

Water Stewardship in the Beverage Industry

6 Principles of World Class Water Stewardship in the Beverage Industry



ACT

Direct Operations
Supply Chain
Watershed Context

ENGAGE

Community & Collective Action

INFLUENCE

Advocacy
Transparency & Disclosure

ACT

1. Direct Operations - Continuous improvement and operational excellence is fundamental

2. Supply Chain - Responsibility for water stewardship extends throughout the value chain

3. Watershed Context - Excellence in water stewardship cannot be achieved without consideration of local watershed conditions

ENGAGE

4. Community & Collective Action - Community engagement and collective action partnerships are essential for sustained solutions

INFLUENCE

5. Advocacy - Conditions enabling organizations to achieve leadership in water stewardship are in part impacted by regulation, legislation, and effective frameworks for collaboration

6. Transparency & Disclosure - Open and honest communications define transparency



BEVERAGE INDUSTRY
ENVIRONMENTAL ROUNDTABLE

World Class Water Stewardship in the Beverage Industry

Introduction and Purpose

Founded in 2006, the **Beverage Industry Environmental Roundtable (BIER)** is a technical coalition of leading global beverage companies working together to advance environmental sustainability within the sector. BIER members recognize the fundamental business value of water stewardship and the importance of this precious resource to the long-term health and vitality of people, communities, businesses and ecosystems throughout the world.

Over the past ten years, BIER members have worked together to share innovative approaches to water challenges, to develop tools and methodologies for accelerating water stewardship, and to define standards for leadership within the beverage sector value chain and beyond.

Beverage companies are in a unique position to catalyze global water stewardship by influencing their many stakeholders, including suppliers, customers, governments and communities worldwide. BIER members recognize the shared nature of water challenges, and that no single government, organization or section of society can address these challenges alone. As such members are committed to working in collaboration to help achieve the United Nations Sustainable Development Goal #6: ensuring availability and sustainable management of water and sanitation for all.

In the interest of outlining the qualities that define excellence in water stewardship, the members of BIER have collaborated to refresh our framework for World Class Water Stewardship in the Beverage Industry. As BIER has advanced our water stewardship agenda, members have continued to refresh and refine this framework to represent the evolution of industry practices and address heightened stakeholder expectations.

Working under the assumption that compliance with all laws and regulations is only a starting point, BIER members have developed six leadership principles that outline the essentials of water stewardship, plus look forward to what is possible in the future. This refreshed framework for water stewardship in the beverage sector continues to serve as a common beacon that will help guide and inspire companies to continually improve and to **Act, Engage and Influence** on matters related to water stewardship.



1 Direct Operations

Continuous improvement and operational excellence is fundamental - where organizations:

- a. Clearly articulate and communicate a committed vision for the level of priority efficient water use has in the organization's pursuit of operational excellence. Foster a culture where sound water management is "business as usual" throughout all levels of the organization from operational staff to the incorporation of water-related goals into executive compensation.
- b. Integrate water use and conservation into routine business planning and decision-making, including considering manufacturing and facility design (e.g., site selection, modifications, construction, and operation decisions), the water-energy nexus (e.g., choosing the least water intensive energy source), embedded water-related costs (e.g., true cost of water), watershed impacts and dependencies, and proactive investment in new technologies and innovations.
- c. Take a circular approach to water and wastewater management, whereby beverage facilities continuously reduce use, increase efficiency, and reuse water where feasible. Where reuse isn't feasible, ensure wastewater treatment objectives, accountabilities, and systems to minimize impacts of release, disposal and discharge of effluent to the receiving body or ecosystem.
- d. Evaluate and mitigate the impact that operational use of water may have on ensuring availability and sustainable management of water and sanitation for all (e.g., Sustainable Development Goal #6).
- e. Ensure appropriate access to safe water, sanitation and hygiene for all employees in all premises under company control.

2 Supply Chain

Responsibility for water stewardship extends throughout the supply chain - where organizations:

- a. Evaluate water-related business risks and opportunities throughout the supply chain.
- b. Use resources, knowledge and expertise to facilitate greater improvements in water stewardship across the supply chain with a focus on minimizing impacts (e.g. water consumption) and managing dependencies (e.g., water supply reliability) associated with raw material sourcing.
- c. Collaborate with the agricultural sector, given the fundamental importance to beverage production and the scale of water-related opportunities, to create a more climate resilient food chain in the face of greater variability in precipitation and water scarcity. Focus collaboration efforts on advancing leading-edge research, novel partnerships, and the business case for producers to innovate and adopt new practices (e.g., efficient irrigation methods, new plant varieties, drought resistance, salt tolerance).
- d. Require key suppliers to share relevant information on their water use, goals, and management plans.
- e. Require key suppliers to ensure appropriate access to safe water, sanitation and hygiene for all employees in all premises under company control.



ACT

3 Watershed Context

Excellence in water stewardship cannot be achieved without consideration of local watershed conditions - where organizations:

- a. Evaluate and understand watershed dynamics (e.g., hydrogeology, environmental flows, community needs for access to water and sanitation, watershed capacity, ecosystem services, etc.) and key stakeholders (e.g., water user profile, water purveyors, government and non-governmental organizations) where they operate.
- b. Identify acute and longer-term threats to watersheds through qualitative and quantitative evaluations (e.g., source water protection and vulnerability assessments), and proactively support mitigation and adaptation of prioritized risks through local partnerships and community engagement focused on the long-term viability and prosperity of the watershed.
- c. Utilize watershed knowledge in building awareness, informing business planning, minimizing impacts on the watershed related to operational water demand, discharge, and raw material sourcing, and managing watershed dependencies necessary for maintaining short- and longer-term business continuity.
- d. Conduct water supply contingency planning to prepare for situations where current water supplies cannot meet local demand, including impacts from climate change, drought and severe weather events, and pollution.



ENGAGE

4 Community & Collective Action

Community engagement and collective action partnerships are essential for sustained solutions - where organizations:

- a. Engage in locally driven and public agency supported mechanisms to promote knowledge acquisition and sharing, identification of community water needs and solutions, and collective action with the understanding that no organization can address watershed challenges alone.
- b. Share knowledge, technical know-how, and hydrogeological data with the community, local water purveyors, and land agencies and actively participate in water resource education and awareness campaigns which result in internal and external capacity building and establishing a community culture of sound water management and innovation.
- c. Support the provision of clean drinking water, sanitation and hygiene to local communities (e.g., Sustainable Development Goal #6), including working with public authorities when appropriate, to support the development of adequate water infrastructure, including water and sanitation delivery systems.
- d. Mobilize or participate in collective action, including during emergency situations (e.g., natural disasters), with NGOs, governments, customers, peers, and other relevant stakeholders understanding the shared nature of water challenges and ability to collectively achieve greater impact and reach.

INFLUENCE

5 Advocacy

Conditions enabling organizations to achieve leadership in water stewardship are in part impacted by regulation, legislation, and effective frameworks for collaboration - where organizations:

- a. Advocate for water sustainability in global and local policy discussions, clearly presenting the role and responsibility of the private sector in supporting integrated and sustainable water resource management.
- b. Contribute inputs and recommendations to the development of government regulation and in the creation of market mechanisms in pursuit of more sustainable watersheds, ecosystem services, and access to water and sanitation for all.
- c. Promote multi-level collaborations (e.g., CEO Water Mandate) and innovative finance mechanisms aimed at driving larger-scale, systemic changes needed to address short- and longer-term water challenges locally, regionally, and internationally.

6 Transparency & Disclosure

Open and honest communication defines transparency - where organizations:

- a. Publish and share water strategies and performance in relevant company reports, publications and presentations, including articulation of progress against strategic priorities, targets and results highlighting challenges and the materiality of the business's impacts and dependencies on the sustainability of watersheds.
- b. Publish information and data consistent with global standards (e.g. Global Reporting Initiative (GRI) Guidelines, Carbon Disclosure Project (CDP), Sustainability Accounting Standards Board (SASB), BIER Standards, etc.) and to help other sectors and stakeholders pursue water stewardship.
- c. Ensure transparency when working with government and public authorities on public policy issues recognizing the role of business in policy development as providing technical expertise, management and analytical tools, and sharing knowledge and information to water-related policy discussions.



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This framework was refreshed in consultation with our technical partners Ceres and the World Resources Institute (WRI). For more information on BIER and our water stewardship initiatives, please visit us at: <http://www.bieroundtable.com/water>