



SCALING UP WATER STEWARDSHIP

WWF'S REFRESHED WATER STEWARDSHIP VISION

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FOREWORD



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**REFLECTING ON PAST ACTIVITY,
CURRENT TRENDS, AND FUTURE DIRECTION
IS SOMETHING THAT WE ALL DO FROM
TIME TO TIME.**

Over the past two decades, WWF has continued to drive forward its efforts to engage businesses in transforming not only how they use water, are affected by water, but also their very role in freshwater ecosystems. As we approach some fifteen years into our journey of water stewardship at WWF, it was not only time to engage in another five-year review, but also to clearly outline to companies and peers where we are heading.

This document reflects an effort to refresh our thinking – to face up to the facts that we need to do better – as an organisation, but also as a community. We need to act with speed, at scale and deliver tangible impact – and there is simply not enough of us to make that happen. We need to grow this community (plus connect with other communities working on other topics) and work less as individuals or even as a “herd” or “pack” and more as an ecosystem.

As we look to the years ahead, WWF is eager to continue to forge a pathway for ourselves, our peers, and our partners to deliver what nature needs by radically scaling investments in basins. Freshwater ecosystems, which form the basis for all life on our planet, demand no less.

Enjoy our refresh – and join us in getting stuck in.



EXECUTIVE SUMMARY

IN THIS REPORT, WWF REFLECTS ON THE PROGRESS MADE IN WATER STEWARDSHIP OVER THE PAST DECADE, CONSIDERING BOTH INTERNAL WWF ACHIEVEMENTS, THE CURRENT GLOBAL WATER STEWARDSHIP LANDSCAPE, AND FUTURE TRENDS.

WWF has been assessing data and trends, listening to the water stewardship community, and tracking trends in other environmental challenges connected to water to ensure it is leveraging its strengths and capacity to scale greater impacts. The report sets out a refreshed pathway and vision for the role WWF could play within the wider stewardship community, providing a clear pathway for WWF's future contributions to solving water challenges, while contributing towards WWF's broader mission.

WWF has been engaged in corporate water issues for over 20 years and in water stewardship for 15 years. Over the years, WWF has adapted its capacity and focus to account for a changing global water landscape. The organisation's journey can be encapsulated in five unique phases all with a continual focus on delivering outcomes and impacts within river basins by scaling water stewardship efforts.

The world is currently experiencing significant change and uncertainty, with growing political polarisation, a hyper focus on climate change that often disregards the global water and biodiversity crises, economic inequality, social conflicts, and technological advancements. To navigate this context and deliver impactful outcomes, WWF believes that solutions aimed at addressing these challenges must embrace a system approach, enhance all forms of value, leverage emerging technologies, stimulate transformational change, and include

all relevant stakeholders. In terms of corporate water stewardship, WWF has identified increasing climate change impacts, mainstreaming water financing, confusion over expanding corporate commitments, growing collective actions, and post-pandemic hybrid event models as key trends that will shape future action. WWF will focus on scale and delivering tangible impacts for nature, rivers, communities and businesses.

In this report, WWF is proposing a new vision for its corporate water stewardship efforts that will be used to guide WWF offices and encourage greater coherence in its work. The refreshed WWF water stewardship vision aims to measurably improve river basin status by collaborating with the private sector, implementing boardroom strategies, and scaling investments to achieve positive impacts for communities and ecosystems. This refreshed Water Stewardship strategy has three pillars.

THE THREE PILLARS

REACTIVE TO PROACTIVE:

WWF's Water Stewardship network aims to become more proactive in its water stewardship efforts by initiating partnerships with key sectors and companies that have a disproportionate impact and influence on water.

BILATERAL TO MULTILATERAL:

WWF's Water Stewardship network aims to prioritize and champion the establishment of multilateral collective actions within and across river basins, starting with an intentional internal focus to transition partnerships from being bilateral to ones that are more multilateral in nature

SILOED TO NETWORKED:

WWF's Water Stewardship network aims to enhance internal collaborations across issue areas and support partners to develop and adopt more systems-inspired corporate strategies to deliver greater impacts for nature.

CONTENTS

FOREWORD	2
EXECUTIVE SUMMARY	4
INTRODUCTION	5
OUR JOURNEY	8
CURRENT GLOBAL CONTEXT	14
WWF'S WATER STEWARDSHIP REFRESH	16
CONCLUSION	24

INTRODUCTION

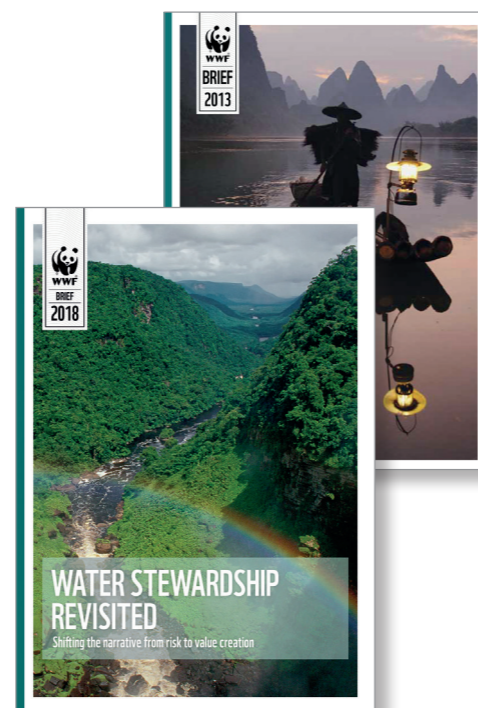
THE CASE FOR A STRATEGY REFRESH

It has now been a decade since WWF published its 2013 report titled **Water Stewardship: Perspectives on business risk and responses to water challenges**, which detailed a series of actions and activities that the WWF Water Stewardship community would be focused on. It has also been over two decades since WWF began working on water with corporate actors and 15 years since its water stewardship activities began in earnest. As we have done previously, we are using this report to reflect on the progress that WWF, and the water stewardship community, has made over the last 10 years, and consider the current landscape and our future direction.

From a broader perspective, we are at the midpoint between the setting of the SDG6 agenda (2015) and its delivery deadline (2030), which represents a good point for reflection. Furthermore, many corporate water stewards are in the process of either setting, or refining, their 2030 ambitions, and on the back of the UN Water Conference, there are renewed calls to scale up impact and action on water.

Internally, over the past two years, WWF has been working to assess and analyse global (and local) water data and trends, and listening to the broader water stewardship community on the current state of play within our global community. This process of reflection was designed to ensure that WWF is best leveraging its strengths and capacity and focusing these to scale greater impacts. Where we have limitations, WWF has sought to understand these and look for partners who can complement our strengths and capacity rather than stretch ourselves.

Unlike **Water Stewardship Revisited: Shifting the narrative from risk to value creation** (2018), which was a bit more reflective on water stewardship as a whole, this document is more focused on WWF's pathway and role within the global stewardship community (i.e., a refresh of our vision and strategy). Our intent is to provide the community with a very clear understanding of where WWF is headed as we move into this next phase of our shared journey towards SDG6 and WWF's broader mission.



OUR JOURNEY



Figure 1: The 5 phases of WWF's water stewardship journey

WWF has been actively engaged in corporate water issues for over 20 years, and in water stewardship specifically for the past 15 years. Over this period, WWF has continuously built and adapted its capacity and focus to support both the development of water stewardship practices and to account for a changing global water landscape. Our own pathway

(Figure 1) highlights in five-year intervals a series of distinct phases. While each of the phases of our water stewardship journey has had a general “theme”, across all of these we have remained continually focused on delivering outcomes and impacts within river basins through scaling water stewardship efforts.

PHASE 1 (2003 TO 2007)

Origins and corporate engagement on water

While WWF's work with companies ultimately dates to its founding, starting around 2003, WWF began to scale up efforts to engage corporate actors, most notably on commodities through commodity standards. Our work on Thirsty Crops under the Living Waters Programme, which sought to change policies and practices in business and agriculture in addition to restoring wetlands and conserving rivers ecosystems, was the basis for our engagement in the landscape of water stewardship. In these early years, some of our core partnerships, such as that with The Coca-Cola Company and IKEA, were established. These partnerships



built on experience gained in offices, such as the Mondi-WWF South Africa wetlands programme, and began to explore how companies could play a role in conservation, not only

through their commodity sourcing and the application of standards, but also through wetland conservation (e.g., Replenish).



PHASE 2

(2008 TO 2013)

Conceptual foundations

In response to a growing interest from businesses in addressing water-related issues such as governance, scarcity and pollution that affected their operations, WWF formally initiated its Water Stewardship Programme in 2008. The early concepts of deploying water stewardship began to emerge as a progression beyond water management practices (aimed at improving water use and reduction of water impacts within operations) to include a wider perspective of water challenges and a commitment to collaborate with other stakeholders to solve basin-scale challenges. These early roots of water stewardship emphasised that good water stewardship requires a company to have a sound understanding of water and its surrounding political-economic and environmental context in order to create meaningful water strategies. This early stage continued to build out thinking established in Phase 1, with a focus on commodity water footprinting during the early years of Phase 2. WWF supported this work by co-founding the Water Footprint Network, but also began to explore the concept at various levels (e.g., water footprinting across corporate supply chains and at national scales to frame the idea of imported water risk). WWF was also a founding member of CDP Water and contributed a lot of thought leadership into the CEO Water Mandate, UNEP FI and ICMM.

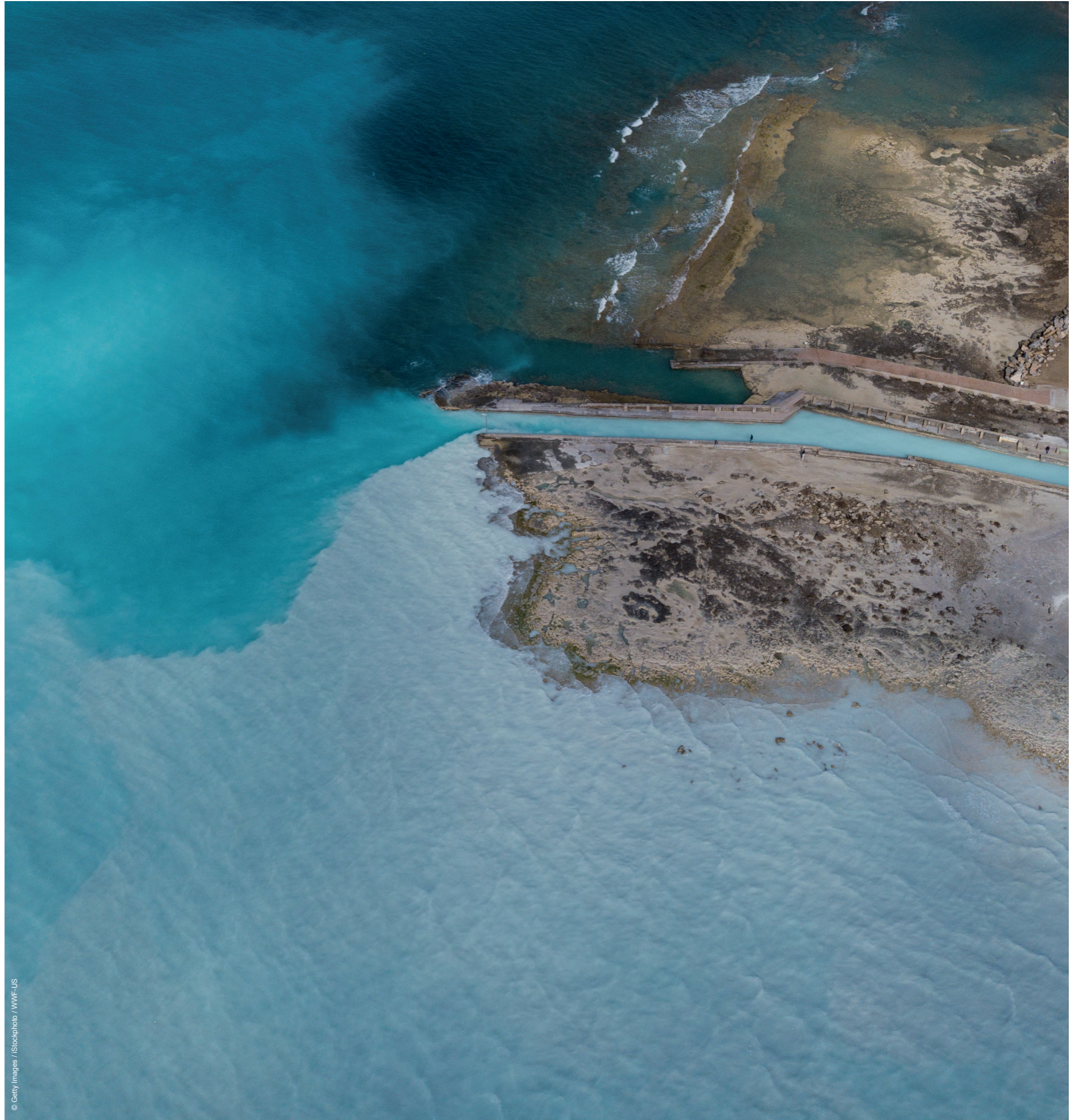
Building on engagements in standard systems, the Alliance for Water Stewardship (AWS) was also founded during this period, with a mission to promote responsible water stewardship. WWF was instrumental in supporting the founding of AWS but also worked alongside nine other leading water organisations (including CDP, The Nature Conservancy and the CEO Water Mandate). At the heart of AWS was the newly formed global water stewardship

standard, which began to outline the expectations of what good water stewardship looked like at a site level and which is now regarded as the global gold standard for water stewardship within sites.

This period also saw WWF publish the first public iteration of its Water Stewardship Ladder¹. This ladder aimed to illustrate a “journey” in which companies could use as a framework to build capabilities to minimise their water-related impacts on the environment, engage and collaborate with others, and participate in strengthening basin governance. The purpose of the ladder was to provide a framework on which a more directed and strategic, as opposed to ad hoc, approach to water could be established within a company.

Lastly, but perhaps most significantly, this period saw the build out and articulation of the concept of water risk - not only an emerging corporate environmental risk but also approaches and frameworks that could be deployed to categorise and understand water-related risks. This phase saw the concept of water stewardship beginning to broaden the horizontal focus on water beyond operational sites and into basins, which was an idea that was complemented by tools related to water risk and water footprinting and which helped to encourage thinking beyond directly owned operations (or country boundaries) and deeper into the value chain (and in remote, often water stressed, locations).

1. UNEP Finance Initiative (2012). Chief Liquidity Series. Issue 3: Extractive Sector



PHASE 3

(2013 TO 2018)

Awareness & Risk

By 2013, water was widely recognized as one of the key societal, environmental and sustainability challenges of the 21st century². There was also an emerging consensus that these large, shared water challenges were too large and complex to be solved by greater individual efficiency actions, or singular state actors, and would instead require more holistic and collective responses.

A growing array of companies were recognizing these issues and we saw a general growth of awareness and a significant rise in the number of companies embracing the concept of water risk. For example, by 2012, a greater proportion of companies (53%) reporting to CDP were reporting that they were actively experiencing detrimental water-related impacts with 68% of these disclosing companies saying that water represents a substantial risk to their future business operations³. The foundations and frameworks for understanding water-related risks had been largely built (in Phase 2), and so the focus shifted to further building out what water-risk means to businesses and developing approaches for assessing and monitoring these risks. These were made more accessible through the launch of a few water risk assessment tools, including WWF's Water Risk Filter (in partnership with DEG, the German development finance institution).

It was in this phase that WWF published a report titled **Water Stewardship: Perspectives on business risk and responses to water challenges** (2013), which aimed to tie together the related work it had been engaged in since 2008 linked to water stewardship and also outline its key focus areas for the coming years⁴. This report expanded the concept of WWF's Water Stewardship Ladder and began to provide more explanation as to what each step could practically look like for a company. The report also highlighted several emerging debates which, in WWF's opinion, would shape the direction

of water stewardship. These included navigating the interconnectedness of water with other challenges (i.e., the water nexus), the growing gap between the adoption of water stewardship in some sectors and the lack of adoption within other sectors, the ultimate response of companies to extreme water-related risks (would we see flight from risky areas or would this stimulate action), and finally reconciling the boundaries of action and responsibility between companies and governments.

In response to these debates and emerging trends in water globally, WWF set out a series of actions that it would be pursuing to continue to support the evolution of water stewardship, its application to business operations, and the creation of healthier and more sustainable river basins. These actions fell under three broad themes:

Collaboration – from the identification of companies in basins to working with peers and key sectoral groups;

Implementation – expanding risk assessment approaches, supporting the building of the business case for stewardship using the value at risk for business, approaches for validating impacts and sharing best practices; and

Scaling action – through strategic partnerships and the mobilisation of finance at scale.

Alongside these areas of action for WWF, the report also called for a greater need to link and embed water stewardship into business strategy and raised concerns about companies pursuing neutrality and offsetting initiatives, arguing that the claims being linked to these were likely to distract from more strategic and meaningful responses. This was already signaling much of the pathway that was embraced in Phases 3 and 4.

PHASE 4

(2018 TO 2022)

Context & Value

Between 2013 and 2018, WWF published, either directly or in collaboration with others, over 28 reports and studies related to different aspects of water stewardship. In 2018, WWF published *Water Stewardship Revisited: Shifting the narrative from risk to value creation*, which outlined the evolution of water stewardship since 2013 and set out WWF's focus areas for the coming years⁵.

The report highlighted that, since 2013, the uptake of water stewardship by companies had mainly been driven by water as an economic risk, value and purpose. Notably, it was during this period that the noise on the carbon/climate front reached a much higher level, with a greater recognition of the role of water within the concepts of adaptation and resilience. This period saw significant progress in the adoption of water stewardship by both small and medium sized enterprises (SMEs), and large multinationals, along with the embedding of water stewardship into standards (e.g., AWS had become operational and seen growth in membership and certified sites), growing levels of water disclosure (especially numbers of respondents to CDP) and improvements in collaborations (e.g., ongoing growth of platforms like the CEO Water Mandate, as well as strong engagement in on-ground programmes like those of WWF in India, Vietnam and Pakistan). However, there were still areas that needed to be strengthened, including the need to match risk mitigation efforts to basin needs, harness the opportunities to mobilise climate resilience funds, use basin context to inform responses, harness the use of technology for basin monitoring, broaden the narrative to engage more stakeholders, and bridge the collective action chasm.

In response to these issues and the emerging trends, the 2018 WWF report proposed that there was a need to “scale up through a new narrative” that was optimistic and growth orientated, inspired

belief that water challenges could be addressed, and was ,like water, adaptive, context rich and determined. To do this, water stewardship leaders would need to work to build new capacity on stewardship, mobilise new forms of finance, better align collective action efforts, improve contextual performance, and work to facilitate and support links between formal and informal water governance structures.

Lastly, the report also provided an update on the progress WWF had made against the 10 action areas identified within the 2013 report and what additional actions would be taken moving forward.

PHASE 5

(2023 ONWARDS)

Scaling & Outcomes through water stewardship

This brings us to today and the question of where to next for WWF's water stewardship work. Presently, WWF is a recognised leader of water stewardship with a global network of more than 120 staff, who operate across 37 countries. Yet the landscape has become more crowded with many more consultancies entering the game and many NGOs having overlapping mandates. Combined with more companies engaging with the concept of water stewardship at an even more sophisticated level, and a significant and rising interest in financing freshwater projects, this means that

WWF needs to be very clear about the role it sees itself playing in advancing the global water stewardship agenda.

At the outset of this next phase, we are faced with the fact that – despite the massive success of engaging many of the world's largest companies in stewardship and a growing ability to mobilize capital – we have lost even more freshwater biodiversity over the past 20 years, contributing to an 83% collapse in freshwater species populations since 1970⁶. We are winning the battles, but losing the war. We must urgently scale positive impacts and deliver outcomes in a much more coherent fashion. For

WWF, this means establishing a common vision for water stewardship for our network and build out more strategic and enhanced capacity in key basins and regions. WWF represents one of the largest groups working on water stewardship and is well positioned to play a key role in securing the shared outcomes we are all seeking. Yet to capitalise on these opportunities, WWF will need to broaden its engagement and participation in water stewardship by mobilizing more of our network's offices and accelerating the impact of our corporate partnerships at a much bigger scale. WWF will need to have a clear and defined set of asks of corporate partners, and a clear set of roles and associated services that it offers to work as part of a water stewardship ecosystem. This report serves to outline WWF's updated vision for its water stewardship work and how it aims to put this vision into practice.



Charlotta Jänmark / WWF-Sweden

2. WEF (2012). *Global Risks – Seventh Edition*. An Initiative of the Risk Response Network. WEF, Geneva.
3. CDP-Water (2012). *Collective responses to rising water challenges*. CDP, London.
4. WWF (2013). *Water Stewardship. Perspectives on business risk and responses to water challenges*.
5. WWF (2018). *Water Stewardship Revisited: Shifting the Narrative from risk to value creation*.
6. WWF (2022). *Living Planet Report: Building a Nature-positive society*

CURRENT GLOBAL CONTEXT

STEPPING BACK, WE ARE COLLECTIVELY LIVING IN A PERIOD OF SIGNIFICANT CHANGE AND UNCERTAINTY. AS OF MID-2023, GLOBALLY, WE ARE WITNESSING A GROWING POLARISATION WITHIN POLITICS, WHICH IS CONTRIBUTING TO THE STALLING AND SLOWING OF REFORMS OF GOVERNANCE POLICIES - INCLUDING THOSE LINKED TO WATER CHALLENGES.

The hyper focus on climate change as an issue has intensified a narrow adoption of policies that favour more water intensive energy sources (e.g., hydropower), placing further strain on freshwater ecosystems. Economically, we are seeing a widening of wealth inequality, rising inflation and interest rates and decreases in government spending.

At the same time, there is a growing interest in impact financing from different stakeholders and for companies this is evident in the increasing issuance of corporate and green bonds. Linked to this, there is also a growing willingness to engage and participate in blended financing solutions. Socially, there are growing instances of social conflicts over access to resources, a sharper focus on enhancing diversity, equity and inclusion and recognition of indigenous peoples' roles and knowledge. Along side this, the expansion of corporate "green messaging" is contributing to consumer confusion. Technological improvements are enhancing resource use efficiency and unlocking new opportunities for more global collaboration. Big data, AI and cloud computing is also helping

to speed up the accessibility and availability of more real-time water data.

All the above are happening simultaneously with greater global climate instability and ongoing loss of biodiversity. There is also a rising interest in the role of Nature Based Solutions (NbS) and a recognition of the value of nature - more specifically for water this is the recognition of the value of healthy rivers, wetlands, floodplains and deltas. At the same time, we are also seeing water stewardship being integrated into various standards, reporting and disclosure requirements, guidelines and regulatory frameworks across sectors.

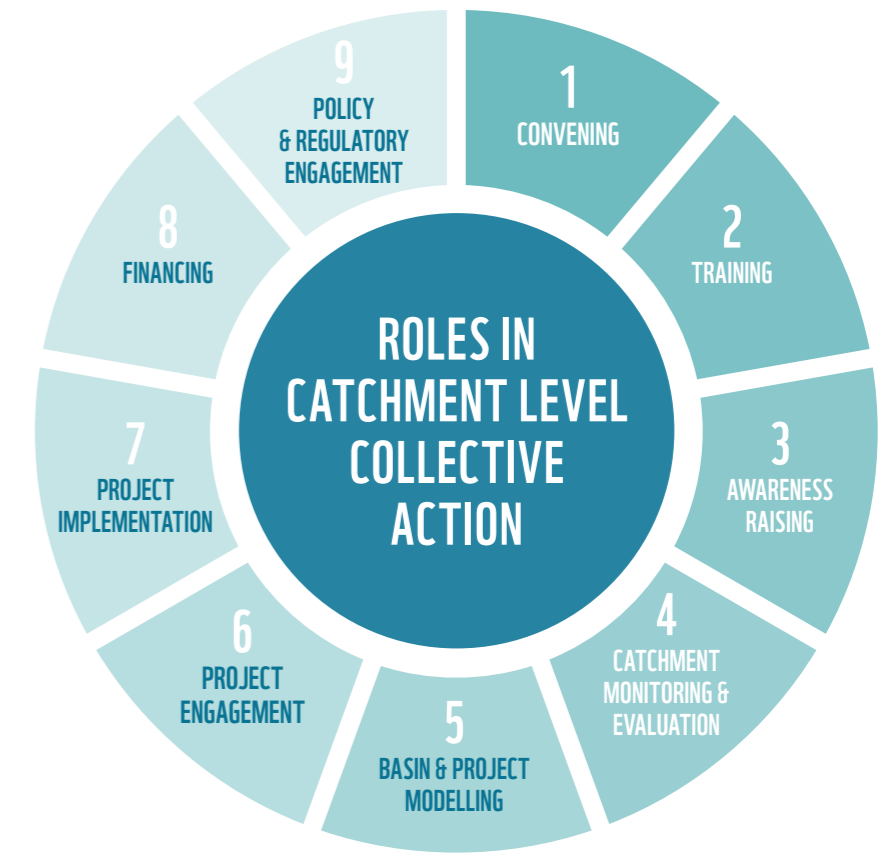
In combination, all of these issues may feel overwhelming. However, WWF believes that we can successfully navigate this context and deliver impactful outcomes by focusing on solutions that (1) embrace a systems thinking approach and balance trade-offs across challenges, (2) enhance all forms of value (social, economic and environmental), (3) leverage emerging technologies, and (4) stimulate and create transformational change rather than incremental change.

More specifically for water, we believe that the growing trends linked to corporate action on water that will likely shape the next period of corporate water stewardship action include:

- **Increasing impacts of climate change and interest in the role of NbS in mitigating these;**
- **Water financing becoming more mainstream (i.e., corporate, and green bonds);**
- **Fatigue linked to an expanding landscape of corporate water commitments and targets;**
- **Growing readiness and willingness to start engaging more in collective actions; and**
- **Maintaining and building trust within water stewardship community while navigating post-pandemic hybrid event models.**

There are currently many organisations that work on corporate water stewardship issues. While each of these organisations is unique, each plays its role(s) within the water stewardship community and any given actor can play

Figure 2: Different roles in catchment-level collective action. Reproduced from unpublished upcoming report Unpacking collective action in water stewardship



one or more roles. Some of these roles include (not all these roles are always mutually exclusive):

1. CONVENING
2. TRAINING AND INSTITUTIONAL CAPACITY-BUILDING
3. STAKEHOLDER AWARENESS RAISING
4. CATCHMENT MONITORING & EVALUATION
5. BASIN AND PROJECT MODELING
6. ENGAGEMENT
7. IMPLEMENTATION
8. FINANCING
9. POLICY AND REGULATORY ENGAGEMENT

Of the more prominent organisations, many share similar core roles – namely *Corporate Sustainability Strategy Influencing, Sectoral/Global Collective Action Mobilisation and Thought Leadership and Knowledge Broker*. A smaller sub-set of these also share an overlap with the roles of *Support for Implementation at a local level/Basin convener and Innovator/tool maker*. What is evident from this is that while there is capacity for multiple NGOs and organisations to occupy similar water

stewardship roles, there is a need to have clear narratives about the value and niche that each organisation, WWF included, brings to the table.

Taking into consideration both the progress made by WWF around water stewardship and the current and future global landscapes, there are two cornerstones to how WWF is planning to refresh its approach to corporate water stewardship work:

Scale – Scale in all forms needs to be at the centre of our actions, whether

this is scaling our collaborations with others, influencing the scale of financing for basin-level action or scaling the pace at which water stewardship is adopted and embedded into strategy; and

Impacts – Deliver tangible impacts for nature, businesses, ecosystems and communities, which are more directly connected to wider initiatives/frameworks or local policies

WWF'S WATER STEWARDSHIP REFRESH

A NEW VISION FOR WATER STEWARDSHIP AT WWF

To help focus WWF's future corporate water stewardship efforts, WWF has developed a refreshed vision for the organization's work. This vision is intended to guide WWF's offices and encourage greater coherence in our work. It will act as a lighthouse, which WWF offices can use to navigate the water stewardship seas and not as a replacement for the boats and crews (our offices and staff). The refreshed vision is:

MEASURABLY IMPROVE RIVER BASIN STATUS BY RADICALLY SCALING UP PRIVATE SECTOR COLLABORATION, BOARDROOM STRATEGY AND INVESTMENTS

At the heart of the vision is the statement to "improve river basin status" - but what do we consider to be river basin status? Here we turn to WWF's broader Freshwater Practice and its goals, namely:

1. By 2030, 30% of wetlands have been effectively protected and there is no net loss of free-flowing rivers;

2. By 2030, stabilise or increase populations of key freshwater species; and
3. By 2030, the use of freshwater ecosystem services for food and fibre production is sustainable and science-based.

Additionally, the question of "which basin" is also important. First and foremost, WWF is focused on its priority basins. However, we are committed to engaging with others in the global water stewardship community to enable them to also measurably improve basin

status in the places they are working. To begin to prioritise the basins that WWF will primarily be focused on, WWF considered the current geographic distribution of our water stewardship capacity as well as the geographic distribution of WWF's internal Freshwater Initiatives (Figure 3 below). The Freshwater Practice primarily uses its Initiatives as the delivering mechanism for the above goals.

This exercise has allowed WWF to prioritise the key river basins that are connected to these seven initiatives and where more than one initiative is active.

These basins are the:

- DANUBE
- INDUS
- IRRAWADDY
- MEKONG
- LUANGWA
- EASTERN HIMALAYAS
- AMAZON
- YANGTZE
- GANGES (BRAHMAPUTRA)
- DNIESTER

A further 24 basins were also identified as secondary basins of interest for WWF with respect to water stewardship through this process. These lists begin to provide WWF with the priority basins, where it aims to scale up corporate activity - whether this is by mobilising its corporate partners (and those of other partner NGOs) who have suppliers within these basins or by more proactively mobilising local companies or sectors. This analysis is also helping WWF to assess where additional water stewardship capacity is required

internally - and these areas will be the focus of further capacity building activities and training.

It is important to note that all of WWF's efforts on water stewardship are ultimately, and primarily, in service of the three goals of the Freshwater Practice, with a secondary focus on delivering on SDG6 (which also aligns to those same goals). To deliver these goals, our proposed vision and strategy will be implemented primarily using three pillars and two tactical pathways.

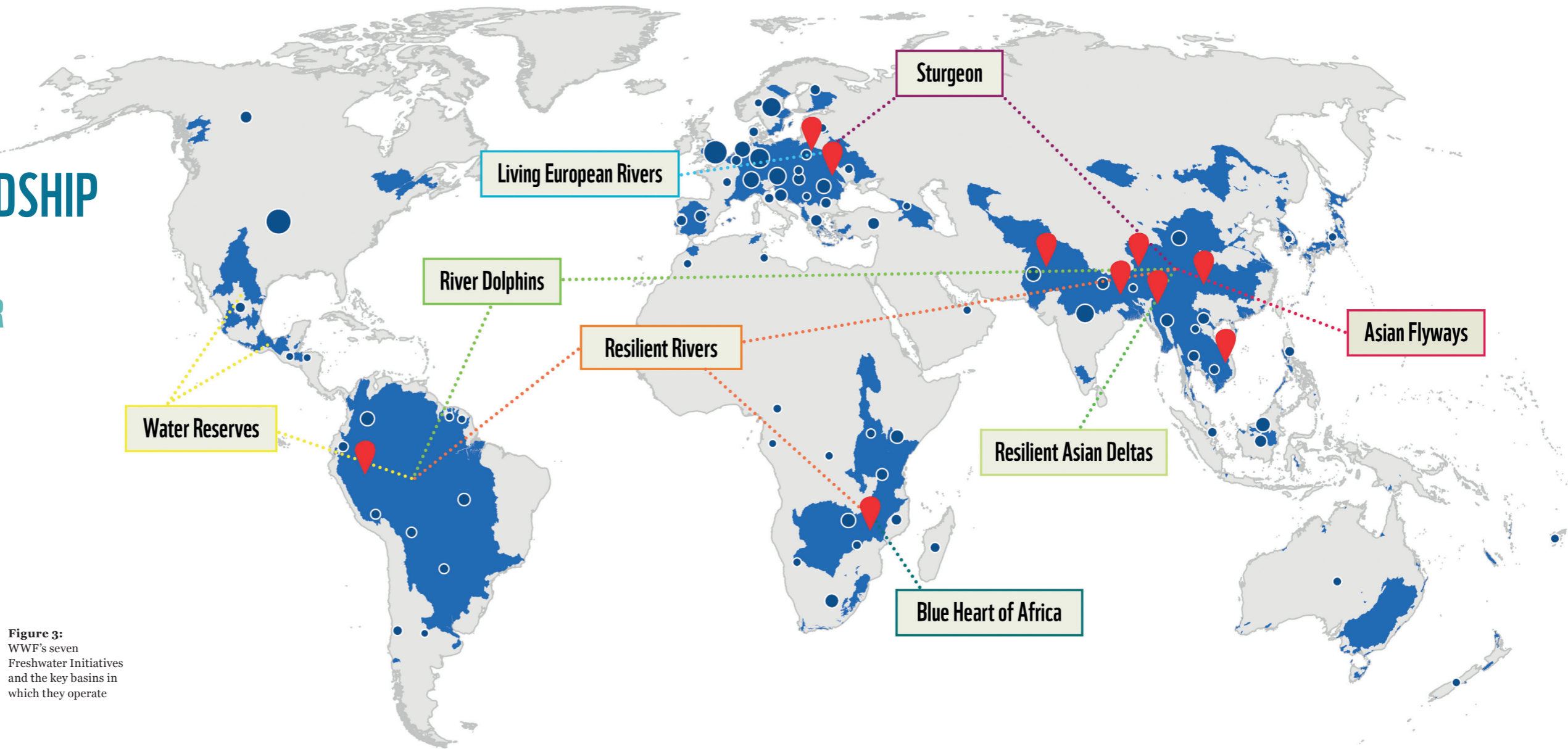
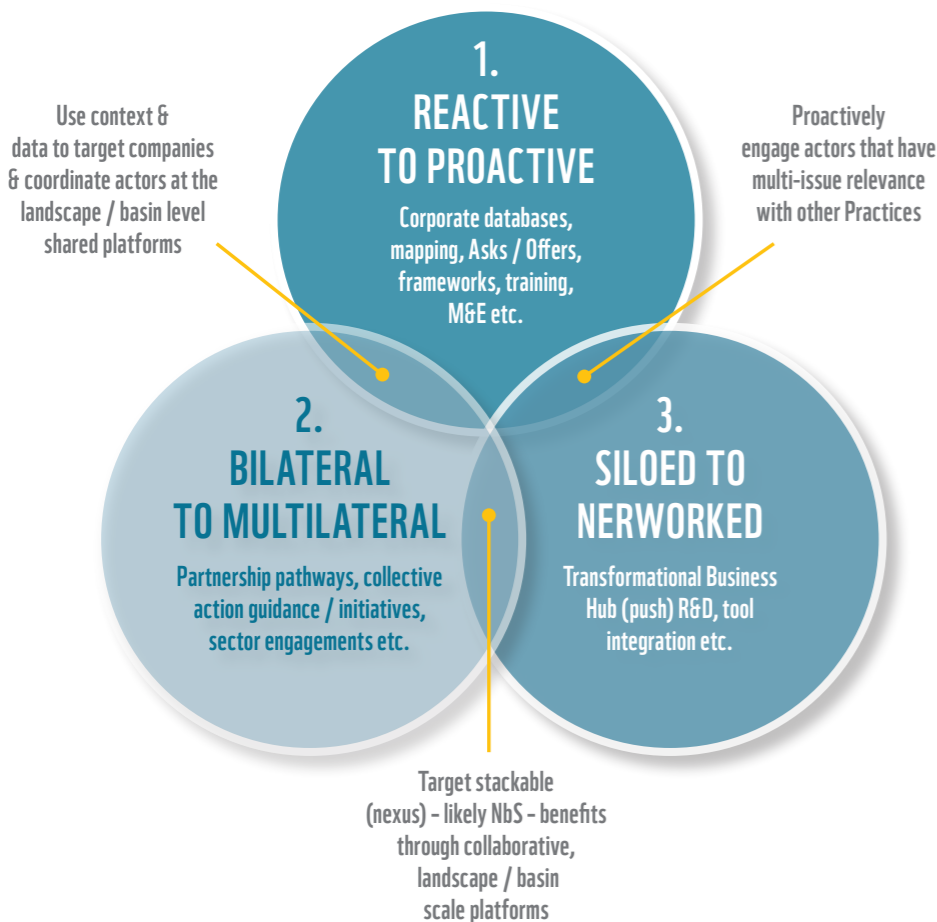


Figure 3: WWF's seven Freshwater Initiatives and the key basins in which they operate

DETAILING THE PILLARS OF THE STRATEGY

The refreshed Water Stewardship Strategy is rooted in three pillars that ground the core shifts that we aim to undertake in this next Phase of work (2023+). These pillars (Figure 4 below) will be used to guide the actions and activities of the community. Each of these pillars is described in a little more detail in the following sections of this document.

Figure 4: The 3 pillars of the WWF Water Stewardship strategy



PILLAR 1

REACTIVE TO PROACTIVE

Reactive to Proactive means that WWF will work to prioritise more strategic and proactive engagements and partnerships with the private sector, both sectorally and with specific companies. WWF has a strong, existing, corporate partnership base working on water stewardship but in many cases these partnerships have been initiated by the companies rather than WWF – meaning WWF has been more reactive when it comes to water stewardship work. While there is little doubt that great work and impact has been delivered through many of these partnerships, there is an enormous opportunity to magnify the scale of the impacts of WWF’s work if the network can be more proactive in its approach to

initiating partnerships with key sectors and companies.

The Reactive to Proactive pillar is designed to help WWF answer the strategic questions:

- *What are the specific water-related challenges that we need to be focused on?*
- *Where will our skills and capacity be most strategically deployed?*
- *Who are the corporate partners or sectoral bodies that we need to be working with to have a greater impact on water?*

Answering these questions will directly enable WWF to scale the impact of its water stewardship work. Rather than waiting for companies who are interested and willing to work with WWF, we will adopt a more structured approach to engaging with those sectors and companies that are having either a disproportionate impact on water or have a significant ability to influence large scale changes in action on water. By doing this, more of WWF’s time and effort will be focused on partnerships that deliver higher impacts for basins, ecosystems and communities and also create more opportunities for WWF to expand its capacity in key regions.

Implementing this pillar will include developing plans for more proactive engagement with the private sector by systematically identifying key sectors and companies within prioritised basins, which have a disproportionate impact on water and proactively approach those potential partners with the emerging network water stewardship Asks and Offers. WWF has already begun

developing a database of corporates using various sources of data. This database is helping WWF analyze and identify specific WWF offices where water stewardship capacity could be enhanced. The data also enables WWF to begin to be more strategic in terms of which corporate partners it wants to target more locally.

While this speaks to how WWF will be more strategic in scaling up its internal water stewardship capacity, another critical component of the refresh will be to identify which corporate sectors WWF prioritises. To answer this, WWF felt that there had been little quantitative analysis done with respect to the prioritisation of sectors and their connection to water. By filling this gap, WWF aimed to identify sectors that had a high *impact* on water through their operations or had a high *influence* on water through their operational activities. To complete this, WWF gathered as much data as it could relating to different aspects of water at a sector level. Wherever possible global scale sources of data were used to help guide the global prioritisation of sectors. However, WWF will also develop alternative pathways to help WWF offices translate this global scale data into a more locally appropriate scale to support more local prioritisation. The data that was collected included water use (direct and indirect), economic contributions to GDP, sustainability leadership, impacts (direct and indirect) and dependencies. This data was analysed, and five sectors were identified as *Primary* sectors for WWF and four sectors were identified as *Secondary* sectors (Figure 5).

PRIMARY

- FOOD & BEVERAGE
- WATER & ELECTRIC UTILITIES
- APPAREL & TEXTILES
- RETAIL
- FINANCIALS (Banks, Insurance & Diversified)

Direct impacts on water

SECONDARY

- METALS & MINING
- CHEMICALS
- PHARMA & BIOTECH
- INFORMATION TECHNOLOGY & ELECTRONICS

Indirect impacts on water

Identifying these sectors will enable WWF to establish different engagement strategies for each of the groupings of sectors. Generally, WWF will be seeking to engage in direct partnerships with individual companies that fall within the *Primary* sectors, while WWF will largely prioritise working with sectoral bodies or groups that represent companies within the *Secondary* group of sectors.

While this prioritisation of sectors will help WWF to prioritise its corporate engagements it is not intended to preclude WWF from engaging with corporates that are linked to other sectors, which are not on this list. Rather, this is intended to help WWF scale the delivery of outcomes for freshwater by being more strategic in working with sectors that are known to either have a larger impact on freshwater or a larger ability to influence changes in the behaviour of others that would lead to positive outcomes for freshwater.

Figure 5: The 9 prioritised sectors that WWF’s Water Stewardship strategy will focus on

PILLAR 2

BILATERAL TO MULTILATERAL

Bilateral to Multilateral means that WWF will continue to focus on prioritising and championing the establishment and delivery of multilateral collective actions – both with WWF’s corporate partners in basins that WWF is focused on also in other basins and with other corporate that WWF does not have partnerships with. WWF has a strong global network of professionals working on water stewardship both at a corporate level and on the ground. One of the biggest assets of WWF is its ability to implement and deliver projects on ground in basins. So, while it is critical to ensure that there is support at a corporate level to help partners establish the case for collective action, there needs to be a clear pathway to enable WWF to shift its role within the partnership over time and help create collective action ready partners over the period of our partnerships.

The Bilateral to Multilateral pillar is designed to help WWF answer two strategic questions:

- *How do we need to be working within a basin to maximise our impacts?*
- *When do we need to be implementing work within basins to maximise our impacts on water?*

These questions will help WWF to align its corporate partnerships with wider pushes to expand corporate collective actions and enable the scaling of finance needed for local basin interventions (via pathways such as pooling of funding). By prioritising and championing the need to work more collectively, WWF can contribute by creating participation mechanisms for engaging in collective action to allow a more diverse set of private sector actors to participate but also create more basin-level projects in which the private sector can participate.

Implementing this pillar will include developing a corporate engagement process for WWF offices as well as internal guidance on how best to transition partnerships from being more bilateral engagements toward more multilateral engagements. WWF will also be working on how best it can support corporate partners in the mobilisation of SMEs, how it can leverage internal sectoral engagements across WWF offices, and the role it plays with respect to convening collective actions.

PILLAR 3

SILOED TO NETWORKED

Siloed to Networked means that WWF will work to capitalise on water-energy-food-nature nexus opportunities while continuing to promote delivering cross-benefits across environmental challenges. As a network, WWF has a history of building globally recognised expertise, capabilities, tools and resources on specific thematic areas. While in some instances there has been collaboration between specific thematic areas (also referred to as Practices within WWF) there is a substantial opportunity to strengthen and grow these internal cross-thematic (Practice) collaborations.

The water-energy-food nexus has been well documented, but water is also intricately connected to many other environmental, social and economic issues and challenges. Similarly, corporate actors tend to address material environmental, social and economic issues in silos – missing the opportunities for delivering cross-benefits or, worse yet, unintentionally impacting other issues through their actions. In summary, there is a need to both enhance internal collaborations across thematic areas and champion the adoption of more systems-inspired

corporate strategies to deliver greater impacts for nature.

The Siloed to Networked pillar is designed to help the WWF Water Stewardship network answer the strategic question:

- *How will we work to scale and enhance not only impacts for water but also leverage cross-benefits for other thematic areas and nature?*

This question will help WWF to enhance its ability to contribute to improving outcomes and positive impacts for communities and ecosystems. By harnessing the capacity and expert knowledge of WWF’s wider network, WWF’s Water Stewardship community will enhance its knowledge and learning, position itself as a leading internal voice on collaboration, and actively support other Practices to achieve their conservation goals and targets.

Implementing this pillar will mean WWF’s water stewardship teams will support and encourage cross-Practice internal collaborations, support shared Practice agendas, and ultimately leverage and embrace the thematic expertise of the WWF network. WWF will also help to further integrate water stewardship principles into tools and resources, develop thought leadership on integrated issues (e.g., NbS, adaptation/resilience and regenerative agriculture), and support internal events and training as well as cross-Practice learning.

THE REFRESHED WATER STEWARDSHIP STRATEGY IS ROOTED IN THREE PILLARS THAT GROUND THE CORE SHIFTS THAT WE AIM TO UNDERTAKE IN THIS NEXT PHASE OF WORK (2023+)



TWO TACTICAL IMPLEMENTATION FRAMEWORKS

While the three pillars outline the conceptual logic of the strategy, the key lies in the successful implementation of these pillars. To enable WWF to achieve this, we have developed two core implementation frameworks: (1) A process framework, which outlines the Corporate Engagement Pathway we will employ to engage in, and deliver, more proactive corporate partnerships; and (2) A Business Transformation Pathway, which will enable WWF to articulate the specific asks and offers that it deploys when working with corporate partners. The details of each of these are outlined below:

(1) CORPORATE ENGAGEMENT PATHWAY

WWF has developed a modular process to guide WWF offices through a process that more effectively connects corporate partnership outcomes with WWF’s conservation goals and targets, while also identifying potential corporate partners that have a greater potential to contribute towards these goals and targets.

The process (shown below in Figure 6) starts by ensuring there is a clear understanding of the conservation targets that need to be delivered before working to identify key corporate actors within a region. The next step is to evaluate the identified corporate actors to establish an initial assessment of partnership “fit” between WWF and the various companies. The evaluation results would then be used to customise a series of sectorally-based Asks and Offers, which would be presented to prospective partners. This would ideally lead to active partnerships, which would be implemented, and the outcomes and impacts measured (which would then contribute to driving progress towards local – and global – conservation targets).

(2) BUSINESS TRANSFORMATION FRAMEWORK

WWF’s Water Stewardship Hub has been working with several teams within the network to create and socialise a Business Transformation Framework (shown below in Figure 6). The framework sets out the foundational steps (Assess, Embed, Implement & Advocate) and levers (Materiality & Traceability etc.) that can support the establishment of leading sustainability practices within a company across different themes (Freshwater, Biodiversity, Climate and Human Rights).

WWF’s Water Stewardship teams will be using the framework to build on and evolve WWF’s original water stewardship ladder by adding a level of granularity to the activities that feed into a corporate’s water stewardship journey. The framework is intended to act as a foundational resource within WWF’s water stewardship work, allowing it to evaluate corporate progress and maturity across different levers as well as catalogue WWF’s water stewardship Asks and Offers in the corporate engagement process described above.

Figure 6: Simplified WWF water stewardship corporate engagement process



Figure 6: Emerging Business Transformation Framework that WWF’s Water Stewardship teams will be adopting

CONCLUSION

WWF is starting the latest phase of its water stewardship journey under the banner of this refreshed vision and will be continuing to work to develop the resources, capabilities and capacity that is needed to deliver against it. We are all entering a period where the need for urgent action to tackle the world's social and environmental challenges is greater than ever. However, WWF believes firmly that water is a major connector between many of these challenges. We collectively face a critical choice – either to continue to pursue incremental improvements to water stewardship practices or to pursue more radical innovation and pathways designed to scale action on water and deliver diverse benefits for people, nature and climate.

**WWF RECOGNISES ITS ROLE
WITHIN THE GLOBAL WATER STEWARDSHIP
COMMUNITY AND IS COMMITTED TO
CONTINUE LEADING BY EXAMPLE THROUGH
THIS NEW VISION AND OUR ACTIONS.
WILL YOU JOIN US?**



**OUR MISSION IS TO
CONSERVE NATURE AND
REDUCE THE MOST PRESSING
THREATS TO THE DIVERSITY
OF LIFE ON EARTH.**



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