of the private sector's greatest challenges and greatest opportunities to positively impact water.

RAISING THE PROFILE OF WATER

Campaigns and Events

The WRC's 2022 events calendar spotlighted water on the global stage. From the World Economic Forum in Davos, Switzerland, to COP27 in Sharm el-Sheikh, Egypt, the WRC's voice contributed to some of the year's most important international forums. Launching media campaigns on NPWI, collective action and stories of impact, the initiative leveraged its prominent public position to promote its thought leadership and influence the global corporate water agenda.

EVENT TIMELINE

2022

23 March

World Water Day, Worldwide

24 May

World Economic Forum, Davos, Switzerland

23 Aug–1 Sept

World Water Week, Stockholm, Sweden

19 Sept

United Nations General Assembly, UN Private Sector Forum, NYC, USA

7–18 Nov

COP27, Sharm el-Sheikh, Egypt

Campaign Highlights

UNDERSTANDING THE NPWI JOURNEY

In March, the WRC launched a campaign to promote its approach to achieving NPWI. Custom infographics, expanded web content, and member-amplified messaging made the innovative NPWI framework more accessible than ever before.



CLICK

VIEW OUR NPWI CAMPAIGN

A CALL FOR COLLECTIVE ACTION

To highlight the WRC's groundbreaking efforts in corporate collective action, in October the WRC launched a series of member-centered videos and social media posts. These posts shared the case for collective action through the voices of those most important to transforming corporate water action – other corporates.



WATCH ONE OF OUR COLLECTIVE ACTION VIDEOS

RIPPLES OF WATER RESILIENCE

At COP27 the WRC debuted the first episode in the Ripples of Water Resilience series. The six minute video tells the story of on-the-ground implementors in Piracaia, Brazil, and highlights the tangible impacts of collective action on the PCJ basin.



WATCH THE RIPPLES OF WATER RESILIENCE LAUNCH VIDEO

PROFILES IN LEADERSHIP

As part of our Profiles in Leadership series, 3M CEO Mike Roman explained how science, circularity and collaboration are central strategies to 3M's diversified technology and manufacturing operations. In this series, CEOs of endorsing companies and partners of the WRC outline their aim to elevate global water stress to the top of the corporate agenda.

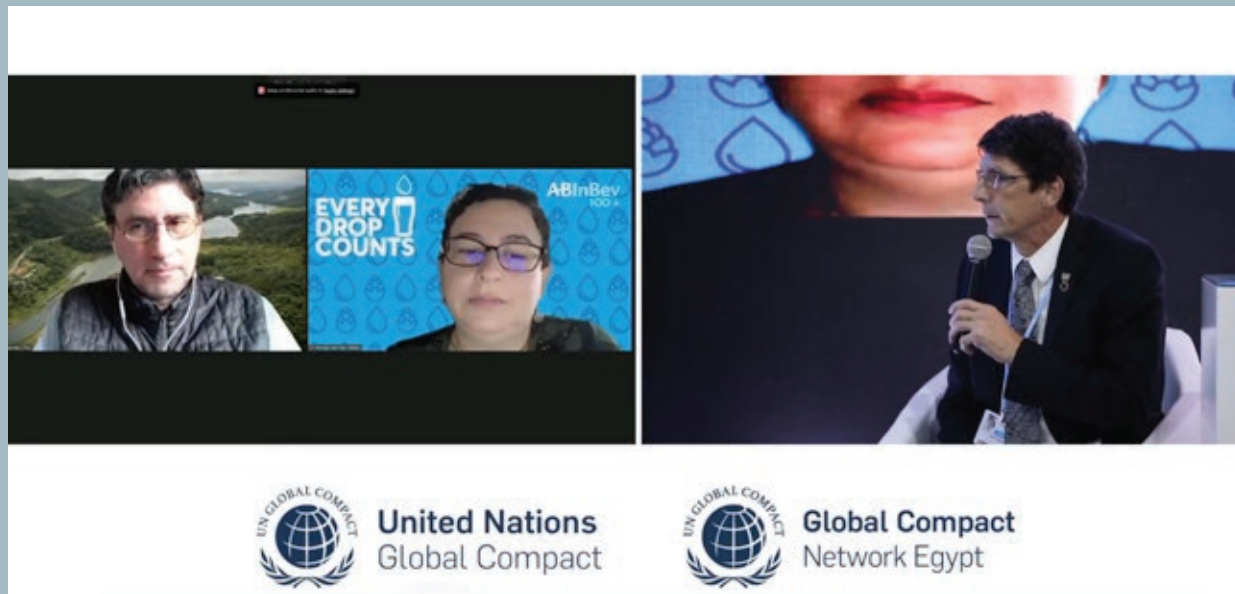


WATCH THE 3M EPISODE OF PROFILES IN LEADERSHIP

OUR MEMBER COMPANIES

CEO CIRCLE

From the beginning, the WRC has been a CEO-lead initiative. Convening twice a year to review progress and direct action, the CEO Circle drives the Coalition forward. Together, this subset of Leadership Committee CEOs work to elevate water on the global corporate agenda and advance industry-leading action.



WRC MEMBERS

In 2022, the WRC welcomed three new member companies (Holcim, Keurig Dr Pepper, Netafim) and one new partner organization (Global Water Challenge).

FULL LIST OF ALL 29 WRC MEMBERS AND 18 PARTNER ORGANIZATIONS



PARTNERS





Join Our Commitment to Water Stewardship
ceowatermandate.org