SUPPLIERS PARTNERSHIP FOR THE ENVIRONMENT

THE WATER COUNCIL

WATER STEWARDSHIP GLOSSARY

Alliance for Water Stewardship: The Alliance for Water Stewardship (AWS) is a global membership collaboration of businesses, NGOs and the public sector. Our members contribute to the sustainability of local water resources through their adoption and promotion of a universal framework for the sustainable use of water – the International Water Stewardship Standard, or AWS Standard.

Aspects List: Any part of your company's activities that can interact with the environment, either positively or negatively. This could be chemicals that are emitted into the air from a vent during one of your processes, or chemicals that could be expelled in your wastewater. This could also be taking into account the use of resources that your processes utilize, or the environmental effect of the amount of waste you dispose of.

Aquifer: Geological unit containing groundwater. It must have sufficient porosity to hold water and sufficient permeability to allow easy flow. Porosity is created by the space between grains of rock, and by cracks and fissures. Aquifers occur on many scales, ranging from small and local units to hundreds of square kilometers. Thickness ranges from one meter to hundreds of meters. A water table (or unconfines) aquifer lies just below the ground surface and is vulnerable to pollution. A confined aquifer lies below an impermeable rock layer (such as clay) which helps protect it from surface pollution.

Catchment: The geographical zone in which water is captured, flows through, and eventually discharges at one or more points. The concept includes both surface water catchment and groundwater catchment. A surface water catchment is defined by the area of land from which all precipitation received flows through a sequence of streams and rivers towards a single river mouth, as a tributary to a larger river, or to the sea. A groundwater catchment is defined by geological structure of an aquifer and groundwater flow paths. It is replenished by water that infiltrates from the surface. Depending on local conditions, surface and groundwater catchments may be physically separate or interconnected. Alternative terms are watershed, basin, and river basin.

CEO Water Mandate: The CEO Water Mandate is a special initiative of the UN Secretary-General and the UN Global Compact, implemented in partnership with the Pacific Institute. The CEO Water Mandate mobilizes a critical mass of business leaders to address global water challenges through corporate water stewardship, in partnership with the United Nations, governments, civil society organizations, and other stakeholders. The Mandate is a commitment platform for business leaders and learners to advance water stewardship. Endorsing companies commit to action across six key elements and report annually on progress.

CDP: CDP, formerly the Carbon Disclosure Project, is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts including a comprehensive water reporting platform. The world's economy looks to CDP as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate and city action.

Contextual Water Target: Targets informed by the surrounding catchment (watershed) context and helping to focus resources toward the right water-related challenges in the right places and are strategically relevant to both the target-setting water user and other water users in the catchment (watershed).

Discharge: Water-related discharge from a site, including drainage, wastewater (effluent), used cooling water, and irrigation surplus. The quality of discharged waters may range from good to polluted, depending on its origin, use and treatments applied.

Goal (or Target): A specific time-bound objective that sets the desired outcome at site, corporate, basin, or other levels. For example, "By 2020, a 20% increase in total water efficiency as compared to 2015," or "By 2020 a 10% decrease in total nitrogen discharges as compared to 2017."

Groundwater: Water below the surface of the Earth stored in porous spaces and fractures within rock or layers of sand and gravel (aquifers). In water resources management the term more specifically applies to water that can be extracted at a viable rate, quantity and quality for human use (with or without treatment). Saline water or water contained in rocks of very low permeability is not conventionally considered groundwater.

Indirect Water Use: Water used in a site's supply chain representing that which is used in the manufacturing and provision of all products and services, excluding water used on site. In effect, it is the sum of 'embedded water' of all products and services. Indirect water can also include outsourced services that use water (such as laundering, or fleet washing).

Integrated Water Resource Management: "IWRM" is a process which promotes the coordinated development and management of water, land and related resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems.

International Water Stewardship Standard ("AWS Standard"): A globally applicable framework for major water users to understand their water use and impacts, and to work collaboratively and transparently for sustainable water management within a catchment context. The Standard is intended to drive social, environmental, and economic benefits at the scale of the catchment.

Metric: Any form of quantitative or qualitative measure used to track progress at a site, whether corporate, basin level, or other levels. For example, "water efficiency" or "water withdrawal."

Objective: The desired outcome aimed at by a target or goal. For example, "align site water use with catchment water balance."

Science-Based Water Target: A target that supports a company in reducing their impacts on freshwater resources if it is in line with what the latest hydrological science says is necessary to meet the sustainable freshwater quantity and quality thresholds of the basin in which the company and its value chain operate.

Shared Water Challenge: A water-related issue, concern, or threat shared by the site and one or more stakeholders within the catchment(s). Examples include physical water scarcity, deteriorating water quality and regulatory restrictions on water allocation.

Shared Water Opportunity: The possibility of an entity experiencing a positive gain resulting from water stewardship efforts (e.g., financial improvement, shareholder approval, improved brand image, etc.).

Site: For the AWS Standard, the site is the physical area over which the implementing organization owns or manages land and carries out its principal activities. In most cases it is a contiguous area of land but may also include physically separated areas and all areas owned or managed by the site (especially if in the same catchment). For a factory, the 'site' is typically represented by the fenced area encompassing all its buildings, parking, and storage areas. For farming, it encompasses its fields, buildings, and storage areas. Where the organization operates its own water sources and/or wastewater plant, these should be considered part of the 'site'. For example, for a bottled water factory that operates a physically separate water source (e.g., spring or borehole), this should be considered part of the "site."

Stakeholder: Any organization, group, or individual that has some interest or "stake" in the implementing organization's activities, and that can affect or be affected by them. The four main

categories of stakeholder are: (1) Those who impact on the organization; (2) Those on whom the organization has (or is perceived to have) an impact; (3) Those who have a common interest; (4) Neutral – those with no specific link, but with whom it is relevant to inform. Of most relevance to water stewardship are stakeholders associated with water use and dependency, but engagement should not be limited to these.

WASH: Acronym for Water, Sanitation and Hygiene. It is used in the international development sector to refer to the combined area of effort to address basic human water needs and rights related to access to safe and sufficient water for drinking, food preparation and washing. It also includes the provision of good washing and toilet facilities and the principal of hygiene education to combat the spread of water-related illnesses and disease.

Watershed: Alternate term for catchment. River basin or basin may also be used as alternatives. AWS mainly uses the term catchment which can slightly differ in meaning from how watershed is used in North America.

Water Balance: The change in water supply at a site level, or at a catchment level, determined by the difference between average intake, precipitation, evapotranspiration and water discharge (typically taken at the main drain of the site or catchment).

Water Consumption: Represents water that was used by the operation but not returned to its proximate source. It involves evaporated water; transpired water; water that is incorporated into products, crops or waste; water consumed by man or livestock; or water otherwise removed from the local resource. Water that is polluted to an extent prohibiting its use by others wishing access is termed “consumption.”

Water Footprint: Measures the amount of water used to produce each of the goods and services we use. It can be measured for a single process, such as growing rice, for a product, such as a pair of jeans, for the fuel we put in our car, or for an entire multi-national company. The water footprint can also tell us how much water is being consumed by a particular country – or globally – in a specific river basin or from an aquifer.

Water Governance: Water governance encompasses all aspects of how water is managed by governments, regulators, suppliers, and users. It includes water resources management, protection, allocation, monitoring, quality control, treatment, regulation, policy and distribution. Good water governance ensures responsible sharing of water resources in the interests of users and the natural

environment in line with the principles of water stewardship. Water governance also applies to how water is managed at a given site or within a company.

Water Management: The control and movement of water resources to minimize damage to life and property and to maximize beneficial use.

Water Quality: The quality of a natural water body in terms of physical, chemical, and biological parameters. The relevant quality standards are defined by national or local regulation and guidelines. Where these are absent, then international standards and guidelines should be applied. Good water quality status is where it meets the requirements of native flora and fauna, and for human needs where applicable. The status is not required to be pristine (i.e., contaminant free) or of drinking water quality (which would be classed as high-water quality status).

Water Risk: The possibility of an entity experiencing a water-related challenge (e.g., water scarcity, water stress, flooding, infrastructure decay, drought).

Water Scarcity: The lack of sufficient available water resources to meet the demands of water usage within a region for environmental and human needs. Physical water scarcity is when there is insufficient water in natural water bodies. It may be a natural condition (e.g., in arid regions) or may result from excessive water abstractions for human uses.

Water Source: The physical structure from which a water supply is abstracted from a water body. For groundwater, it may be a natural spring, a borehole or water well. For surface water, it is a 'water intake'. It can also include the immediate surrounding zone of the main water body, in effect, the zone that feeds the point of abstraction. It may apply to multiple abstraction points where they are associated, for example, a wellfield.

Water Stewardship: The use of water that is socially and culturally equitable, environmentally sustainable, and economically beneficial, achieved through a stakeholder-inclusive process that involves site-and catchment-based actions.

Water Stress: The ability or lack thereof, to meet human and ecological demand for fresh water; compared to scarcity, "water stress" is a more inclusive and broader concept. Water stress occurs when the demand for water exceeds the available amount during a certain period or when poor quality restricts its use.

Water Use: The total amount of water withdrawn or diverted by an operation to produce products or provide a service. Water use includes the sum of total water consumption, withdrawals and water pollution, regardless of whether the water is returned to the local resource or not.

Water Withdrawal: Freshwater taken from the ground or surface water sources, either permanently or temporarily, and conveyed to a place of use.