

STEPS COMPANIES CAN TAKE TO BRIDGE THE GAP

Below are some practical steps any company can take toward developing a strategic response to growing water-risks.

- 1. MEASURE, ASSESS AND REPORT.** If a company has not taken any steps to address the potential impact of water on its business, the first step would be to measure operational water use and discharges. This is done by means of a corporate water assessment. There are several existing and freely available online tools. GEMI's Water Sustainability Tool can help a company measure its water use, establish a baseline and identify where its water use is the most intensive. Tools like the WRI Aqueduct and WWF Water Risk Filter can help companies identify the type of risks they face and what response strategies might be most effective. Companies can report their water footprint, risks, opportunities and management strategies through reporting frameworks such as the Global Reporting Initiative and the CDP Water Questionnaire and also by including this information in the company's sustainability report.
- 2. BUILD THE BUSINESS CASE FOR ACTION.** Companies have found that participating in reporting initiatives and trade associations, evaluating peer companies' water efforts and joining common organizations and initiatives can provide a key spark to drive awareness of water challenges and build momentum for action throughout a company. Another step to consider is to avoid describing water in "sustainability" jargon — discuss the impact of water in the language the entire company can understand — impact to profits, business growth, license to operate, etc.
- 3. COMMUNICATE WITH STAKEHOLDERS.** Once a company has identified its risks and impacts, publicly disclosing this information can open a dialogue with stakeholders, which can foster credibility and trust. Greater awareness of water challenges, heightened expectations of corporate responsibility and increased media attention to droughts and their impact on local economies have all reinforced the need for a company to be transparent and accountable for its impact on water bodies, ecosystems and communities. Investing in relationships with stakeholders can set the stage for possible collaborative action that addresses shared water challenges and mitigates related risks.
- 4. DON'T GO IT ALONE.** Companies can mitigate risk and identify opportunities by building strong relationships with key advocacy groups and other stakeholders who can offer expertise about water issues. Companies have found that their engagement in collective action strategies has led to water initiatives of greater value, co-benefits and impacts that harness the resources and proficiencies of business and non-business partners. Publicly engaging and working with local communities collaboratively also helps to reduce the risk of water becoming a "license to operate" issue in the future.

