# WAVE: ASSESS NORMATIVE DOCUMENT Version 2.0 March 2025



## Background

WAVE: Assess, formerly "WAVE: Water Stewardship Verified 1.2", consists of a continual improvement methodology for organizations seeking to improve their water stewardship performance and public reporting and disclosure. WAVE: Assess provides an accelerated stepwise approach toward improving water stewardship performance by guiding organizations through an enterprise-wide assessment of water uses, impacts and risks.

Organizations that successfully complete WAVE: Assess signal to investors and other key stakeholders that they have instituted a strategic and credible approach to water-related risk mitigation across the enterprise that responds to the materiality of water in their value chain. Further, they publicly signal to key stakeholders, including customers, ESG (environmental, social and governance) investors and analysts of their commitment to engaging with The Water Council on addressing shared challenges and opportunities through actions informed by globally recognized best practices.

WAVE: Assess and its subsequent actions and outcomes will be endorsed and resourced by the relevant organizational leadership. The action plan's five steps to conformity will guide decision-makers in credibly planning, achieving and communicating their enterprise-wide goals and intended actions on water stewardship and prepare the organization for site-level implementation of the most pressing improvements across the enterprise and/or water stewardship projects at its highest-risk sites.

WAVE: Assess' outcomes help customers, investors and ratings agencies make "apples-to-apples" comparisons on organizational water stewardship performance and provide key ESG stakeholders with sufficient, credible water-related data and information upon which performance claims can be weighed.

#### **Stakeholder Consultation**

The Water Council (TWC) conducted 18 months of stakeholder engagement and consultation leading up to the development of WAVE: Assess. Over 60 stakeholders were consulted representing the private sector, nonprofits and other key groups with an interest in water stewardship as well as ESG and sustainability-related investing and reporting. The stakeholder consultation included TWC acceptance into the National Science Foundation Innovation Corps program to refine the value proposition and identify and segment potential customers. Additionally, TWC piloted a beta version of WAVE: Assess in 2021 with four volunteer companies: A. O. Smith Corporation, Badger Meter, Nutrien and Watts Water Technologies. Three of the beta testers have achieved independent verification to the program. Two of their case studies – Watts Water and Nutrien – are available on the program website. WAVE: Assess is informed by real-world experience using the program as well as feedback from additional WAVE participants and other stakeholders received since program launch in February 2022.

#### **Continual Improvement**

Good water stewardship is achieved through a process of continual improvement. Included in the cost of participation is ongoing engagement with The Water Council for two years following the completion of WAVE: Assess and for the term of the verification period. This includes scheduled check-in meetings with the TWC team and other direct support as needed and mutually agreed.

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## Water Champion Membership

Included in your fee for WAVE: Assess participation is a one-year Water Champion membership with The Water Council. Through your membership, your organization will contribute to The Water Council's mission of solving critical water challenges by driving innovation in freshwater technology and advancing water stewardship. Wave participants are expected to continue their Water Champion membership on an annual basis after the initial one-year membership expires and through the independent verification period (assuming conformity to WAVE: Assess is achieved).

#### **Innovation & Technology Consultation**

At the completion of the WAVE: Assess implementation process, either before or after independent verification is sought, each participating organization will have the opportunity to discuss water innovations and technology solutions that may be pertinent to their operational and risk profile. Step 4 of WAVE: Assess requires participating organizations to develop a prioritized list of sites and/or actions that are responsive to the overall water-related risk profile for the enterprise. WAVE: Assess organizations will have up to two hours of free consultative input from The Water Council's vice president of economic development and innovation as well as the chief technology advisor to discuss water innovations and technology solutions that are available to mitigate priority risks. Additionally, this consultation includes an overview of the water technology ecosystem and opportunities to connect with solution providers and programs in this space. This is a no-obligation consultation meant to help companies map out practical actions to improve their water stewardship performance and expand their water network.

#### **Independent Verification**

Upon successful completion of all WAVE: Assess steps, participants are required to seek independent verification from SCS Global Services, an international leader in third-party certification, validation and verification. SCS programs span a cross-section of industries, recognizing achievements in natural resource management, green building, product manufacturing, food and agriculture, supply chains, climate mitigation and more. Third-party independent verification is subject to a separate fee to be negotiated between the organization seeking verification and SCS Global Services.



#### **Verification Period**

Upon successful verification, participants will be able to utilize the WAVE: Assess seal and claim on official organizational materials subject to guidance provided by SCS Global Services for an initial period of two years. At the mid-point of the verification period, organizations are required to participate in a Surveillance procedure consisting of an informational interview with TWC and SCS Global Services reviewing progress on addressing risks and any follow-up actions resulting from WAVE: Assess. At the end of the verification period, WAVE participants agree to take a confidential survey of water-related impacts, outcomes and other improvements resulting from the program. At the end of the two-year verification period, organizations may seek reverification twice. At that point, WAVE: Assess participants will be encouraged to move into WAVE: Action where organizations implement actions and set targets that address highest priorities, risks and opportunities.

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## **Reference Documents**

Organizations that commit to WAVE: Assess and sign a non-disclosure agreement will receive a comprehensive package of documents to lead them through the entire process. This document outlining the five steps and indicators is considered the "Normative Document." Participants will also receive the WAVE: Assess Implementation Guide. SCS Global Services will provide the verification package that includes the Conformity Matrix with relevant indicators and metrics that tracks implementation and prepares organizations for independent verification. SCS Global Services will verify against WAVE: Assess' five steps and utilize each implementer's Conformity Matrix as part of the overall verification process.

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The five elements of conformity to improve water stewardship performance and guide development of an enterprise-wide water stewardship program are:



1. Perform an enterprise-wide review of current practices that impact how water is procured, used and discharged from direct operations and/or used in the value chain.

Indicator: Report listing an inventory of current practices



2. Perform a watershed risk assessment of key sites under direct operational control and/or sites from which key inputs are sourced or services delivered.

Indicator: Report listing risk status across direct operations and/or regions from which key inputs are sourced or services delivered



3. Prioritize sites where water-related risks are highest and can be mitigated through direct application of water stewardship practices and/or prioritize actions in the value chain.

Indicator: Ranked listing of sites where water stewardship practices would be implemented, with methodology and justification for ranking defined; and, as warranted, a similar listing for actions to occur within the value chain



4. Secure Senior Level (e.g., CEO, CSO, Sustainability Committee) approval of an enterprisewide statement (policy or commitment) on water stewardship.

Indicator: Organizational water stewardship statement posted on relevant website and/or listed in relevant organizational documents (e.g., annual sustainability report)



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5. Communicate enterprise-wide action plan, resulting goal(s) and timeline for implementing water stewardship projects and/or practices at high-risk sites or within the value chain.

Indicator: Press release, social media post and/or communications plan outlining water stewardship achievements, results and next steps

#### **List of Abbreviations**

CEO – Chief Executive Office ESG – Environmental, Social and Governance SCS – Scientific Certification Systems TWC – The Water Council WAVE – Water Stewardship Verified

#### **About The Water Council**

The Water Council (TWC) is a nonprofit global hub dedicated to solving critical water challenges by driving innovation in freshwater technology and advancing water stewardship. Built on more than a century of water innovation, TWC has coalesced one of the most concentrated and mature water technology clusters in the world from its headquarters at the Global Water Center in Milwaukee, Wis., USA. Recognizing the need for smarter and more sustainable use of water worldwide, TWC also promotes water stewardship as a natural complement to water innovation in the effort to preserve freshwater resources in the Midwest and around the world. Today, The Water Council has established itself as a global leader in the water industry and one of America's premier economic development clusters as recognized by government agencies, <u>Brookings</u> and the <u>Harvard Business School</u>.

#### **About SCS Global Services**

SCS Global Services (SCS) has been providing global leadership in third-party quality, environmental and sustainability verification, certification, auditing, testing, and standards development for more than three decades. Its programs span a cross-section of industries, recognizing achievements in green building, product manufacturing, food and agriculture, forestry, power generation, retail, and more. SCS is accredited to provide services under a wide range of nationally and internationally recognized certification programs. Consistent with its mission, SCS is a chartered benefit corporation, reflecting its commitment to socially and environmentally responsible business practices.

