



**WASH Pledge impact report:
Maximizing the business
contribution towards water,
sanitation and hygiene**



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Foreword

Investing in water, sanitation and hygiene (WASH) may be one of the biggest untapped impact opportunities for business yet.

Every dollar invested in sanitation returns USD \$5.5 in benefits and every dollar invested in drinking water supply [returns USD \\$2](#). Seeing that currently one in every three people goes without access to a safe toilet and one out of ten does not have access to clean drinking water, the opportunity is immense and obvious.

Investing in WASH can help business **expand markets, contribute to prosperous societies, and build a resilient workforce**. Ensuring that WASH is provided in your workplaces can help drastically reduce workplace illness and absenteeism, increase productivity, improve gender equality and enhance workplace satisfaction.

This is why we have signed and are implementing the WASH at the workplace Pledge.

This way, we can ensure that wherever we operate across the globe, we provide good practice on WASH to our employees. We are also making sure to go further by addressing access to WASH in our supply chains and in the communities where we operate.

Since the launch of the WASH Pledge in 2013, **47 companies have committed to the WASH Pledge. Together, we have been able to impact the lives of over 2.4 million employees in 170 countries and close to 6000 sites**. The Pledge has helped companies address a variety of issues ranging from sanitation access to female and disabled employees, to making the case for infrastructure investments in rural areas, and driving behavior change across organizations.

Signing and implementing the WASH Pledge **goes beyond doing what any responsible company should do**. It allows you to reap the benefits from a healthy workforce and prosperous societies, and gives you an important opportunity to **directly impact the 2030 Sustainable Development Agenda** through the provision of clean water, safe sanitation and hygiene.

We call on all business leaders to join the movement, sign the WASH Pledge, and provide good practice on WASH to your employees, in your supply chains and communities. Together, we can make a difference.

Rajiv Dube
Director, Aditya Birla Group



Magdi Batato
Executive Vice President & Head
of Operations, Nestlé SA



Paul Polman
CEO, Unilever



Peter Bakker
President & CEO, WBCSD

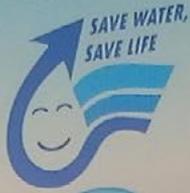


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Hand cleaning is one of the best ways you and your health care team can prevent the spread of many infections



DRINKING WATER
पाने का पानी

HAND WASH
हाथ धोने के लिए



Foreword

from CDP, formerly Carbon Disclosure Project

Ever since CDP launched the first global water disclosure platform in 2009, **water risk and opportunity have risen to the top of the agenda for many company boards and investors.** And with good reason. Our 2017 data indicates that while a large and growing number of companies report exposure to substantive water risks, many more, **71%, view tackling water security as a significant opportunity to grow their business,** enhance brand value and boost resilience.

One such emerging opportunity is ensuring staff, suppliers and communities have adequate access to water, sanitation and hygiene (WASH). More and more companies now recognize that a healthy workforce allows for increased productivity, creating

opportunities for growth and profitability; a healthy supply chain supports enhanced efficiency and resilience; and healthy communities strengthen a company's social license to operate whilst providing a more vibrant and prosperous target market.

While there are some companies making attempts to tap into these benefits, there are still far too many that may be leaving value on the table. **In 2017, just 49% of companies reported monitoring these issues across their business and only 7% had made commitments to improving access to WASH.**

WASH may be one of the issues upon which our battle for water security and a sustainable economy will be won or lost.

Companies meeting this battle head-on stand to reap the benefits of cost savings, business growth and prosperity in a water secure world.

The WASH at the workplace Pledge supports companies to take meaningful steps to addressing WASH within their own operations. I encourage more companies to sign up, begin implementing and start reaping the rewards.



Paul Simpson,
Chief Executive Officer, CDP





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Why WASH at the workplace?

The business case for addressing gaps in WASH access for a company's employees is clear: not only is WASH fundamental to the human rights, health and dignity of workers, but concrete data also shows that WASH access is an important factor affecting a company's ability to function and prosper.

In 2010, the United Nations explicitly recognized the **Human Right to Water and Sanitation** as prerequisites for the realization of other human rights. The following year, the **UN Guiding Principles on Business and Human Rights** were issued, establishing an authoritative global standard on the [respective roles of businesses and governments](#) in helping ensure that companies respect human rights in their own operations and through their business relationships. In 2015, all governments of the world came together to ratify the **Sustainable Development Goals (SDGs)**, setting a shared agenda calling for worldwide action from governments, business and civil society. SDG 6 focuses attention on providing clean water and sanitation for all. In light of these three global agreements, ensuring employees have access to clean water and sanitation at the workplace has become a **fundamental business responsibility**.

Inadequate access to WASH also puts at peril **human health and employee wellbeing**. World Health Organization (WHO) data shows that [inadequate sanitation, poor hygiene and unsafe drinking water contribute](#)

to **88% of diarrheal disease**, an important factor affecting worker productivity and absenteeism. It's estimated that [working days lost to poor sanitation](#) damage the global economy for approximately **USD \$4 billion per year**.

Inadequate access to safe drinking water also contributes to work-related accidents. A [study of forest workers](#) debarking and stacking pulpwood showed that **dehydrated workers were 12% less productive and 23% less reactive**, increasing the risk of work-related accidents.

Companies may be underestimating their WASH-related risks. Meanwhile, some compelling evidence exists regarding the benefit of WASH interventions.

At [Newmont Mining in Ghana](#), diarrheal diseases were the **fourth largest source of hospital admissions** and tenth largest cause of death. To tackle this problem, investment into the local sanitation systems led to a **30-40% reduction in the incidence of diarrhea and the avoidance of USD \$28,000 in medical costs** per year in one mining community.

A [study on heat stress and hydration](#) for sugarcane cutters in El Salvador showed that when provided with sufficient drinking water (through water backpacks), and other convenience improvements, workers' **water consumption increased by 25%**, heat stress and dehydration symptoms decreased and **daily production increased from 5.1 tons to a high of 7.3 tons at post-intervention**.

Menstrual hygiene management is another lever through which worker health and productivity can improve. In a [factory in Bangladesh](#), **73% of women** were missing an average of six days a month as the majority were using rags from factory floor as menstrual cloths. An intervention to change this reportedly saw **female worker absenteeism drop to 3%**.

In a similar [intervention](#), **one company** provided women at factories with **health education and improvement of on-site health services and behavior**. Absenteeism decreased by 18% and staff turnover fell by 46%. One factory calculated a **USD \$3:1 return on investment (ROI)**.

Over and above the critical contribution to human rights, health, safety and dignity, the business case for addressing gaps in WASH access for a company's employees is undeniable.

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The WASH at the workplace Pledge

WASH can be an issue in companies' own operations, their supply chains as well as the communities in which they operate.

By signing the WASH at the workplace Pledge, a company commits to providing access to clean water, safe sanitation and hygiene to their employees in operations under direct company control within three years of signature.



Companies have three years to achieve integration of the WASH Pledge provisions into existing internal processes and adherence to these provisions. This can be done via the [WASH Pledge self-assessment tool](#) (alongside the WASH Pledge Guiding Principles) containing **32 provisions on international best practice related to WASH at the workplace provision.**

While there is no formal reporting requirement to WBCSD, companies are encouraged to communicate about their WASH Pledge commitment and actions through both internal and external channels. WBCSD supports signatories in the implementation and through collection of good practices from implementing companies.

Companies commit to the WASH Pledge to **improve health, safety and wellbeing** and **raise awareness** among their employees, and to **show leadership** on this critical issue.

Signing and implementing the WASH Pledge contributes directly to the Sustainable Development Goals 6.1 and 6.2

SDG6.1 and SDG6.2 set out to:

- By 2030, achieve **universal and equitable access to safe and affordable drinking water** for all (SDG6.1)
- By 2030, achieve access to **adequate and equitable sanitation and hygiene** for all and end open defecation, paying **special attention to the needs of women and girls** and those in vulnerable situations (SDG6.2)

An **excerpt of the WASH Pledge self-assessment tool** shows the **direct link** between SDG6.1 and SDG6.2 and the requirements of the WASH Pledge.

Provision number	Category	Provision	Full adherence to provision
2.1	Workplace water provision	Availability of sufficient, safe, acceptable, and physically accessible drinking water	Drinking water that is sufficient (in terms of quantity), safe, acceptable (safe and acceptable are quality criteria) and physically accessible (water is available at all times when workers may be within the facility and employees do not have to walk more than 15 minutes to reach drinking water source) is provided free of charge to all employees within the facility
3.1	Workplace sanitation	Water sanitation services and safety/convenience improvements	Improvements to make sanitation safe and more convenient (e.g. at minimum provision of flush or pour-flush, septic tank, pit latrine, ventilated improved pit-latrine) have been undertaken within the facility
4.4	Workplace hygiene	Hygiene training and awareness	Regular training and awareness building processes have been implemented for all employees (own operations), with special attention given to employees or other staff involved in food preparation, those exposed to of specific health risks and mobile workers (onboarding for all new employees and annual refresher courses for current employees)

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WASH Pledge reach & impact

47 companies representing over 2.4 million employees have signed the WASH Pledge. In a survey, WASH Pledge signatories indicated that 5,936 sites in 170 countries are covered by the WASH Pledge.

This survey was conducted with the WASH Pledge signatory companies between February and April 2018, to collect data on the reach of the WASH Pledge, signatory experience and impact of the initiative. A representative sample of companies responded to the survey. The data and company examples presented throughout this report is based on this collected evidence.

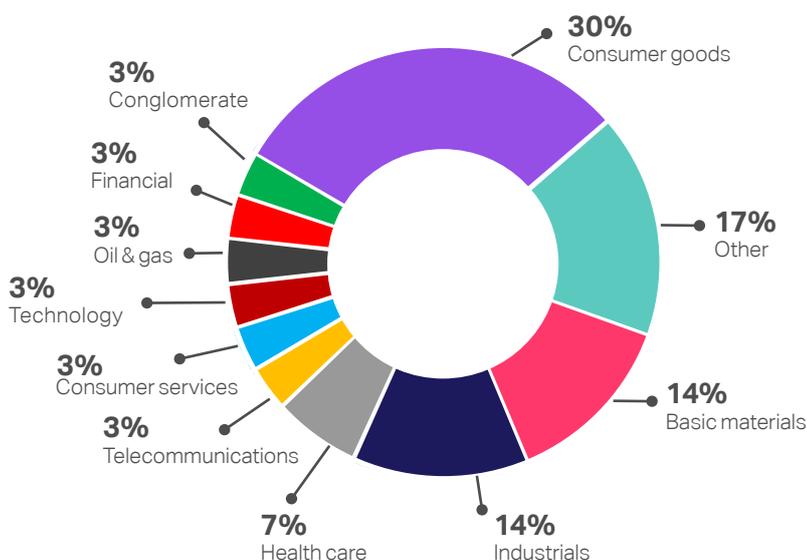
Most of the WASH Pledge signatories come from the **consumer goods sector**, showing the importance that companies from this sector attribute to WASH.

While contractors are not officially covered under the scope of the WASH Pledge, **90% of companies include contractors as part of their commitment.** In most cases, this applies for contractors while on company premises.

Out of the **63% of companies using the WASH Pledge self-assessment tool**, several integrated some or all of the 32 provisions into existing systems, such as manufacturing excellence programs. One company added food safety questions to the tool, while another complemented the tool with a question about employees travelling to third party locations where WASH is not assured.

Some companies simplified the language contained in the tool and removed some questions that were not applicable. Across the responding signatories, the average score was generally at 1.8 / 2*, though regional variations exist. 1.8 is often the threshold for compliance that companies establish. Given that every company uses the self-assessment tool differently, WBCSD does not prescribe a specific compliance score for the tool.

Figure 1:
WASH Pledge signatories by industrial sector



* The Self-assessment tool score is the average score across the individual scores for each of the 32 provisions. A 2/2 corresponds to 100%.



Credit: Aditya Birla Group

Case study: Aditya Birla Group

Aditya Birla Group is a USD \$43 billion conglomerate active in 14 industries with 120,000 employees and operations spread across 34 countries.

To facilitate implementation of WASH across the Group, an information technology program, Enablon, was used to map the WASH self-assessment questionnaire and track the progress across all sites.

A three-level approach (Site, Business and Group level) was used to reduce errors and increase data collection efficiency. At Group level, the assurance team developed a two-stage verification process for site compliance. In addition, training modules were developed to support implementation at site.

The Group achieved a 92.5% compliance score after three years with an investment of USD \$2.87 million made to date across its 243 sites across all the businesses. ABG is now beginning to use its supply chain mapping software, SourceMap, to spread the WASH Pledge questionnaire down their supply chains.**

74% of companies have a **WASH Pledge reporting / tracking mechanism** in place. This is in the form of internal and external audit programs evaluating e.g. water quality, or the WASH provisions as part of wider sustainability or health and safety goals.

In the process of implementing the WASH Pledge, **companies encountered a variety of improvement areas. These include:**

- Sanitation access for **female employees** and the disabled
- Workplace **hygiene** / appropriate handwashing behavior
- **Local water quality** provided by cities in countries where monitoring is not always ensured
- Making the case for **infrastructure** investments in **rural areas**



Credit: Nestlé S.A.

Case study: Nestlé S.A.

Nestlé is a CHF 89.8 billion nutrition, wellness and health company, with 413 factories in 85 countries with 323,000 employees (2017 figures).

As a founding member of the WASH Pledge, the commitment was communicated to all sites through a letter following its signature in 2015.

Implementation of the WASH Pledge was integrated into existing environmental management systems, including the Water Resource Reviews which provide the basis for all water-related activities in and around factories. A support structure at the corporate level was put in place to monitor the sites' implementation progress.

In Central America, a central Nestlé WASH ambassador and a team of WASH delegates from each of the sites were appointed to drive large-scale WASH awareness. In addition, a workshop was organized with Tier 1 suppliers to discuss how the WASH Pledge can best be addressed in Nestlé's upstream supply chain.**



Credit: Unilever

Case study: Unilever

Unilever is one of the world's leading suppliers of Beauty & Personal Care, Home Care, and Foods & Refreshment products with sales in over 190 countries and reaching 2.5 billion consumers a day. It has 161,000 employees and generated sales of € 53.7 billion in 2017.

Water, Sanitation and Hygiene is a central part of the Unilever Sustainable Living Plan (USLP). Specifically, Unilever aims to help more than 1 billion people improve their handwashing habits; 25 million people gain improved access to a toilet; and provide 150 million liters of safe drinking water by 2020.

The WASH Pledge self-assessment tool was integrated into the company's existing internal Health and Safety policies, processes and audit systems. This allows the company to ensure that the WASH Pledge is being adhered to across its global operations on an ongoing basis.

Externally Unilever goes beyond the Pledge by requiring agricultural suppliers to comply with the WASH requirements in the Unilever Sustainable Agriculture Code. Unilever selectively audits other suppliers on the provision of WASH as part of its Responsible Sourcing Policy.

**For more information, please consult the [WASH Pledge implementation case studies](#) for Aditya Birla Group and Nestlé.

Hear it from companies: experience across WASH Pledge roll-out, implementation and communication

Aditya Birla Group

By mapping the self-assessment questionnaire into Enablon, a sustainability reporting software, we were able to track the progress across all of our 243 sites in parallel.**

Dalmia Cement

It is extremely difficult to obtain a quantifiable business benefit of WASH. However, indirect benefits are visible: by providing WASH, we help create social equity among our employees and stakeholders.

Danone Aqua

Having designed and rolled out a WASH Pledge train-the-trainer program to our sites has helped generate an understanding of WASH issues and create ownership on the WASH Pledge in our workforce.

Diageo

We are working on the integration of the WASH provisions into regular KPI monitoring. We also included WASH in our Partnering with Suppliers guideline in order to further WASH in our supply chains.

Firmenich

The WASH Pledge provisions are a part of our Food Safety certification program and Food Protection Strategy. Water quality is audited annually by an external independent third party.

Nestlé

Combining the realization of the Water Resources Reviews with the implementation of the WASH Pledge has helped us save resources and embed the WASH Pledge into the overall water stewardship strategy.**

SABIC

We rolled out the WASH Pledge as a one-off data collection to our sites. The identified improvements are subsequently embedded in our Environment, Health and Safety system.

The Dow Chemical Company

In countries where safe water access is not regulated, sites are expected to develop a Water Safety Control Plan. We have developed tools to facilitate the development of such plans.

Unilever

We updated our internal Health and Safety policies, processes and audits to ensure that the Pledge was being implemented across our business. Additionally, we engaged directly with select operations to ensure that the Pledge was understood and implemented.

UPM

We have communicated about this program and our compliance to our stakeholders. The WASH Pledge is well aligned with our 2030 responsibility targets and promotes the health, wellbeing and productivity of all people working at our premises.

**For more information, please consult the [WASH Pledge implementation case studies](#) for Aditya Birla Group and Nestlé.

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WASH within sustainability

WASH is an integral part of water stewardship, health, safety and corporate sustainability more widely.

Strategically, the WASH Pledge sits in health and safety for 41% of companies, followed by sustainability for 33% of companies. The most common ways in which the WASH Pledge has been implemented within companies is through **integration of WASH Pledge provisions into existing HSE or sustainability reporting systems**.

While no signatory company collected quantitative data pertaining to the business benefits resulting from WASH Pledge implementation, anecdotal evidence from a number of signatories shows a positive impact.

The [guide Strengthening the Case for WASH. How to measure the value for your business](#) shows companies how to capture the return of investment (ROI) of their WASH interventions, which aligns with the components of the WASH Pledge. This guide was championed by WaterAid with support from Diageo, Gap Inc. and Unilever.



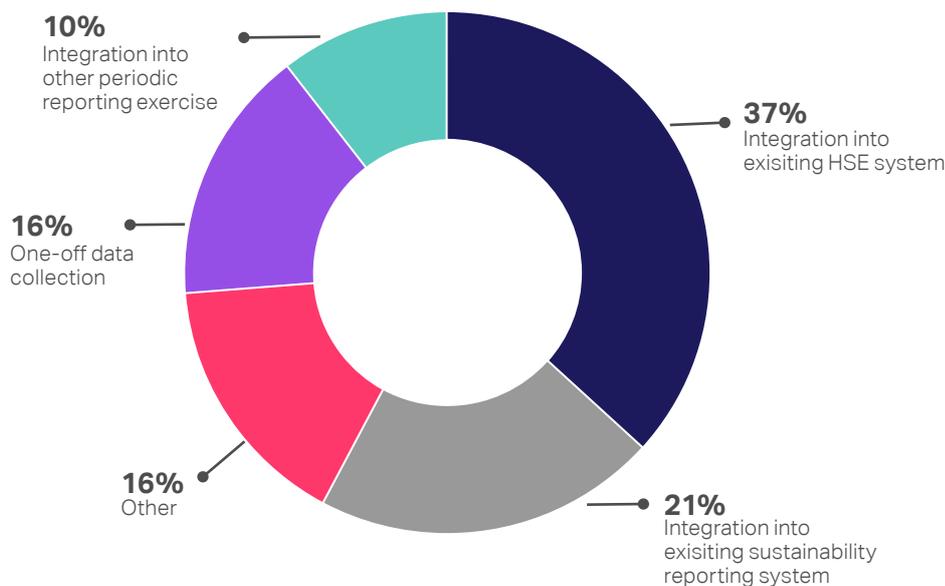
Testimonials: Business benefits of WASH Pledge implementation

“Across the Group, we have witnessed a **substantial increase in awareness** and importance of safe drinking water.”

“Achieving hygienic standards **reduces illness rates in all our locations.**”

“Ensuring the WASH principles are in place supports worker health and well-being, and **pays dividend in terms of productivity, and reduced lost time hours.**”

Figure 2: How WASH Pledge is being implemented within companies



Testimonials: Lessons learned in WASH Pledge implementation

“Allocate capital for improvements and **communicate the priority to leadership** around the globe”

“Can’t be stand-alone - needs to be **integrated into standard company processes**”

“A focused approach of self-assessment questionnaire along with gap identification and **action plans in a web-based software** proved to be very successful in **monitoring and supporting WASH Pledge implementation across the Group**”

“**Support from corporate functions** has been critical to guide sites with the implementation of the WASH Pledge, including identification of gaps and development of corrective action plans.”

For many signatories, the WASH Pledge has **helped the advancement of other company sustainability goals and targets**. In one company, the WASH Pledge was part of an overall worker health goal and ensuring that the applied WASH principles made a positive contribution to this goal. For others, it has contributed to water management / stewardship goals. One company noted that implementing the WASH Pledge has been a driver to verify site compliance with international requirements. Across the board, companies noted the link to SDG6, and the **opportunity to make a direct impact and drive the right behavior on this SDG**.

Communication to external stakeholders

74% of companies have communicated about the WASH Pledge to their external stakeholders, such as through their sustainability report, or participation in global campaigns such as Global Handwashing Day or World Toilet Day.

In addition, leaders among the WASH Pledge signatory community have participated in specific calls-to-action facilitated by WBCSD.



WASH Pledge call to action video with executives from Diageo, Nestle, Unilever, Vedanta and WBCSD, November 2015.

Available [here](#).



WASH at the workplace: what does leadership look like? Filmed interview with Alliance for Water Stewardship, Danone, Jain Irrigation and Nestlé at World Water Week 2017.

Available [here](#).



WASH beyond the own fence line

The need for action on WASH in corporate supply chains is immense. A 2017 [joint report](#) by WBCSD, WaterAid and the CEO Water Mandate states that an estimated **one-in-five people are employed in globalized supply chains, and that 80-90% of these people work within micro-, small- or medium-sized enterprises** and dispersed farm production systems in developing countries. With important WASH risks manifesting in companies' supply chains, companies have a responsibility to address WASH in their supply chains in addition to their own operations.

Some companies are addressing such WASH risks in their supply chains. One company stated that it is using its **supply chain mapping questionnaire** to spread the WASH Pledge questionnaire to supply chains.

Other companies have included WASH in their supplier guidelines. One company is implementing a process where high-risk suppliers need to undergo external audits for assessment of WASH provisions.

A number of companies are also taking WASH into communities around their plants, often focusing on those geographies where needs are greatest, or where key supply chains are located.

Making the case for action on WASH at all levels is crucial to continue advancement of company action on WASH. The [WASH4Work initiative](#), a group of partners made up of leading companies, UN agencies and civil society partners, including WBCSD, aims to strengthen businesses contribution to SDG 6 by mobilizing business to address WASH challenges in the workplace, in communities where companies operate and across supply chains.

Testimonials: why do companies sign the WASH Pledge?

"WASH perfectly matches our goal to support the SDGs"

"(Our company) has a moral and ethical commitment to ensure the safety, health and wellbeing (of our employees)"

"WASH is a necessity to drive human capital potential and social responsibility"

"We hope to demonstrate both best practices and to catalyse action by other private sector actors to implement proper WASH in their businesses"



6

Five years on: lessons learned and next steps for the WASH Pledge

Of the 47 signatories of the WASH at the Workplace Pledge, several have recorded **significant improvements in the access of water, sanitation and hygiene** at their workplaces. As the first business-led initiative on WASH at the workplace, the WASH Pledge has brought about important change since its introduction in 2013.

This is not enough. We need to **turn WASH at the workplace into a movement** with a wider adoption by the business community.

The members of the **WBCSD Water Leadership Group*****, who closely steward the WBCSD Water Program, have **made a commitment to champion the WASH Pledge** by ensuring their own operations are fully Pledge-compliant, and that as part of

their Stewardship approach, they influence their own suppliers, peers and customers to sign-up and comply.

As a result of this engagement, we are able to share some recommendations to improve advocacy on WASH:

- Work with **national/ regional industry network organizations** to expand visibility of the WASH Pledge.
- Work with **software companies** such as Enablon and Sofi to integrate WASH Pledge self-assessment criteria into **business management system** processes.
- Develop a **knowledge base** on WASH at the workplace, such as developing guidance

on modern water-saving and recycling solutions. This can be reinforced through a **support network** on WASH Implementation.

- Develop **sector-specific guidance** for WASH at the workplace in sectors such as **agriculture, construction and transport**.

Finally, as part of implementation in specific countries/regions, it is important that the WASH Pledge finds a fit with **national or regional priorities on WASH**. In India for example, it aligns with the National government priority on “Swachh Bharat” or *Clean India* and serves as a clear means to bring transparency in the performance of companies on the National mission.

*** Water Leadership Group membership 2018: Aditya Birla Group, Arcadis, BASF, Dow, Diageo, ITC, Jain Irrigation, Monsanto, ERM, Nestle, Rabobank, UPL, Veolia



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Join the community of WASH Pledge signatories to show that WASH matters!

The report of the Business & Sustainable Development Commission *Better Business Better World* identifies an estimated **USD \$12 trillion market opportunities connected to the achievement of the SDGs**. WBCSD has always emphasized that the SDGs cannot be achieved without business' contribution.

Following the adoption of the 17 SDGs in 2015, the **UN's High-Level Political Forum (HLPF)** convenes annually for member states to **report against specific SDGs**.

In July 2018, SDG6 is one of the four SDGs that countries present to the UN General Assembly in New York.

This July, WASH Pledge signatories are setting a clear sign to show that they are doing their part in **contributing to the implementation of SDG6**.

The signatories of the WASH Pledge call upon **more companies to sign the WASH Pledge to ensure they are investing in a healthy and productive workforce, to take actions to become good water stewards and to showcase that they're taking part in the implementation of the 2030 Sustainable Development Agenda**.



To find out how your company can sign the WASH Pledge, contact Swapna Patil (patil@wbcsd.org) and visit our [website](#).

ABOUT WBCSD

The World Business Council for Sustainable Development (WBCSD) is a global, CEO-led organization of over 200 leading businesses and partners working together to accelerate the transition to a sustainable world. WBCSD helps its member companies become more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment and societies.

WBCSD member companies come from all business sectors and all major economies, representing combined revenues of more than USD \$8.5 trillion and 19 million employees. The WBCSD global network of almost 70 national business councils gives members unparalleled reach across the globe. WBCSD is uniquely positioned to work with member companies along and across value chains to deliver impactful business solutions to the most challenging sustainability issues.

Together, we are the leading voice of business for sustainability: united by our vision of a world where more than 9 billion people are all living well and within the boundaries of our planet, by 2050.

Follow us on [Twitter](#) and [LinkedIn](#)

www.wbcسد.org

DISCLAIMER

This report is released in the name of WBCSD. Like other reports, it is the result of collaborative efforts by members of the water project, in particular those companies that are committed to the WASH Pledge. An effort was made to include a variety of perspectives. This does not mean, however, that every member agrees with every word.

Please note that the data published in this report reflects knowledge up to June 2018.

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