

## **Valuing Water Finance Initiative**

## **Investor Statement**

## Background

The Ceres <u>Valuing Water Finance Initiative</u> (VWFI) aims to drive systemic change by significantly scaling action by institutional investors and companies to address their water-related risks.

To achieve this vision, Ceres and the <u>Valuing Water Finance Task Force</u> have been collaborating since 2020 to establish the necessary tools, networks, and research for an investor-led initiative. These include: (1) a compelling business case that spells out the materiality of water risks to institutional investors, (2) a robust body of <u>scientific evidence</u> and analysis around the private sector's impact on water resources, and (3) a clear set of expectations for companies that will enable evaluation, goal setting, and accountability leading to action (Corporate Expectations for Valuing Water).

In the next phase of VWFI, Ceres will organize and support institutional investors to engage key corporate water users and polluters to adopt and implement the Corporate Expectations for Valuing Water: a set of action steps companies should take to more responsibly steward and protect water resources in their business operations and global supply chains.

## Investor Call to Action

As investors, we are increasingly concerned by the systemic, far-reaching, financial risks presented by the global water crisis. Water is a vital resource for communities, ecosystems, and industry. Yet, poor water management, exacerbated by climate change, is contributing to water shortages and water pollution globally. For companies, competition for water, weak regulation, growing demand, aging infrastructure, water scarcity, and water contamination are all sources of material financial risk.

Now is the time for fresh thinking, shared purpose, and bold solutions to build a resilient water future. Through the Valuing Water Finance Initiative, we are collectively calling on companies to better steward and protect freshwater resources within their business operations and global supply chains by adopting and adhering to the <a href="Corporate Expectations for Valuing Water">Corporate Expectations for Valuing Water</a>. In supporting the human right to water, by sustainably managing water use, eliminating point and nonpoint pollution, taking collective action, and adopting good governance practices, companies can achieve sustainable water management and reduce water risk.

We therefore commit to engage with companies through the Ceres **Valuing Water Finance Initiative**, with the ambition to drive large-scale change in private sector water management practices and protect freshwater resources globally.