



Presentation from
**2016 World Water
Week in Stockholm**

www.worldwaterweek.org

© The authors, all rights reserved

Scaling action and fuelling growth through corporate supply chains

Morgan Gillespy
Head of Water, CDP
Morgan.Gillespy@cdp.net

About CDP

A not-for-profit that has pioneered and provides the only global natural capital disclosure system for companies and cities to measure, manage and share vital environmental information.

We play a critical role in driving the transition towards sustainable economies.

What we do

- ▼ Work with investors
- ▼ Supply chain program
- ▼ Climate change program
- ▼ Water program
- ▼ Forests program
- ▼ Cities program
- ▼ Work with governments & policymakers



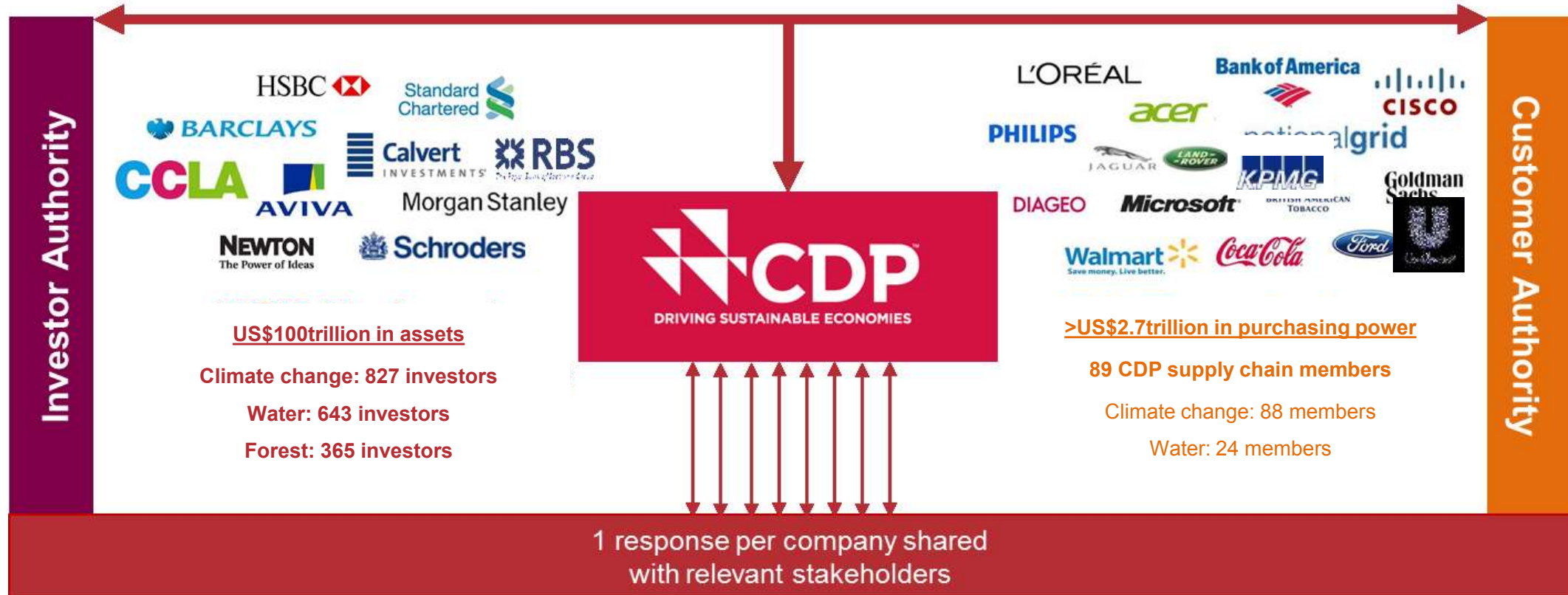
To catalyse action to improve water security.

- Vision, CDP's water program



How does it work?

For over a decade CDP has worked with companies and cities to catalyze action towards a more sustainable world.



The power of disclosure

Water stewardship in the supply chain

Increasing impacts on suppliers...

result in....

which is an opportunity.

- ▼ Increased **regulation** and monitoring affects costs
- ▼ **Business disruption** associated with worsening water security
- ▼ **Reputational risks** are no longer limited to direct operations

Water Stewardship in Supply Chain Business Case:

A real need for a co-ordinated global approach to drive transparency, understanding of water issues in the supply chain.

- ▼ **Demonstrate leadership** to important stakeholders
- ▼ **Raise awareness** and capacity with suppliers to seek out opportunities
- ▼ **Learn** from other companies and partner with CDP to **reduce burden** on both you and your suppliers

How procurement teams use CDP data

- ▼ Collaborative discussions to improve performance and generate innovative ideas.
- ▼ Integrating key KPIs to improve water stewardship, moving away from business as usual.
- ▼ Demonstrating to key stakeholders the current level of awareness of suppliers and drive resilience.

Member use of supplier water data



Integration into procurement standards

Dell's guidelines for suppliers:

- ▼ Report GHG emissions via CDP (minimum scope 1 and 2, scope 3 encouraged)
- ▼ Set public goals to reduce operational GHG impacts
- ▼ Tier 1 suppliers to establish GHG management and reporting requirements for their suppliers
- ▼ Report on water via CDP Water
- ▼ Publish a GRI-based sustainability report

Dell publicly states:

Failure to meet these requirements can impact your supplier ranking and potentially diminish your ability to compete for Dell's business.



Driving collaborative action

Training: Colgate-Palmolive

In collaboration with a supplier Colgate-Palmolive facilitated training to help improve their internal water management practices:

- ▼ Building knowledge capacity
- ▼ Encouraging water reduction measures to meet water saving requirements
- ▼ Enabling a reduction in production costs
- ▼ Building resilience to water issues

On one hand, we meet the water-saving requirements from the government and clients. On the other hand, we reduce the water footprint per product under the condition of guaranteeing water safety for the company and staff use.

Investment in infrastructure: General Motors

Actions taken as a result of supplier – customer engagement led to:

- ▼ Enhanced operational performance
- ▼ Reduction of water withdrawals through Increased water recycling and improved efficiency
- ▼ Instillation of flow meters to better measure water consumption and improved performance

The company is working in the development of a water management program that aims to increase water efficiency, reduce risks and invest in opportunities related to water

Thirst for collaborative action: Arcos Dourados

A proposal to promote and share collaborative action amongst suppliers located in sensitive river basins was put forward to:

- ▼ Promote conservation measures
- ▼ Explore and share efficiencies in water management practices
- ▼ Work collectively with key stakeholders

The idea should promote and share collaborative actions in order to reduce the water footprint of the companies involved and, consequently, promote the conservation of the river basins.

Key findings

Through the integration of water related data into procurement policies, processes and procedures companies are better able to:

- ▼ Identify opportunities and implement steps to realise them
- ▼ Fuel growth in their own businesses as well as their suppliers
- ▼ Take meaningful and impactful action to reduce water impacts
- ▼ Build resilience in their supply chain to realise a water secure future

Thank you

Morgan Gillespy
Head of Water, CDP

Morgan.Gillespy@cdp.net | @Morgan_CDP