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Exposure draft of *GRI 303: Water and Effluents*

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Comments to be received by 9 October 2017

This exposure draft of *GRI 303: Water and Effluents* is published for public comment by the Global Sustainability Standards Board (GSSB), the independent standard-setting body of GRI.

In line with the GSSB's Due Process Protocol, a multi-stakeholder Project Working Group was formed to develop content for the review of *GRI 303*. The explanatory memorandum on the next pages summarizes the objectives of the review of *GRI 303* and the significant proposals contained within this exposure draft.

This draft is published for comment only and may change based on public feedback before its official release.

Any interested party can submit comments on this draft by 9 October 2017 via this online consultation platform. Comments should be submitted in writing, and only comments in English will be considered.

All comments received will be considered a matter of public record. Comments will be made available on the GRI website along with the name of the individual or organization that submitted the comment, the country, and constituency group.

For more information, please visit the GRI Standards website.

Explanatory memorandum

This explanatory memorandum sets out the objectives of the review of *GRI 303: Water and Effluents* (hereafter '*GRI 303*'), the significant proposals and changes contained within the exposure draft of *GRI 303* and a summary of the Global Sustainability Standards Board (GSSB)'s involvement and views on the development of this draft.

Objectives for the review of GRI 303

The primary objective was to review the content of *GRI 303* in order to represent internationally-agreed best practice and to align with recent developments in water management and reporting practice.

Key references for revising the content included international authoritative instruments, such as the UN Resolution A/RES/64/292 (The human right to water and sanitation) as well as Goal 6 of the Sustainable Development Goals, which emphasizes access to clean water and sanitation. In addition, the project aimed to better align the Standard with key concepts in other reporting frameworks and standards such as CDP, SASB, the Alliance for Water Stewardship Standard, and the Corporate Water Disclosure Guidelines from the CEO Water Mandate.

A multi-stakeholder Project Working Group (PWG) was formed to help contribute to the revision of *GRI 303*, as outlined in the GSSB's Due Process Protocol. For more information, consult the project proposal and terms of reference.

Significant proposals and changes in GRI 303

The content of *GRI 303* has been revised in line with the project objectives set out above. Notable changes in this draft Standard are summarized below:

- **Effluents/ discharge content is now incorporated into *GRI 303*,** to provide a full picture of water impacts, from withdrawal to consumption to discharge. The Standard has also therefore been retitled *GRI 303: Water and Effluents*. Previously, disclosures on effluents were part of *GRI 306: Effluents and Waste*. See lines 298-346 and 347-363.
- **Water consumption is now required,** along with withdrawals, as an important indicator to understand an organization's overall water impacts. Guidance is provided on how to calculate water consumption and a definition will be included in the GRI Standards Glossary. See lines 273 and 425-429.
- **There is greater emphasis on water-stressed areas,** to focus on impacts in the most sensitive locations. Water withdrawals by source and total water consumption is now required for water-stressed areas and all areas. See line 244.
- **New specific management approach content related to water/ effluents has been introduced**. These additional requirements are intended to complement the disclosures in *GRI 103: Management Approach***.** They focus on specific elements of an effective management

approach for water and effluents, including how water is managed at a local level and as a shared resource. See lines 170-183.

- **More detail is now required on discharges,** including reporting discharges by level of treatment or quality, substances of concern, and whether minimum treatment levels have been set. See lines 177-178 and 299.
- **A new specific disclosure on water impacts in the supply chain and related to products and services** has been added**,** to give additional opportunity for organizations to report about significant water impacts elsewhere in the value chain. This disclosure is intended to complement the existing requirements in *GRI 103: Management Approach* around identifying where water impacts occur and how these impacts are managed. See lines 364-395.
- **Reporting on water recycled and reused is now recommended**, but not required. Although recycling and re-use can be an important part of managing water, the total impacts are also now covered by reporting on water consumption. See lines 260-261.
- **Less detail is now required on the number of type of sources for withdrawals**, although water withdrawals are still required to be reported by source. Nearly all content from Disclosure 303-2 (Water sources significantly affected by withdrawal of water) in the current Standard has been removed. See line 299.
- **More extensive guidance has been added** throughout, including sample tables for reporting data. See lines 279 and 280.

GSSB's involvement and views on the development of this draft

The GSSB appointed one of its members as a sponsor for the review of *GRI 303*. The GSSB sponsor observed the PWG process and attended most of their meetings.

A rough draft of *GRI 303* was discussed by the GSSB on 29 June 2017, who expressed overall support for the changes in the draft. The draft was later revised based on PWG and GSSB feedback.

The GSSB confirmed its support for the revisions to *GRI 303* when it voted to approve the draft for public exposure at its meeting on 19 July 2017.

Meeting minutes and recording of the meetings can be accessed on the GSSB website here.

1 # **GRI 303**:WATER AND EFFLUENTS 2018

Contents

About this Standard

Responsibility	This Standard is issued by the Global Sustainability Standards Board (GSSB). Any feedback on the GRI Standards can be submitted to standards@globalreporting.org for the consideration of the GSSB.
Scope	*GRI 303: Water and Effluents* sets out reporting requirements on the topic of water and effluents. This Standard can be used by an organization of any size, type, sector or geographic location that wants to report on its impacts related to these topics.
Normative references	This Standard is to be used together with the most recent versions of the following documents. *GRI 101: Foundation* *GRI 103: Management Approach* *GRI Standards Glossary* In the text of this Standard, terms defined in the Glossary are underlined.
Effective date	This Standard is effective for reports or other materials published on or after [to be determined]. Earlier adoption is encouraged.

Note: This document includes hyperlinks to other Standards. In most browsers, using **'ctrl' + click** will open external links in a new browser window. After clicking on a link, use **'alt' + left arrow** to return to the previous view.

Introduction

A. Overview

This Standard is part of the set of GRI Sustainability Reporting Standards (GRI Standards). These Standards are designed to be used by organizations to report about their impacts on the economy, the environment, and society.

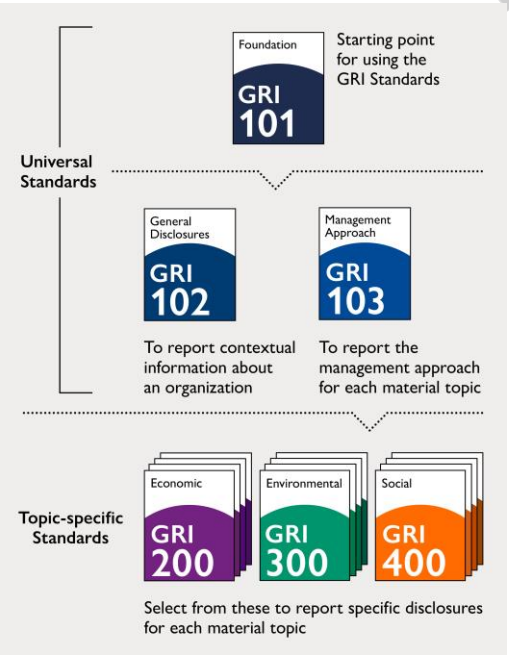
The GRI Standards are structured as a set of interrelated, modular standards. The full set can be downloaded at www.globalreporting.org/standards/.

There are three universal Standards that apply to every organization preparing a sustainability report:

- *GRI 101: Foundation*
- *GRI 102: General Disclosures*
- *GRI 103: Management Approach*

***GRI 101: Foundation* is the starting point for using the GRI Standards. It has essential information on how to use and reference the Standards.**

Figure 1 Overview of the set of GRI Standards



An organization then selects from the set of topic-specific GRI Standards for reporting on its material topics. These Standards are organized into three series: 200 (Economic topics), 300 (Environmental topics) and 400 (Social topics).

Each topic Standard includes disclosures specific to that topic, and is designed to be used together with *GRI 103: Management Approach*, which is used to report the management approach for the topic.

***GRI 303: Water and Effluents* is a topic-specific GRI Standard in the 300 series (Environmental topics).**

B. Using the GRI Standards and making claims

There are two basic approaches for using the GRI Standards. For each way of using the Standards there is a corresponding claim, or statement of use, which an organization is required to include in any published materials.

1. The GRI Standards can be used as a set to prepare a sustainability report that is in accordance with the Standards. There are two options for preparing a report in accordance (Core or Comprehensive), depending on the extent of disclosures included in the report.

   An organization preparing a report in accordance with the GRI Standards uses this Standard, *GRI 303: Water and Effluents*, if this is one of its material topics.

2. Selected GRI Standards, or parts of their content, can also be used to report specific information, without preparing a report in accordance with the Standards. Any published materials that use the GRI Standards in this way are to include a 'GRI-referenced' claim.

See Section 3 of *GRI 101: Foundation* for more information on how to use the GRI Standards, and the specific claims that organizations are required to include in any published materials.

C. Requirements, recommendations and guidance

The GRI Standards include:

Requirements. These are mandatory instructions. In the text, requirements are presented in **bold font** and indicated with the word 'shall'. Requirements are to be read in the context of recommendations and guidance; however, an organization is not required to comply with

recommendations or guidance in order to claim that a report has been prepared in accordance with the Standards.

Recommendations. These are cases where a particular course of action is encouraged, but not required. In the text, the word 'should' indicates a recommendation.

Guidance. These sections include background information, explanations and examples to help organizations better understand the requirements.

An organization is required to comply with all applicable requirements in order to claim that its report has been prepared in accordance with the GRI Standards. See *GRI 101: Foundation* for more information.

D. Background context

In the context of the GRI Standards, the environmental dimension of sustainability concerns an organization's impacts on living and non-living natural systems, including land, air, water and ecosystems.

GRI 303 addresses the topic of water and effluents.

Access to fresh water is essential for human life and wellbeing, and is recognized by the United Nations (UN) as a human right. The set of Sustainable Development Goals, agreed by the UN and international community, includes key targets related to water stewardship under Goal 6 (Ensure access to water and sanitation for all). These targets cover, for example, achieving universal access to safe and affordable drinking water, improving water quality, and addressing water scarcity issues.

The withdrawal and discharge of water can affect the function of ecosystems in numerous ways. Such changes have wider impacts on the quality of life in an area, including economic and social consequences for local communities or indigenous peoples.

The amount of water used by an organization and the quality of its discharges are important factors in understanding an organization's overall water impacts. Impacts on the local water environment depend on a number of contextual factors, such as a basin's ability to absorb pollution, or the other users in a locality.

Since water is a shared resource, and water-related impacts are very localized, organizations increasingly are being encouraged to:

- prioritize action in water-stressed areas;
- understand and respond to local context, including social impacts;
- aim to benefit and respect the needs and priorities of all water users in an area;
- align their approaches with other water users and with effective public policy.

The disclosures in this Standard can provide information about an organization's water-related impacts, and how it manages them.

By focusing on water-stressed areas, and on narrative explanations, they are designed to help organizations to better understand and communicate about their most significant impacts, and how they are managing them.

GRI 303: Water and Effluents

This Standard includes disclosures on the management approach and topic-specific disclosures. These are set out in the Standard as follows:

- Management approach disclosures (this section references *GRI 103*)
- Disclosure 303-1 Water withdrawal and consumption
- Disclosure 303-2 Water discharge
- Disclosure 303-3 Spills and leaks
- Disclosure 303-4 Water impacts in the supply chain and related to products and services

1. Management approach disclosures

Management approach disclosures are a narrative explanation of how an organization manages a material topic, the associated impacts, and stakeholders' reasonable expectations and interests. Any organization that claims its report has been prepared in accordance with the GRI Standards is required to report on its management approach for every material topic, as well as reporting topic-specific disclosures for those topics.

Therefore, this topic-specific Standard is designed to be used together with *GRI 103: Management Approach* in order to provide full disclosure of the organization's impacts. *GRI 103* specifies how to report on the management approach and what information to provide.

Reporting requirements

1.1 The reporting organization shall report its management approach for water and effluents using *GRI 103: Management Approach*.

1.2 The reporting organization shall:

1.2.1 describe its main uses of water, including how and where water is used and discharged;

1.2.2 describe its approach for identifying impacts, including the scope of assessments, their timeframe, and any tools or methodologies used;

1.2.3 describe how it works with other stakeholders to manage water as a shared resource;

1.2.4 describe any minimum standard it has set for the quality of discharges, and how the minimum standard was established;

1.2.5 explain the process for setting any goals and targets that are part of its management approach, including how they relate to public policy and the local context of each water-stressed area;

1.2.6 in cases where there are significant impacts from surface runoff, including agricultural runoff, describe these impacts and how they are managed.

Reporting recommendations

1.3 The reporting organization should:

1.3.1 provide an overview of how water use and effluent discharge is distributed across its value chain;

1.3.2 identify the specific locations or river basins where it has significant impacts.

Guidance

Guidance for clause 1.2.1

The description of where water is used and discharged can include the geographic location and/or the process stages of water use. An overview of how water use and effluent discharge is distributed across the value chain is covered in clause 1.3.1.

Guidance for clause 1.2.2

In assessing impacts, it is important to consider the reporting organization's future impacts on water quality and availability, as these factors can change over time.

Tools and methodologies for identifying impacts can include lifecycle assessments, environmental impact assessments, water footprints, scenario analysis, and stakeholder engagement, among others.

Guidance for clause 1.2.3

Working with other stakeholders is critical to help the organization manage water as a shared resource and to account for the needs of other users in a river basin or catchment area. Other stakeholders can include:

- local communities or action groups;
- suppliers;
- users of its products or services;
- employees and workers;
- other water users in its sector or industry;
- governments, regulators or non-governmental organizations (NGOs), for example in policy advocacy;
- global initiatives, trade associations or partnerships.

Outcomes of working with other stakeholders can include for example, setting collective targets around water use, increased investment in infrastructure, policy advocacy, or capacity building and awareness raising.

Guidance for clause 1.2.5

Meaningful targets for managing water-related impacts are those that:

- account for the local context where water is withdrawn and discharged;
- are informed by sustainable thresholds or the limits of a given basin, based on science;

- align with effective public sector efforts, such as the targets relating to the United Nations' Sustainable Development Goal on water, or other effective policies advocated by NGOs, global initiatives, national and local government institutions, trade associations and action groups.

See reference 4 in the References section.

Guidance for clause 1.2.6

Agricultural runoff can carry significant levels of nutrients such as phosphorus and nitrogen, due to animal waste and the fertilizers and pesticides used in farming. These high-nutrient loads can lead to eutrophication and other negative impacts on local water sources. Runoff impacts can be relevant in the organization's own operations and/or in its supply chain.

Guidance for clause 1.3.1

The overview of water use and effluent discharge across a value chain can be a simple breakdown, presented in graphic or written form, which shows, for example, the percentage of water consumption related to raw materials versus manufacturing, distribution, etc.

Background

An effective management approach accounts for the local context of water use, and acknowledges the importance of managing water as a shared resource. An organization can reduce its direct water usage and impacts through efficiency measures, recycling and reuse, and process re-design. It can improve water quality through better treatment of water discharge.

An organization may use efficiency metrics to help measure and manage its water use; for example, tracking the liters of water consumed per unit of production. Where relevant, an organization can report on these metrics as part of their overall management approach. This can include an explanation of how the efficiency metrics were selected and the organization's current and past performance against these metrics.

An organization can also use voluntary standards to help manage its water-related impacts, such as UN Resolution A/RES/64/292 (The human right to water and sanitation), the Alliance for Water Stewardship (AWS) *AWS International Water Stewardship Standard*, and the European Water Partnership (EWP) *European Water Stewardship (EWS) Standard*.

See references 1 and 3 in the References section.

2. Topic-specific disclosures

Disclosure 303-1 Water withdrawal and consumption

Reporting requirements

Disclosure 303-1

The reporting organization shall report the following information:

a. Total water withdrawal from water-stressed areas, with a breakdown by the following sources, if applicable:

- **i. Surface water, including rainwater, water from wetlands, rivers, and lakes;**
- **ii. Groundwater;**
- **iii. Seawater/ brackish surface water;**
- **iv. Third-party water.**

b. Total water withdrawal (from all areas), with a breakdown by the following sources, if applicable:

- **i. Surface water, including rainwater, water from wetlands, rivers, and lakes;**
- **ii. Groundwater;**
- **iii. Seawater/ brackish surface water;**
- **iv. Third-party water.**

c. Total water consumption from water-stressed areas.

d. Total water consumption (from all areas).

e. Standards, methodologies, and assumptions used.

2.1 When compiling the information specified in Disclosure 303-1, the reporting organization shall:

2.1.1 use publicly available and credible methodologies for assessing water-stressed areas;

2.1.2 report withdrawal and consumption in megaliters (ML);

2.1.3 if the original sources of water supplied by third parties are known, report these sources.

Reporting recommendations

2.2 When compiling the information specified in Disclosure 303-1, the reporting organization should:

255 2.2.1 explain how it has calculated water consumption, including any specific factors or
256 assumptions;

257 2.2.2 break down total water withdrawal by quality;

258 2.2.3 report water withdrawal by source, and water consumption, at each facility in a
259 water-stressed area;

260 2.2.4 report the volume of water recycled and reused as a percentage of the total water
261 withdrawal.

262 **Guidance**

263 *Guidance for Disclosure 303-1*

264 Water stress refers to the ability, or lack thereof, to meet the human and ecological demand for water, and
265 considers the availability, quality, and accessibility of water. For reporting Disclosure 303-1, a water-stressed
266 area can be defined based on the following indicators and thresholds:

267 • Baseline water stress is above medium to high range (20-40%)[1]; or

268 • Average annual monthly depletion is above 'medium depletion' (dry year)[2]

269 Water supplied by a third party can include wastewater from another organization, municipal water supplies,
270 or water from other public or private utilities.

271 Withdrawal includes water for cooling, or water withdrawn for any other purpose or process. Where
272 relevant, the reporting organization can include produced water in total water consumption.

273 Water consumption can typically be calculated as total water withdrawals minus total water discharges.

274 If information is estimated or modelled, rather than sourced from direct measurements, the organization is
275 expected to explain its approach for doing so.

276 Table 1 gives one example of how the organization can present information about its water withdrawal,
277 recycling/ reuse, consumption, and discharge. Table 2 provides one example of how the organization can
278 report water withdrawal and discharge by quality.

279 **Table 1. Water withdrawal, recycling, consumption, and discharge**

	Water withdrawal (ML)		Water recycled and reused (as % of total withdrawals)	Water consumption (ML)		Water discharge (ML)
Source/ Destination	Water-stressed areas	All areas		Water-stressed areas	All areas	
Surface water						
Groundwater						
Seawater						
Third-party water						
Total						

[1] Indicator used in water impact tools such as the World Resources Institute (WRI), *Aqueduct Water Risk Atlas*, http://www.wri.org/our-work/project/aqueduct/, accessed on 1 August 2017, and World Business Council for Sustainable Development (WBCSD), *Global Water Tool*, http://old.wbcsd.org/work-program/sector-projects/water/global-water-tool.aspx, accessed on 1 August 2017.

[2] Indicator used in World Wildlife Fund (WWF) and Deutsche Entwicklungsgesellschaft (DEG), *Water Risk Filter*, http://waterriskfilter.panda.org, accessed on 1 August 2017.

Table 2: Water withdrawal and discharge by quality or treatment

Level of quality/ treatment	**Withdrawal (ML)**	**Discharge (ML)**	
	Quality[1]	Quality	Treatment
Category 1 (high)/ Primary			
Category 2 (medium)/ Secondary			
Category 3 (low)/ Tertiary			
Total			

[1] Note that it is recommended, but not required to report water withdrawal by quality. See clause 2.2.2. Water discharge is required to be reported by *either* quality or level of treatment (i.e. no treatment, primary, secondary, tertiary). See Disclosure 303-2-b.

Guidance for clause 2.1.1

Publicly available and credible methodologies for assessing water stress include WRI Aqueduct Water Risk Atlas, WWF-DEG Water Risk Filter, WBCSD Global Water Tool, and the IPIECA Global Water Tool for Oil and Gas.

Guidance for clause 2.2.2

Water quality refers to the physical, chemical, biological and taste-related characteristics of water. It is a measure of water's suitability for a given purpose or function. This includes human use, as a human right. See Guidance for Disclosures 303-2-b and 303-2-c for examples on how to define quality categories.

Background

The volume of water withdrawal and consumption from water-stressed areas can indicate an organization's impacts in the most sensitive locations.

It is strongly recommended to report this information for each facility in a water-stressed area. This provides detail on locations where water-related impacts are most significant, and actions to address them are most needed. It may also give stakeholders more confidence in an organization's water stewardship and risk management in general.

Disclosure 303-2 Water discharge

Reporting requirements

Disclosure 303-2

The reporting organization shall report the following information:

a. Total water discharge, in megaliters, with a breakdown by the following types of destination, if applicable:

- **i. Surface water, including water from wetlands, rivers, and lakes;**
- **ii. Groundwater;**
- **iii. Seawater/ brackish surface water;**
- **iv. Third-party water, including water to treatment plants and water to other organizations.**

b. Total water discharge, with a breakdown by either:

- **i. level of treatment (no treatment, primary, secondary, tertiary); or**
- **ii. water quality.**

c. An explanation of how the organization determines its levels of treatment or defines quality levels, where applicable.

d. The substances of concern for which discharges are treated, including:

- **i. the discharge limits set for each substance;**
- **ii. an explanation of how the limits are set, or why no limits are set;**
- **iii. performance against the limits.**

e. Standards, methodologies, and assumptions used.

Reporting recommendations

2.3 When compiling the information specified in Disclosure 303-2, the reporting organization should:

2.3.1 where relevant, report separately the volume of water discharge that is used by other organizations;

2.3.2 explain how it identified substances of concern.

Guidance

Guidance for Disclosure 303-2-a

See the example table 1 in Guidance for Disclosure 303-1 for one way to report water discharge by destination.

Guidance for Disclosures 303-2-b and 303-2-c

Water treatment involves physical, chemical or biological processes that improve water quality by removing solids, pollutants and organic matter from wastewater. Minimum requirements for treatment can be specified

in national, state, or local legislation; however, the reporting organization is expected to consider its overall water discharge impacts and the needs of other water users in setting quality or treatment standards.

See the example table 2 in Guidance for Disclosure 303-1 for one way to report water discharge by destination and quality or level of treatment.

If reporting water discharge by level of treatment, the following categories are to be used:

- Primary treatment aims to remove solid substances that settle or float on the surface of water;
- Secondary treatment aims to remove substances and materials that have remained in the water, or are dissolved or suspended in it;
- Tertiary treatment aims to upgrade water to a higher level of quality before it is discharged or reused. It includes individual processes that remove, for example, heavy metals, nitrogen and phosphorous.

An organization may withdraw and discharge water of good quality, which does not require treatment. If so, the organization can explain this in its response to Disclosure 303-2-c.

If reporting water discharge by quality, the organization is required to explain how it defined the levels of quality. As one approach, the organization can use the quality categories defined by the Minerals Council of Australia (MCA):

- Category 1: Water is of a high quality and may require minimal and inexpensive treatment (for example disinfection and pond settlement of solids) to raise the quality to appropriate drinking water standards;
- Category 2: Water is of a medium quality with individual constituents encompassing a wide range of values. It would require moderate level of treatment such as disinfection, neutralization, removal of solids and chemicals to meet appropriate drinking water standards;
- Category 3: Water is of a low quality with individual constituents encompassing high values of total dissolved solids, elevated levels of dissolved metals or extreme levels of pH. It would require significant treatment to remove dissolved solids and metals, neutralize and disinfect to meet appropriate drinking water standards.

See reference 6 in the References section.

Guidance for Disclosure 303-2-d

'Discharge consent' is a permission that is granted to an organization, allowing it to discharge a set amount of effluent. Unauthorized discharges that exceed these limits are to be reported under Disclosure 303-2-d. The organization can also describe any plans to reduce unauthorized discharges in the future.

Background

An increase in the total volume of water discharge do not necessarily correspond to greater negative impacts, since these impacts depend on the quality of the water discharged and the sensitivity of the destination. An organization with greater water discharge, but a higher level of treatment and quality, can have positive impacts on local water destinations.

Disclosure 303-3 Spills and leaks

Reporting requirements

Disclosure 303-3

The reporting organization shall report the following information:

a. **Volume of each significant spill or leak, the location, and the substance.**
b. **Impact of each significant spill or leak on affected water bodies, environments, and local communities.**
c. **An explanation of how the organization is addressing the impacts.**
d. **Number and description of regulatory violations for significant spills and leaks.**

2.4 When compiling the information specified in Disclosure 303-3, the reporting organization shall describe how it has identified the threshold for reporting significant spills and leaks, where applicable.

Guidance

Guidance for Disclosure 303-3

In the context of the GRI Standards, a spill is the accidental and sudden release of a substance that can affect human health, flora and fauna, water bodies, ground water, and land. A leak is the gradual release of such a substance.

Disclosure 303-3 is concerned with spills and leaks into water as well as onto land, which can affect underground water sources. The substance of the spill or leak can be classified as oil, fuel, wastes, chemicals, or wastewater; or another substance, as specified by the reporting organization.

When describing the impacts of a spill or leak, the organization can describe the impact on exposure pathways and recipient profiles.

A regulatory violation is an incident that incurs a fine, penalty, or enforcement order. When describing a regulatory violation, it can be useful for the organization to include the monetary value of fines.

Disclosure 303-4 Water impacts in the supply chain and related to products and services

Reporting requirements

Disclosure 303-4

If water impacts are material in the supply chain, or due to its products and services, the reporting organization shall report the following information:

a. A description of water-related impacts in the supply chain or due to its products and services, and the approach for identifying them, including any tools or methodologies used.

b. A description of how the organization is addressing these impacts, including its engagement with significant suppliers or customers.

Reporting recommendations

2.5 When compiling the information specified in Disclosure 303-4, the reporting organization should report:

2.5.1 total water withdrawal and consumption by significant suppliers in water-stressed areas;

2.5.2 the percentage of water-discharging suppliers that have set minimum standards for the quality of their water discharge.

Guidance

Guidance for Disclosure 303-4

Through its suppliers, activities, products, and services, the reporting organization can affect both the quality as well as the availability of water. The organization's overall approach for managing water-related impacts, both in its own operations and elsewhere in the value chain, is required by Disclosure 103-2 in *GRI 103: Management Approach*. Disclosure 303-4 requires additional information on impacts in the supply chain, and/or the impacts related to products and services, if the organization has identified them as material.

Tools or methodologies for identifying water-related impacts can include lifecycle assessments, environmental impacts assessments, water footprints, and scenario analysis. If information is estimated or modelled, rather than sourced from direct measurements, the organization is expected to explain its approach for doing so.

Water impacts related to products and services may be addressed by, for example, improved product design, providing information and advice about the responsible use of products and services; and consulting regularly with users.

In the context of this Standard, significant suppliers are high-volume suppliers, suppliers of critical components, and non-substitutable suppliers; and/or suppliers of water-intensive commodities or services.

When reporting on its engagement with suppliers, it can be useful for the organization to include:

- the number of suppliers it engages with;
- the results of the engagement;
- the proportion of suppliers from which it requests information;

- how much of total procurement this proportion represents;
- an explanation of why it does not request information from suppliers;
- its future plans and goals for working with suppliers on water-related impacts.

References

The following documents informed the development of this Standard and can be helpful for understanding and applying it.

Authoritative intergovernmental instruments:

1. United Nations (UN) Resolution A/RES/64/292, 'The human right to water and sanitation', 2010.
2. United Nations (UN), 'Transforming our world: the 2030 Agenda for Sustainable Development', 2015.

Other relevant references:

3. Alliance for Water Stewardship (AWS), *AWS International Water Stewardship Standard, Version 1.0,* 2014.
4. CDP, The CEO Water Mandate, The Nature Conservancy, Pacific Institute, World Resources Institute (WRI), and World Wildlife Fund (WWF), *Exploring the Case for Corporate Context-based Water Targets,* 2017.
5. IPIECA, *Global Water Tool for Oil and Gas, Version II*, 2015.
6. Minerals Council of Australia (MCA), *Water Accounting Framework for the Minerals Industry, User Guide, v1.3*, 2014.
7. The CEO Water Mandate, *Corporate Water Disclosure Guidelines, Toward a Common Approach to Reporting Water*, 2014.
8. World Business Council for Sustainable Development (WBCSD), *Global Water Tool*, 2015.
9. World Resources Institute (WRI), *Aqueduct Water Risk Atlas*, 2013.
10. World Wildlife Fund (WWF) and Deutsche Entwicklungsgesellschaft (DEG), 2014.

Annex – Defined Terms

This Annex contains new or revised terms and definitions for use with GRI 303: Water and Effluents. These terms will eventually be incorporated into the GRI Standards Glossary. Additional defined terms referenced in this draft can be found in the GRI Standards Glossary.

effluent

treated or untreated wastewater that is discharged

river basin

area of land from which all water flows into a specific river

water consumption

the use of water that is not returned to its original source

Note: Consumed water includes water that has evaporated, transpired, been incorporated into products, produced crops or waste, consumed by humans or livestock, polluted to the point of being unusable by other users, or otherwise permanently removed from its source.

water discharge

the sum of effluents, used water, and unused water released to surface and sub-surface water resources or to third parties for treatment

Note 1: In the context of the GRI Standards, water discharge does not include domestic sewage.

Note 2: Water discharge can be authorized (according to discharge consent) or unauthorized (if discharge consent is exceeded).

water stress

ability, or lack thereof, to meet human and ecological demand for water

Note 1: Water stress includes the availability, quality, and accessibility of water.

Note 2: Water stress has subjective elements and is assessed differently depending on societal values, such as the suitability of water for drinking or the requirements to be afforded to ecosystems.

water withdrawal

water removed from the ground or a surface-water source, harvested from rainwater, or supplied by a third party