



The CEO Water Mandate

Transparency Policy

I. Introduction

Since the launch of the CEO Water Mandate in July 2007, *transparency* has been identified by endorsing companies and external stakeholders alike as a key issue in making the Mandate a legitimate, meaningful initiative that advances best practice in sustainable water management in the private sector. Indeed, one of the six core elements of the CEO Water Mandate is a commitment to transparency and the regular disclosure of progress with respect to implementation of the Mandate's key elements.

In October 2008, the UN Global Compact Office officially established the Transparency Policy for the CEO Water Mandate. The Transparency Policy, presented in this document, was the outcome of extensive discussions and deliberations among endorsers in consultation with key stakeholders, including civil society.

The Transparency Policy was derived from the Transparency Framework of the CEO Water Mandate, which describes the transparency principles and related objectives of the initiative. (See Transparency Framework, http://www.unglobalcompact.org/docs/issues_doc/Environment/ceo_water_mandate/Transparency_Framework_Phase_One.pdf).

II. The Transparency Policy

The following describes the expectations of the CEO Water Mandate regarding minimum transparency-related responsibilities of endorsers, including policies for endorsers failing to comply. These minimum requirements have been established recognizing the Mandate's unique position as an initiative that includes both "leaders" and "learners." As a result, they are intended to accommodate and have relevance for both organizations that have well-established water management policies and programs, as well as those just beginning the journey toward water stewardship.

CEO Water Mandate endorsers are required to communicate with their stakeholders on an annual basis about progress in implementing the Mandate's six elements. The CEO Water Mandate "Communication on Progress" (COP-Water) is an important demonstration of a participant's commitment to the initiative and its objectives, and as such, failure to prepare a publicly available COP-Water report will result in the change of status (to "inactive") and eventually in the delisting of an endorser from the CEO Water Mandate – a necessary measure to protect the integrity of the initiative. COP-Water is also a tool to facilitate internal and peer learning, to stimulate dialogue and promote action.

Developing a CEO Water Mandate Communication on Progress (COP-Water)

While there is no specific format for a COP-Water, it must include the following three basic elements:

- *Statement of continued support* for the UN Global Compact's CEO Water Mandate. At minimum, the COP-Water must contain an explicit statement of continued support for the CEO Water Mandate which renews the company's ongoing commitment to the initiative and its six elements.
- *Description of policies and practical actions* that participants have taken to implement the CEO Water Mandate elements since joining the initiative or since the endorser's most recent COP-Water. The minimum requirement is to explicitly address past or planned activities for all of the CEO Water Mandate elements. It is expected that within five years, the COP-Water will address concrete activities and, if applicable, policies, that reflect the company's implementation of all six of the CEO Water Mandate elements.
- *Measurement of outcomes* or expected future outcomes using, as much as possible, broadly-accepted water-related indicators or metrics, for example those in the GRI G3 Guidelines. At minimum, the COP-Water must contain a definition of performance indicators, a basic measurement (qualitative and/or quantitative) of outcomes, or future expected outcomes, related to the CEO Water Mandate elements.

Publicizing the COP-Water

COPs-Water should be integrated within an endorser's UN Global Compact COP, which is ideally part of the existing communications with stakeholders, such as annual, sustainability or other standard reports. In the event that an endorser does not publish such standard reports, a COP-Water can be integrated into the company's stand alone COP. All COPs-Water should be disseminated through the company's communication channels – for example, a website – and in a way that allows employees, shareholders, customers and other stakeholders to read about the company's water-related policies, activities, and progress it makes with regard to the elements of the CEO Water Mandate.

COP-Water Deadlines and Sanctions

Endorsers are required to post a first COP-Water within one year from the date of joining the CEO Water Mandate, all subsequent COPs-Water are due within one year following the previous COP-Water posting. (For companies that endorsed the Mandate prior to October 2008, the first COP-Water is due by end of September 2009.) Should a company fail to meet their COP-Water deadline, they will be marked as “non-communicating” on the CEO Water Mandate website. Further, should a company also miss the second COP-Water deadline after an additional year, the company will be removed from the list of CEO Water Mandate endorsing companies. To return to active endorser status, a company must post a COP-Water that meets the basic requirements of this COP-Water Policy.

A grace period of up to 90 days may be granted to those endorsers that contact the CEO Water Mandate Secretariat and provide a reasonable explanation for the delay in communication (e.g. changes to reporting cycles, staffing and other challenges).

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