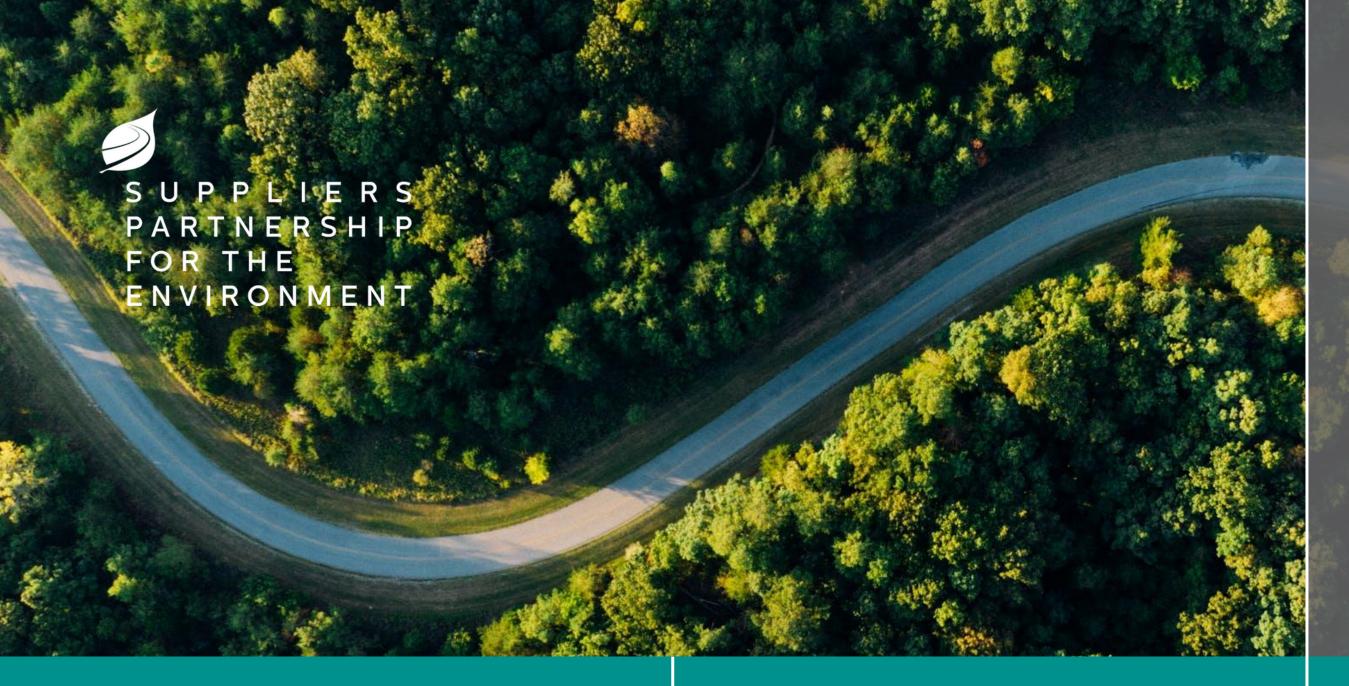


# Core Water Metrics for Automative Operations

# A Framework for Strategic Water Stewardship

**July 2025** 





# Our Vision: automotive industry with positive environmental impact.

### Carbon Neutrality



Working toward long-term goals of achieving carbon neutrality by advancing carbon reporting and reduction practices across the automotive value chain.

#### Circular Economy



Working toward a circular materials economy by promoting collaboration to incorporate sustainable practices and materials in the production and content of vehicles.

# Nature & Water Stewardship



Working toward a naturepositive future by supporting industry goals to operate in harmony with the environment, preserve biodiversity, and restore natural ecosystems.

#### S U P P L I E R S PARTNERSHIP FOR THE ENVIRONMENT

#### SP Water Stewardship

## Sector Reliance & Climate Risks

Water is a critical input and asset across the automotive value chain—from raw materials to manufacturing to end-of-life.

Producing one passenger vehicle can require 13,000–40,000 gallons of water; EVs can further increase this footprint.

Climate change is projected to escalate water scarcity, pollution, and flood risks—disrupting operations and supply chains.

Urgent action is needed to manage rising water risks and ensure long-term water security for the sector.

## SP's Water Stewardship Commitment

SP recognizes water as a stressed global resource vital to people, nature, products, and the automotive value chain.

The partnership strives toward **improving water risk assessments**, **developing meaningful metrics**, and **fostering continuous improvement** in water use across the sector.

SP emphasizes balancing water impacts by prioritizing actions with the greatest watershed benefits and engaging stakeholders in collaborative projects.

**Transparent communication** of water stewardship outcomes and shared challenges is central to SP's approach.

The auto sector relies on water across its value chain and faces growing climatedriven risks, including scarcity and quality challenges.

The Suppliers
Partnership for the
Environment (SP)
champions
collaborative water
stewardship to
promote sustainable
use, risk reduction, and
transparency.

#### CONTEXT

#### Understanding the need for common metrics in automotive

#### The Challenge

Automotive companies face increasing pressure to demonstrate water stewardship, but struggle with a complex web of voluntary and required reporting frameworks.

Many suppliers lack resources for comprehensive water analysis and reporting.

#### **A Collaborative Solution**

In 2024 The Water Council, through input from the SP Water Stewardship Work Group, identified and mapped key water metrics across 15 major reporting frameworks to identify common, priority metrics, focusing on alignment and practical implementation across the industry.

#### **Results**

Core metrics aligned across key reporting frameworks were identified across 4 themes.

Better alignment on water metrics across the automotive value chain increases sector awareness and builds credibility through transparent reporting.





Download the full Core Water Metrics Guidance Document at <a href="https://www.supplierspartnership.org/water-metrics-guidance/">https://www.supplierspartnership.org/water-metrics-guidance/</a>



### Four Pillars of Water Stewardship



### **Core Water Stewardship Metrics**





Water Usage & Management

Total Water Withdrawn (megaliters/year)

**Total Water Discharged** (megaliters/year)

**Total Water Consumed** (megaliters/year)

Water Intensity (per product produced or per dollar revenue)

Water Pollutant Tracking (policy/process in place)



Water Risk Assessment

Water-related risk assessment (using WRI Aqueduct or WWF Water Risk Filter)

Identification and mitigation of high water risks (mitigation plan for substantive risks)

Identification of key activities in high-risk / high-stress watersheds



Water Policies & Targets

Enterprise-Level Water Policy (commitment statement in place)

Water-Related Goals &
Targets (especially for highstress areas)



Supply Chain & Value Chain Engagement

Supply chain / value chain engagement (process in place for engagement with suppliers and/or value chain on water issues)

### Pillar 1: Water Usage and Management



Gathering and understanding baseline data

# Core Metrics

- Total Water Withdrawn (megaliters/year)
- Total Water Discharged (megaliters/year)
- Total Water Consumed (megaliters/year)
- Water Intensity (per product produced or per dollar revenue)
- Water Pollutant Tracking (policy/process in place)

#### **Key Considerations**

- Include rainwater if >5% of balance
- Report high-risk area consumption separately
- Account for data uncertainty transparently

Boundaries: Water is considered to have crossed the boundary of your organization, at either the corporate or site level, when your organization in any way uses it, comes into contact with it, is required to manage it or when it becomes incorporated into your products.

**That which gets measured, gets improved**. Without establishing a baseline understanding of how a company is using water, there is no credible way to build a strategic approach to water stewardship.

#### Pillar 2: Water Risk Assessment



Assessing location-specific risks

## Core

#### **Core Metrics**

- Water-related risk assessment (using WRI Aqueduct, WWF Water Risk Filter, minimum every 3 years)
- Identification and mitigation of high water risks (mitigation plan for substantive risks)
- Identification of key activities in high-risk / high-stress watersheds

#### **Key Considerations**

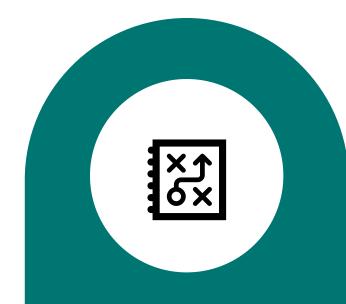
- Consider multiple tools: WRI Aqueduct + WWF Water Risk Filter
- Assess at catchment level minimum
- Include local/regional authority data
- Document both inherent and residual risk
- Prioritize actions in high-stress watersheds

#### **Key Tools:**

- WRI Aqueduct Water
   Risk Atlas
- WWF Water Risk Filter
- SP WaterStewardship ActionMatrix

Water risks are hyper-local - systematic assessment using credible tools enables prioritized mitigation actions and informs strategic water stewardship in stressed watersheds.

### Pillar 3: Water Policies & Targets



Defining strategic actions and goals



#### **Core Metrics**

- Enterprise-Level Water Policy (commitment statement in place)
- Water-Related Goals & Targets (especially for high-stress areas)

#### **Key Considerations**

- Targets must be contextual and responsive to local water risks
- Consider both direct operations and value chain impacts
- Align with Science Based Targets Network freshwater guidelines
- Document rationale if policies/targets deemed not relevant

#### **Relevant Frameworks:**

- SP Water
   Stewardship Strategy
   Framework
- Setting Site Water
   Targets Informed by
   Catchment Context:
   A Guide for
   Companies (2019)
- Freshwater Science
   Based Targets
   Network.

Contextual water policies and measurable targets, particularly in high-stress watersheds, **transform risk assessment data**into strategic action plans that address local water challenges.

## Pillar 4: Supply Chain/Value Chain Engagement



Expanding sphere of influence

# Core Metrics

- Supply chain / value chain engagement (process in place for engagement with suppliers and/or value chain on water issues)
  - Sample Engagement Methods: Supply chain mapping | Risk assessment | Education & collaboration | Monitoring & reporting

#### **Key Considerations**

- Start with direct operational control, then expand to value chain
- Focus on suppliers with highest water dependencies/impacts
- Industry-wide actions can increase sector competitiveness
- Document rationale if engagement deemed not relevant

#### **Supplier:**

an entity upstream that provides or sells raw materials, processed materials, finished products or services

#### **Value Chain:**

the entire sequence of upstream and downstream activities, sites, resources, and relationships associated with the reporting organization's operations

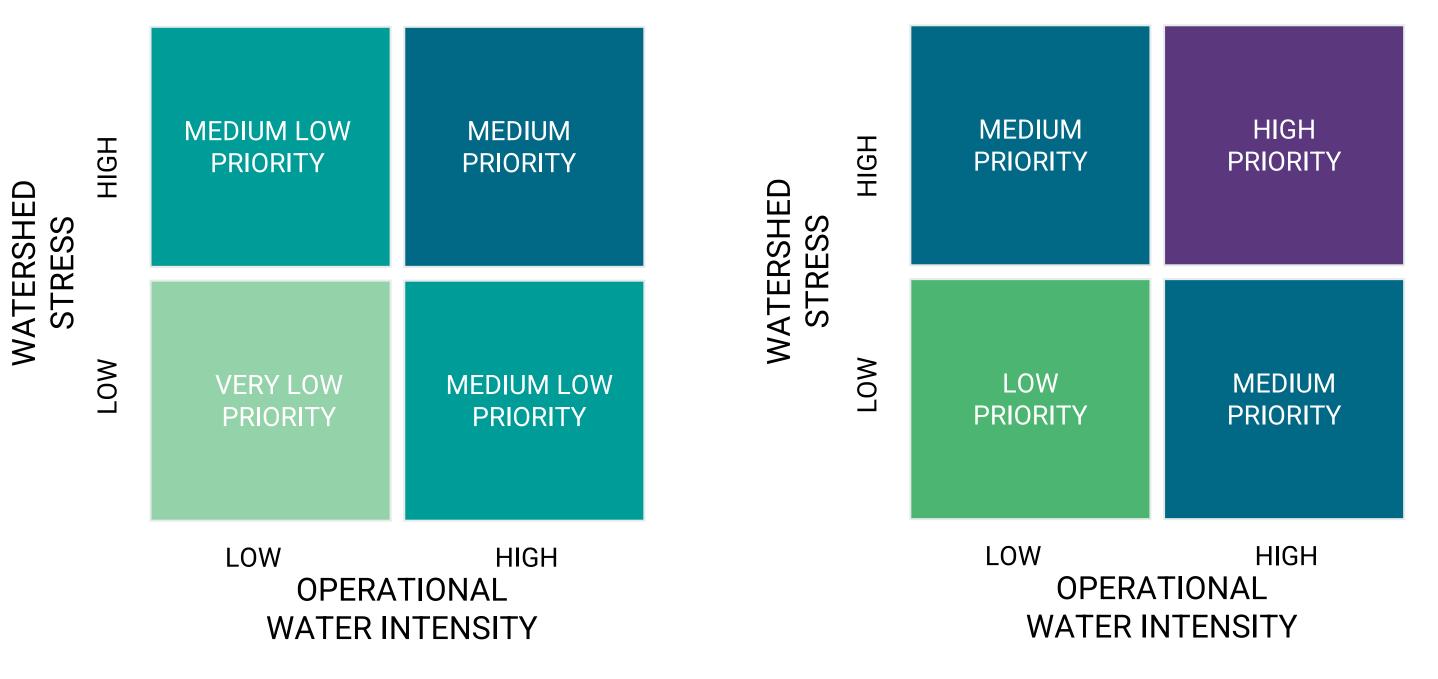
Strategic supply chain water engagement **transforms individual site-level stewardship into collaborative industry action**, amplifying impact while building competitive advantage through shared water risk management.

### Supply Chain Water Risk Engagement Prioritization Matrix





#### Suppliers WITHOUT water policies in place



No Public Data / No Response HIGH **PRIORITY** 

**Priority Level for Water Related Engagement: Medium Low** Medium Very Low High Low



#### Moving Forward With Water Metrics

#### **Key Takeaways**

- Start with the basics: Establish water withdrawal, discharge, and consumption tracking as your foundation
- Location matters: Prioritize risk assessments and actions in high-stress/high-risk watersheds
- Contextual approach: Tailor policies and targets to local water conditions and business risks
- Strategic engagement: Focus supplier outreach on high-risk, high-impact relationships rather than broad requirements





#### **Download the full Core Water Metrics Guidance Document at**

https://www.supplierspartnership.org/water-metrics-guidance/

#### **Disclaimer**

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