Alliance for Water Stewardship

Audit Report - Nestle Waters North America, Inc.
Cabazon, CA Water Bottling Facility
The AWS International Water Stewardship Standard, Version 1.0, April 8th, 2014

Report Issued on 1/28/2018

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Introduction to the Alliance for Water Stewardship
The AWS Standard ("the Standard") is intended to drive water stewardship, which is defined as the use of water that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site- and catchment-based actions. Good water stewards understand their own water use, catchment context and shared concerns in terms of water governance, water balance, water quality and Important Water-Related Areas, and then engage in meaningful individual and collective actions that benefit people and nature. The Standard outlines a series of actions, criteria and indicators for how one should manage water at the site level and how water management should be stewarded beyond the boundaries of a site. In this Standard, the "site" refers to the implementing entity that is responsible for fulfilling the criteria. The site includes the facility and the property over which the implementer that is using or managing water (i.e., withdrawing, consuming, diverting, managing, treating and/or discharging water or effluent into the environment) has control.

Assessment Information:	
Client Name	Nestlé Waters North America, Inc. - Los Angeles, CA
AWS Reference Number	AWS-010-INT-SCS-00-01-0005-0051
Client AWS Representative/Group Manager (Role/Name/Contact info)	Larry Lawrence, Natural Resource Manager; larry.lawrence@waters.nestle.com
Audit Team (Role/Name)	Lead Auditor: Nicole Munoz, SCS Global Services Technical Expert: Isabella Polenghi-Gross, Ph.D. AMEC Foster Wheeler
Audit dates (DD-DD Month YYYY)	November 16-17, 2017
Audit Location (main site being audited)	Nestlé Waters North America (NWNA) Cabazon, California, USA; 14020 Elm Street, CA 92230, USA
Date(s) of previous audit (if applicable)	
Findings from previous year	☐ YES, see tab 9
SCS Certificate number (if applicable)	
Expiry date of previous certificate (if applicable)	

Scope of Audit (check all applicable boxes)	
The AWS International Water Stewardship Standard Version V1.0 April 8th 2014	
Initial audit	☑ YES
Surveillance audit	☐ YES
Re-certification audit	☐ YES
RE-evaluation audit	☐ YES
Single-site audit	☑ YES
Multi-site audit	☐ YES, see tab 3
Group audit	☐ YES, see tab 3
If yes, please description of the group structure and relationships	

Description of Operations

The NWNA Cabazon plant is a water bottling facility, producing bottled water products under the brand names of Arrowhead Mountain Spring Water, Nestlé Pure Life and Natural Electrolytes. The site also produces 5 gallon containers that are shipped to Nestle Waters' Los Angeles site. The geographic scope of the site is limited to the property boundary of the facility. The facility itself is located in a rural setting. Water for the bottling facility comes from multiple springs and one groundwater sources. The springs are both within and outside the catchment. Spring water outside the catchment is delivered by truck and the spring within the catchment is piped to the facility.

Description of the catchment in which the client operates:

The Cabazon plant is located in the San Gorgonio Pass Groundwater Sub-basin. The catchment for the Cabazon facility is approximately 103,827 acres, contained within the Salton Sea watershed. The plant can receive water from up to six different springs; only one of the springs is located within the catchment. The plant also utilizes water from an offsite well. The catchment is a primarily rural landscape and part of the Morong Band of Mission Indians tribal land.

Summary of shared water challenges:

Water scarcity has been identified as the primary water shared water challenge in the catchment, due to the multi-year California drought. California drought emergency conditions were lifted by the Governor in April 2017, but the water scarcity remains the primary catchment concern. Other shared water challenges include water quality concerns, particularly from groundwater, and public education surrounding water use.

Audit Attendance

Guidance:
Record in this section the people attending the different parts of the audit. Tick the parts of the audit attended by each person.

Audit Attendence	*Mark attendance with an 'x' as appropriate*				
Role/Title	**Opening meeting**	**Document review**	**Interview**	**Facility Inspection**	**Closing meeting**
Natural Resource Manager, NWNA	x	x	x	x	x
Senior Manager, Sustainability, NWNA	x	x	x	x	x
Springs Resource Manager, NWNA	x				x
Geologist, Haley & Aldrich	x	x	x	x	x
QA Manager, NWNA	x				x
QA Resource Manager, NWNA	x				x
Factory Manager, NWNA	x			x	x
SHE Coordinator, NWNA	x				x
Factory Engineer, NWNA	x				
Plant Controller, NWNA	x				
FI Pillar Leader, NWNA	x				
Logitics Manager, NWNA	x				
Factory Admin/Volunteer Coordinator, NWNA	x			x	x

Additional information on audit attendance

The AWS International Water Stewardship Standard, Version 1.0, April 8th, 2014

Criterion #	Standard Provision or Requirement	Major Minor Observation Conforming	Objective Evidence/Notes
STEP 1: COMMIT			
Criterion 1.1	1.1 Establish a leadership commitment on water stewardship: Have the senior-most manager at the site, and if necessary a suitable individual within the corporate head office, sign and publicly disclose a commitment to: - Uphold the AWS water stewardship outcomes (good water governance, sustainable water balance, good water quality status and healthy status of Important Water-Related Areas); - Engage stakeholders in an open and transparent manner; - Strive to comply with legal and regulatory requirements - Respect water-related rights, including ensuring appropriate access to safe water, sanitation and hygiene for all workers in all premises under the site's control; - Support and coordinate with public sector agencies in the implementati on of plans and policies, including working together towards meeting the human right to water and sanitation. - Continually improve and adapt the site's water stewardship actions and plans; - Maintain the organizationa l capacity necessary to successfully implement the AWS Standard, including ensuring that staff have the time and resources necessary to undertake the implementati on; - Support water-related national and international treaties; - Disclose material on water-related information to relevant audiences.		

	1.1.1 Signed and publicly disclosed statement that explicitly covers all requirements (see details in Criterion 1.1)	C	A pledge was reviewed, signed by the site factory manager, containing all elements described in this criterion.
Criterion1.2	1.2 Develop a water stewardship policy: Develop an internally agreed-upon and communicated and publicly available water stewardship policy that references the concept of water stewardship (as informed by the AWS Standard, outcomes and criteria).		
	1.2.1 Publicly available policy that meets all requirements (see Guidance)	C	Nestle's corporate water stewardship policy "Nestle and Water: Sustainability, Protection, and Stewardship" extensively discusses Nestle's commitment to sustainable water use. The policy is publicly available on the Nestle website.
STEP 2: GATHER & UNDERSTAND			
Criterion 2.1	2.1 Define the physical scope: Identify the site's operational boundaries, the sources the site draws its water from, the locations where the site returns its discharge to, and the catchment(s) that the site affect(s) and is reliant upon.		
	2.1.1 Documentation or map of the site's boundaries	C	A map of the site was provided. The map includes the property boundaries of the factory, as well as springs & well pipelines, and the wastewater discharge point. The map also shows the storm water retention basin adjacent and to the south of the facility.

	2.1.2 Names and location of water sources, including both water service provider (if applicable) and ultimate source water	C	A map with the names and locations of water sources was provided. The Cabazon facility receives water from six springs and also from a groundwater well that draws from the San Gorgonio Pass Groundwater Sub-basin within the Salton Sea Watershed. A map with the names and locations of water sources was reviewed. The Cabazon facility receives almost 200 MG/yr water. 170 MG/yr from spring water (4 water springs, see order below), and 30 MG/yr from groundwater (South Well). Spring sources are: - 1) Arrowhead Springs (379,700 gal/yr); - 2) Southern Pacific (160 Mgal/yr); - 3) Longpoint Ranch Springs (7 Mgal/yr); and - 4) PMGS Springs (Palamar Mountain Granite Springs) (2.6 Mgal/yr). The Longpoint Ranch source is used for Resource water and it comes by truck.
	2.1.3 Names and location of effluent discharge points, including both water service provider (if applicable) and ultimate receiving water body	C	The discharge points are within the catchment. Storm water discharge is directed offsite to a storm water retention basin. Industrial discharges are sent to the Morongo Wastewater Treatment Plant. Both storm water and treated wastewater are recharged via percolation basins to the Cabazon groundwater storage unit of the San Gorgonio Pass Groundwater Sub-basin.
	2.1.4 Geographical description or map of the catchment(s)	C	A map of the site catchment was provided. The catchment for the Cabazon facility is approximately 103,827 acres, contained within the Salton Sea Watershed.
Criterion 2.2	2.2 Identify stakeholders, their water-related challenges and the site's sphere of influence: Identify stakeholders, document their water-related challenges and explain how the stakeholders are within the site's sphere of influence.		

	2.2.1 List of stakeholders, descriptions of prior engagements and summaries of their water-related challenges *(TCW in Guidance)*	C	The stakeholder map was reviewed and was created during the Nestle Community Relations Process (CRP). Stakeholders identified include local Morongo Band of Mission Indians (Tribe), Morongo Environmental Department, Morongo Water Department, school districts, community outreach programs and regional state representatives. Of the stakeholders interviewed, all were aware of Nestle, including controversial issues of water usage/operations in the area. NWNA Cabazon has hosted factory tours, created stakeholder newsletter, and hosted internships and volunteer activities within the community.
	2.2.2 Description of the site's sphere of influence	C	A sphere of influence was provided and reviewed. Stakeholders are related to the site's catchment and identifies the stakeholders' ability to influence or be influenced.
Criterion 2.3	2.3 Gather water-related data for the catchment: Gather credible and temporally relevant data on the site's catchment's x Water governance, including catchment plan(s), water-related public policies, major publicly led initiatives under way, relevant goals, and all water-related legal, regulatory requirements; x Water balance for all sources while considering future supply and demand trends; x Water quality for all sources while considering future physical, chemical and biological quality trends; x Important Water-Related Areas, including their identification and current status, while considering future trends; x Infrastructure's current status and exposure to extreme events while considering expected future needs. *(TCW in Guidance)*		
	2.3.1 List of relevant aspects of catchment plan(s), significant publicly led initiatives and/or relevant water-related public policy goals for the site *(TCW in Guidance)*	C	A list of Governance and Site Linkages was provided for the Cabazon site, including a list of specific issues, catchment plans, public policy goals, and site level opportunities. Appropriate time frame is provided as applicable.

	2.3.2 List, and description of relevance, of all applicable water-related legal and regulatory requirements, including legally defined and customary water rights and water-use rights	C	A list of federal state and local permits and regulatory requirements was provided, including permits issued by the EPA, the public health department, and the Morongo Band of Mission Indians. List of relevant and applicable legal and other requirements were also provided. No NPDES storm water permit exist for this site.
	2.3.3 Catchment water balance by temporally relevant time unit and commentary on future supply and demand trends *(TCW in Guidance)*	C	A thirty-year average water balance, based on the USGS BCM model query, was provided for the Cabazon catchment area and for the San Gorgonio Pass Groundwater Sub-basin. An inflow/outflow & demand/supply historic and projected annual data were provided from 2005 to 2016 for the San Gorgonio Pass Water Agency. Monthly water balance data from 2001 to 2016 were provided for the Cabazon catchment.
	2.3.4 Appropriate and credibly measured data to represent the physical, chemical and biological status of the site's water source(s) by temporally relevant time unit, and commentary on any nticipated future changes in water quality	C	All water sources undergo the standard annual quality testing (source water quality is pretty consistent throughout the year). Discussion on water quality sources was verbally provided to indicate that no future changes are anticipated.
	2.3.5 Documentation identifying Important Water-Related Areas, including a description of their current status and commentary on future trends *(TCW in Guidance)*	C	IWRAs have been identified by NWNA and described along with a description of their water related issues. Stakeholders were consulted and the Portrero Canyon Spring was suggested to be included as an IWRA by the Tribe. Current Status, Future Trends and a description of IWRA general status were provided.
	2.3.6 Existing, publicly available reports or plans that assess water-related infrastructure, preferably with content exploring current and projected sufficiency to meet the needs of water uses in the catchment, and exposure to extreme events *(TCW in Guidance)*	C	A reference document was provided with a list of publically available reports of water-related infrastructure. In the case of extreme events, NWNA would likely be called upon to supply water in emergency response.

Criterion 2.4	2.4 Gather water-related data for the site: Gather credible and temporally relevant data on the site's: x Governance (including water stewardship and incident response plan); x Water balance (volumetric balance of water inputs and outputs); x Water quality (physical, chemical and biological quality of influent and effluent) and possible sources of water pollution; x Important Water-Related Areas (identification and status); x Water-related costs (including capital investment expenditures, water procurement, water treatment, outsourced water-related services, water-related R&D and water-related energy costs), revenues and shared value creation (including economic value distribution, environmental value and social value).		
	2.4.1 Copies of existing water stewardship and incident response plans *(TCW in Guidance)*	C	The 2017 CERS was reviewed and included a list of hazardous material stored in large quantities (including a propane AST) onsite. The Storm Water Pollution Prevention Plan (SWPPP) was reviewed, which was originally prepared in 2007 and revised in 2016. NWNA does not do spill cleanup themselves for releases greater than 50 gal, but contracts with a specialist. Reporting is completed with city, state, or Federal notification, as needed and depending on the nature of contaminant. The SWPP is a state wide report that is customized for the Cabazon facility and their own BMPs. They reported no recent spills. The Hazardous Materials Business Emergency Plan (HMBEP) last revised in 1/26/2016 was provided and reviewed. A 2016 waste water management plan prepared to comply with the flow requirements has been provided and reviewed. It contains details on how the reporting of accidental discharges should be handled. Similarly, a 2016 waste water flow management plan was prepared to prevent excessive flow or total quantity from being discharged to the Tribe's Wastewater Treatment Plant (WWTP).

	2.4.2 Site water balance (in Mm3 or m3) by temporally relevant time unit and water-use intensity metric (Mm3 or m3 per unit of production or service) *(TCW in Guidance)*	C	All NWNA sites are required to create water maps containing inputs and outputs of water at each facility. These water maps include metering at each stage of the bottling process. Data are recorded continuously (daily) and then summed at a monthly level. Data showing monthly water inflows, outflows and losses were reviewed. The site utilizes a Water Withdrawal Ratio (WWR) to evaluate efficiency, measuring Liters of water used to produce a Liter of product. Cabazon'a WWR is 1.32 for 2016. Currently it is 1.28 for 2017.
	2.4.3 Appropriate and credibly measured data to represent the physical, chemical and biological status of the site's direct and outsourced water effluent by temporally relevant time unit, and possible pollution sources (if noted) *(TCW in Guidance)*	C	Their industrial wastewater permit dated April 2016 was provided and reviewed. Analytical reports of waste water effluent were reviewed. Their water quality protocol includes: continuous frequency of flow, pH, TDS. The system is automated so that if a value is out of limits, the system shuts down. NWNA is notified and must respond if the effluent quality is out of required limits (e.g. if pH exceeds certain amount).
	2.4.4 Inventory of all material water-related chemicals used or stored on-site that are possible causes of water pollution	C	A list of all onsite chemicals stored at the site was provided. Chemical storage was inspected during audit of the facility.
	2.4.5 Documentation identifying existing, or historic, on-site Important Water-Related Areas, including a description of their status	C	No on-site IWRAs were identified.
	2.4.6 List of annual water-related costs, revenues and description/quantification of social, environmental or economic value generated by the site to the catchment	Minor	Finances are compiled and reviewed by NWNA corporate headquarters. Normally data is reviewed regionally or at the product level, not at the level of individual sites such as the Cabazon facility. A Minor NC was issued: The standard asks for a list of annual water-related costs, revenues and description/quantification of social, environmental or economic value generated by the site to the catchment. Site level costs were presented, however economic value is tracked at a product level and specific data was not presented. Social and environmental values were also not described or quantified. Thus a true cost benefit analysis of the site to the catchment was not completed.

Criterion 2.5	2.5 Improve the site's understanding of its indirect water use: Identify and continually improve the site's understanding of: x Its primary inputs, the water use embedded in the production of those primary inputs and, where their origin can be identified, the status of the waters at the origin of the inputs; x Water used in outsourced water-related services within the catchment. *(TCW in Guidance)*		
	2.5.1 List of primary inputs with their associated embedded annual (or better) water use and (where known) their country/region/or catchment of origin with its level of water stress	C	A list of Cabazon site primary inputs with annual water consumption values was created as part of a water foot printing analysis. Analysis includes water use associated with packaging, transportation, cooling, and end of life. During the audit, the team reviewed a detailed footprint analysis of the water embedded in all the products used. This analysis showed that there is a clear decreasing trend from 2010 to 2015. Water from springs outside of the catchment is accounted for in the site's list of primary inputs. Water stress levels for these inputs are similar to those in the catchment.
	2.5.2 List of outsourced services that consume water or affect water quality and both (A) estimated annual (or better) water withdrawals listed by outsourced services (Mm3 or m3) and (B) appropriate and credibly measured data to represent the physical, chemical and biological status of the outsourced annual (or better) water effluent	C	Documentation provided shows values of water consumptions and availability. Calculations conducted indicate the Blue Water Scarcity Value and provides the score of the water stress caused.
Criterion 2.6	2.6 Understand shared water-related challenges in the catchment: Based upon the status of the catchment and stakeholder input, identify and prioritize the shared water-related challenges that affect the site and that affect the social, environmental and/or economic status of the catchment(s). In considering the challenges, the drivers of future trends and how these issues are currently being addressed by public-sector agencies must all be noted.		

	2.6.1 Prioritized and justified list of shared water challenges that also considers drivers and notes related to public-sector agency efforts *(TCW in Guidance)*	C	A prioritized list with rationale of shared water challenges was provided and reviewed. Drivers and public-sector agency efforts noted as well as Drought/Protected Water Scarcity prioritized as first, on a scale of 1-5. NWNA Cabazon prioritized largely based on CRP 2.0 stakeholder feedback, and based on corporate initiatives.
Criterion 2.7	2.7 Understand and prioritize the site's water risks and opportunities: Based upon the status of the site, existing risk management plans and/or the issues identified in 2.6, assess and prioritize the water risks and opportunities affecting the site. *(TCW in Guidance)*		
	2.7.1 Prioritized list of water risks facing the site, noting severity of impact and likelihood within a given time frame	C	A prioritized list of water risks was provided and reviewed. Water risks matched water challenges. Water risks prioritized based on site's ability to operate. Drought/Projected Water scarcity prioritized first, on a scale of 1-5.
	2.7.2 Prioritized list of water-related opportunities for the site	C	A prioritized list of water-related opportunities for the site and match the water challenges and water risks lists. First priority is based on the Drought/Projected Water Scarcity and focusing on better management of water resources.
	2.7.3 Estimate of potential savings/value creation	C	A prioritized list of projects, savings and value creation submitted and reviewed. Value creation was quanitified as applicable.
ADVANCED: Criterion 2.9	2.9 Gather additional, detailed water-related data: Gather additional data that goes beyond the core requirements with respect to the site or the catchment, or generate core data in highly data- deficient environments, to further refine the site's understanding of its water stewardship context.		
	2.9.1 Water-related data sets that go beyond core requirements	3	NWNA has installed a dozen monitoring wells surrounding SP Spring (one of their main spring sources). A map of the monitoring well network was provided. Extensive data related to the spring has been collected to evaluate water quality of the aquifer and the impact of NWNA water extraction on the aquifer groundwater levels.

ADVANCED: Criterion 2.11	2.11 Conduct a detailed, indirect water use evaluation: Complete an advanced evaluation of indirect water use related to the site's primary products/services (including outsourced, downstream services) that identifies the location of water use within the site's supply chain and clarifies the site's ability to influence the management of its suppliers' water use.		
	2.11.1 Detailed description of the site's water-related supply chain with indirect water use amounts (for water quantity and quality) and the site's engagement efforts to date for each	7	NWNA hired RDC Environment to conduct a comprehensive analysis and evaluation of the embedded water use for the period 2010-2015. A copy of the 2016 RDC Environment report was provided. Their study calculates the environmental impacts of the NWNA's activities and their evolution with time, at the scale of the whole company and with a focus on specific markets, brands, and products. The model uses (i) primary data from the company (namely production, sales, packaging, onsite consumption and supply chain); (ii) emission & consumption factors expressing the environmental impacts of each life cycle steps; and (iii) country-specific data (e.g. recycling rates). The Cabazon facility is cited for contributing the most due to its specific energy purchase agreements.
ADVANCED: Criterion 2.12	2.12 Understand groundwater status or environmental flows and the site's potential contributions: Gather data on either groundwater status or environmental flows and identify the site's potential contribution. In all cases, coordination with relevant government agencies is required.		

	2.12.2 Conclusions about the site's potential contributions to groundwater recharge or environmental flows restoration	10	A technical memo commissioned by NWNA was reviewed to assess the recharge contributions of the Cabazon factory effluents to the local aquifer. Documentation showing the surface and groundwater flow in the Cabazon area was provided. Process waste water discharged from the facility is recharged, after treatment, to a local aquifer (Cabazon Groundwater Storage Unit) that ultimately provides a portion of the water supply to the Coachella Valley. The SP Spring that supplies water to the Cabazon plant is located at the uppermost edge of the Cabazon Groundwater Storage Unit. This means that waste water derived from spring water bottling processes is effectively recharged to the same aquifer from which the water was derived.
STEP 3: PLAN			
Criterion 3.1	3.1 Develop a system that promotes and evaluates water-related legal compliance: Develop, or refer to, a system that promotes and periodically evaluates compliance with the legal and regulatory requirements identified in Criterion 2.3.		
	3.1.1 Documented description of system, including the processes to evaluate compliance and the names of those responsible and accountable for legal compliance *(TCW in Guidance)*	C	The NWNA Cabazon Compliance Matrix was provided and reviewed. Included in the matrix are the listed permits and responsible staff to ensure maintenance of compliance. Additionally, an environmental audit is conducted each year.

Criterion 3.2	3.2 Create a site water stewardship strategy and plan: Develop an internally available water stewardship strategy and plan for the site that addresses its shared water challenges, risks and opportunities identified in Step 2 and that contains the following components (see Guidance for plan template): x a strategy that considers the shared water challenges within the catchment, water risks for the site (noting in particular where these are connected to existing public-sector agency catchment goals) and the site's general response (from Criteria 2.6 and 2.7) x a plan that contains: o A list of targets (based upon Criterion 2.7) to be achieved, including how these will be measured and monitored. Note: where identified as a shared water challenge, these targets must be continually improving for the four water stewardship outcomes until such time as best practice is achieved; o A list of annual actions that links to the list of targets; o A budget for the proposed actions with cost/benefit financial information (based, in part, upon financial data from 2.7); o An associated list indicating who will undertake the actions (i.e., who is responsible for carrying out the work) and who will ensure that the work is completed (i.e., who is accountable for achieving the target), including actions of other actors in the catchment; o A brief explanation that speaks to how the proposed actions will affect: (A) water-risk mitigation, (B) water stewardship outcomes and (C) shared water challenges.		
	3.2.1 Available water stewardship strategy	C	A water stewardship strategy provided and reviewed. NWNA Cabazon strategy is high level document stating the overall strategy in alignment with the AWS requirements.

	3.2.2 Available plan that meets all component requirements and addresses site risks, opportunities and stakeholder shared water challenges *(TCW in Guidance)*	C	A detailed water stewardship plan was created as part of the AWS process. The plan is broken into objectives, targets, and actions. There are different actions corresponding to different targets, each with their own metrics, budget, responsible person, status, and other criteria. Drought, Water Quality, Public Consumer Education , Water Efficiency are the water topics identified in this plan.
Criterion 3.3	3.3 Demonstrate responsiveness and resilience to water-related risks into the site's incident response plan: Add to or modify the site's incident response plan to be both responsive and resilient to the water-related risks facing the site.		
	3.3.1 A description of the site's efforts to be responsive and resilient to water-related issues and/or risks in an appropriate plan *(TCW in Guidance)*	C	NWNA Cabazon provided their Drought Contingency Plan, which included decription of their required responsive and resilience to water related issues and risks. Plan highlights shortages by the municipal water and springs.
Criterion 3.4	3.4 Notify the relevant (catchment) authority of the site's water stewardship plans: Contact the appropriate catchment authority/agency (if any) and inform them of the site's plans to contribute to the water stewardship objectives of their catchment plan as identified in Criterion 2.3. *(TCW in Guidance)*		
	3.4.1 Documented evidence of communicating the site's plan to the relevant catchment authority/agency	C	NWNA Cabazon provided the outreach log and communication with catchment authorities about the AWS process. Communication and outreach confirmed through stakeholder interviews.
STEP 4: IMPLEMENT			

Criterion 4.1	4.1 Comply with water-related legal and regulatory requirements and respect water rights: Meet all applicable legal and regulatory requirements related to water balance, water management and Important Water-Related Areas as well as water-related rights. As noted in Criteria 1.1 and 3.2, where, through its water use, the site is contributing to an inability to meet the human right to safe drinking water and sanitation, the site must also continually work with relevant public sector agencies until this basic human right to water and sanitation is fulfilled.		
	4.1.1 Documentation demonstrating compliance *(TCW in Guidance)*	C	NWNA Cabazon compliance matrix and environmental audit report were provided and met the indicator criteria.
	4.1.2 (Catchments with stakeholders who have an unmet human right to safe drinking water and sanitation) Documentation of efforts to work with relevant public sector agencies to fulfil human right to safe drinking water and sanitation.	C	No unmet human rights needs identified within this catchment. Devore, CA, approximately 50 miles from NWNA Cabazon, is outside the catchment but NWNA Cabazon has provided free bottled water and they are now working with their Devore water agency to help them solve their current issue of nitrate in their drinking water.
Criterion 4.2	4.2 Maintain or improve site water balance: Meet the site's water balance targets. As noted in Criterion 3.2., where water scarcity is a shared water challenge, the site must also continually decrease its water withdrawals until best practices are met and work with relevant public sector agencies to address the imbalance and shared water challenge. Note: if a site wishes to increase its water use in a water scarce context, the site must cause no overall increase in water scarcity in the catchment and depletion of the site's water source(s) and encourage relevant public sector agencies to address the unlawful water use contributing to the imbalance in the catchment. *(TCW in Guidance)*		

	4.2.1 Measurement-based evidence showing that targets have been met	C	The site has improved its water efficiency as per its targets, by implementing the following measures: a) Cooling Tower Water Reuse (resulting in savings of 19,147,000 gallons of water in 2016); b) Filler optimization c) Energy savings (2,803,400 kWh) through LED Retrofit (resulting in savings of 2,804,300 gallons of water per year). All this has been verified through the review of their updated water map. Current WWR of 1.28 (versus target of 1.26 for year 2017) is a solid achievement.
	4.2.2 (Water scarce catchments only) Evidence of continual decrease or best practice	OBS	The site is within a water scarce catchment. NWNA is planning for product increase at the at the brand level, not the site level. So, it's not clear whether this particular site would increase or maintain its water use in the future. However, even if they increase their water use, their plans to continue their WWR improvement, ensures no net water increase.
	4.2.3 (Sites wishing to increase withdrawals in water scarce catchments only) Evidence of no net increase in water scarcity	OBS	See 4.2.2
Criterion 4.3	4.3 Maintain or improve site water quality: Meet the site's water quality targets. As noted in Criterion 3.2., where water quality stress is a shared water challenge, the site must also continually improve its effluent for the parameters of concern until best practices are met and work with relevant public sector agencies to address the imbalance and shared water challenge. Note: if a site wishes to increase its water use in a water stressed context, the site must cause no overall increase in the degradation of water quality in the catchment and degradation of the site's water source(s) and encourage relevant public sector agencies to address the unlawful water use contributing to the degradation in the catchment.		

	4.3.1 Measurement-based evidence showing that targets have been met	C	Measurement system is in place for water quality targets throughout the site, data from previous monitoring reports were reviewed. Annual review of data was found to be within historic values and regulatory limits. Water monitoring protocol was discussed with quality assurance resources manager. Wastewater results are within permitted values.
	4.3.2 (Water quality-stressed catchments only) Evidence of continual improvement or best practice	C	Water quality is not a shared water challenge in the context of this indicator.
	4.3.3 (Sites wishing to increase effluent levels of water quality parameters of concern in water quality-stressed catchments only) Evidence of no net degradation in water quality in the catchment	C	Water quality is not a shared water challenge in the context of this indicator.
Criterion 4.4	4.4 Maintain or improve the status of the site's Important Water-Related Areas: Meet the site's targets for Important Water-Related Areas at the site. As noted in Criterion 3.2., where Important Water-Related Area degradation is a shared water challenge, the site must also continually improve its Important Water-Related efforts until best practices are met, and the site must not knowingly cause any further degradation of such areas on site. *(TCW in Guidance)*		
	4.4.1 Documented evidence showing that targets have been met	C	No IWRAs are present at this site. There is positive evidence of NWNA Cabazon's contribution to IWRA identification offsite within the catchment. Catchment IWRAs have been identified together with their current status, future trends and site status (see indicator 2.3.5). IWRAs are discussed in their AWS presentations to stakeholders. Progress towards implementation of IWRA plans include a) positive participation in good water governance (meetings with catchment authorities, interviews with local authorities, local business and local population including schools and churches) and b) Plant Open Houses and regular Website Updates.
	4.4.2 (Degraded Important Water-Related Area catchments only) Evidence of continual improvement or best practice	C	IWRAs are not identified as a shared water challenge in the catchment.

Criterion 4.5	4.5 Participate positively in catchment governance: Continually coordinate and cooperate with any relevant catchment management authorities' efforts. As noted in Criterion 3.2, where water governance is a shared water challenge, the site must also continually improve its efforts until best practices are met *(TCW in Guidance)*		
	4.5.1 Documented evidence of the site's ongoing efforts to contribute to good catchment governance	C	NWNA Cabazon provided documentation of their efforts to support good catchment governance through participation with the Morongo Band of Mission Indians regarding water governance.
	4.5.2 (Weak water governance catchments only) Evidence of continual improvement or best practice	C	Water governance is not identified as a shared water challenge.
Criterion 4.6	4.6 Maintain or improve indirect water use within the catchment: Contact the site's primary product suppliers and water-related service providers located in the catchment and request that they take actions to help contribute to the desired water stewardship outcomes.		
	4.6.1 List of suppliers and service providers, along with the actions they have taken as a result of the site's engagement relating to indirect water use	C	A list of Primary Input Providers and Outsource Services was prepared. Water usage data have been compiled for the majority of the Primary Input Providers and the top Outsourced Services.
Criterion 4.7	4.7 Provide access to safe drinking water, adequate sanitation and hygiene awareness (WASH) for workers on-site: Ensure appropriate access to safe water, effective sanitation and protective hygiene for all workers in all premises under the site's control.		
	4.7.1 List of actions taken to provide workers access to safe water, effective sanitation and protective hygiene (WASH) on-site *(TCW in Guidance)*	C	NWNA uses a self-assessment tool at each site to review access to drinking water, sanitation and hygiene awareness (WASH). The nature of the product made at the facility requires strict adherence to these principals. Pledged compliance was achieved within the Cabazon facility.

Criterion 4.8	4.8 Notify the owners of shared water-related infrastructure of any concerns: Contact the owners of shared water-related infrastructure and actively highlight any concerns the site may have in light of its risks and shared water challenges.		
	4.8.1 List of individuals contacted and key messages relayed *(TCW in Guidance)*	C	Shared water-related infrastructure for this site is limited to the building they occupy. Shared infrastructures include wastewater pipelines. NWNA meets monthly with the building owner. The list of individuals contacted and the related key messages discussed was shared during the audit.
ADVANCED Criterion 4.9	4.9 Achieve best practice results on site water balance: Achieve best practice results with respect to the site's water balance targets as informed by stakeholder consensus or industry- specific benchmarks.		
	4.9.1 Quantified improvement in water balance from site-set baseline date	4	A plot was provided showing monthly water withdraw values for 2015 and 2016 and the trend in WWR reduction achieved in the same period. The 2017 WWR value is also included showing further improvement.
	4.9.2 Evidence showing that actions meet best practice expectations	4	General consensus that NWNA Cabazon site is contributing positively to the catchment water balance and water quality was achieved among credible and relevant public-sector agencies and interested stakeholders. Signed letters, emails, and interviews conducted during the audit provide the required evidence.
ADVANCED Criterion 4.10	4.10 Achieve best practice results on site water quality: Achieve best practice results with respect to the site's water quality targets as informed by stakeholder consensus or industry-specific benchmarks.		

	4.10.1 Quantified improvement in water quality from site-set baseline date	4	Cabazon effluents at the waste water treatment facility is kept separate from the from the other effluents due to its good quality and is used to dilute the rest of the waste water when needed. NWNA asserts that the best way it positively contributes to good water quality is through education and outreach efforts. NWNA has undertaken outreach efforts to educate the public regarding the impact of pollutants and poor water stewardship on water quality and in turn available water supply. The efforts at the Cabazon site are focused on educating the public through factory tours, factory open houses and childhood education programs
	4.10.2 Evidence showing that actions meet best practice expectations	4	General consensus that NWNA Cabazon site is contributing positively to the catchment water balance and water quality was achieved among credible and relevant public-sector agencies and interested stakeholders. Signed letters, emails, and interviews conducted during the audit provide the required evidence.
STEP 5: EVALUATE			
Criterion 5.1	5.1 Evaluate the site's water stewardship performance, risks and benefits in the catchment context: Periodically review the site's performance in light of its actions and targets from its water stewardship plan to evaluate: x General performance in terms of the water stewardship outcomes (considering context and water risks), positive contributions to the catchment, and water-related costs and benefits to the site. *(TCW in Guidance)*		
	5.1.1 Post-implementation data and narrative discussion of performance and context (including water risk)	C	NWNA Cabazon provided a Shared Value Creation Matrix indicating performance related to water risk. Targets dates within Q4-2017 provided data of successes and cost/benefit related to water risk. Further evaluation will be conducted during the surveillance and renewal years.
	5.1.2 Total amount of water-related costs, cost savings and value creation for the site based upon the actions outlined in 3.2 (drawn from data gathered in 2.4.6)	C	See 5.1.1
	5.1.3 Updated data for indicator 2.4.7 on catchment shared value creation based upon the actions outlined in 3.2	C	See 5.1.1

Criterion 5.2	5.2 Evaluate water-related emergency incidents and extreme events: Evaluate impacts of water-related emergency incidents (including extreme events), if any occurred, and determine effectiveness of corrective and preventive measures. Factor lessons learned into updated plan.		
	5.2.1 Documented evidence (e.g., annual review and proposed measures)	C	No water related emergency events occurred in the past 3 years (a small leak occurred this year at the fire fighting and utility tanks; appropriate corrective actions were implemented). A drought mitigation plan is in place. No shutdown occurred that was water related. The annual environmental reviews document these emergency events, if any. The facility has a complete, accurate, and current Storm water Pollution Prevention Plan (SWPPP, last updated in 2016).
Criterion 5.3	5.3 Consult stakeholders on water-related performance: Request input from the site's stakeholders on the site's water stewardship performance and factor the feedback/lessons learned into the updated plan.		
	5.3.1 Commentary by the identified stakeholders *(TCW in Guidance)*	C	Internal and external stakeholder outreach conducted through the CRP 2.0. Responses covered the main tops of Water Resource Management, Relations with Stakeholders, Industrial Impacts and Local Contribution. Internal stakeholders noted water Quality as a high concern, while the majority of issues were of low concern comments. Moderate ranking concerns inlcuded Water Quantity and local business and local influencers. External stakholders had primarily moderate concerns with Water Quantity, water quality and relations with stakeholders, such as local population and authorities.
Criterion 5.4	5.4 Update water stewardship and incident response plans: Incorporate the information obtained into the next iteration of the site's water stewardship plan. Note: updating does not apply for initial round of Standard implementation.		
	5.4.1 Modifications to water stewardship and incident response plans incorporating relevant information *(TCW in Guidance)*	NA	This is the initial assessment, therefore this indicator does not apply for this initial round of standard implementation.

STEP 6: COMMUNICATE & DISCLOSE			
Criterion 6.1	6.1 Disclose water-related internal governance: Publicly disclose the general governance structure of the site's management, including the names of those accountable for legal compliance with water-related laws and regulations.		
	6.1.1 Disclosed and publicly available summary of governance at the site, including those accountable for compliance with water-related laws and regulations *(TCW in Guidance)*	C	NWNA Cabazon facility posts the factory organization chart in the entry of the factory floor where it will be observed the most by staff and during factory open houses with operational tours. The organization chart includes the staff and relevant responsible personnel for water-related laws and regulations. Factory open houses also include presentations on the site's water stewardship projects and implementation of the AWS International Water Stewardship Standard.
	6.2 Disclose annual site water stewardship performance: Disclose the relevant information about the site's annual water stewardship performance, including results against the site's targets. *(TCW in Guidance)*		
	6.2.1 Disclosed summary of site's water stewardship results	C	The stakeholder presentation was reviewed, which the presentation includes the site's water stewardship performance results. NWNA Cabazon conducted public/consumer education outreach through factory tours; California water issue updates on the Arrowhead website; partnerships with the Cabazon Water District, Desert Water Agency and Coachella Valley Water District providing environmental education programming to local school districts; and providing attendee lists of presentations that reviewed the sites water challenges, stakeholder feedback, targets, with implementation outcomes.
	6.3 Disclose efforts to address shared water challenges: Publicly disclose the site's shared water challenges and report on the site's efforts to help address these challenges, including all efforts to engage stakeholders and coordinate and support public-sector agencies. *(TCW in Guidance)*		

	6.3.1 Disclosed and publicly available description of shared challenges and summary of actions taken to engage stakeholders (including public-sector agencies)	C	The stakeholder presentation was reviewed. Presentation includes the site's water stewardship performance results. The presentation was provided to attendees prior to the onsite audit. List of attendees reviewed at the facility. NWNA Cabazon conducted public/consumer education outreach through factory tours; California water issue updates on the Arrowhead website; partnerships with the Cabazon Water District, Desert Water Agency and Coachella Valley Water District providing environmental education programming to local school districts; and providing attendee lists of presentations that reviewed the sites water challenges, stakeholder feedback, targets, with implementation outcomes.
	6.4 Drive transparency in water-related compliance: Make any site water-related compliance violations available upon request as well as any corrective actions the site has taken to prevent future occurrences. Note: any site-based violation that can pose an immediate material threat to human or ecosystem health from use of or exposure to site-related water must be reported immediately to relevant public agencies.		
	6.4.1 Available list of water-related compliance violations with corresponding corrective actions	C	All violations are publicly available through state reporting.
	6.5 Increase awareness of water issues within the site: Strive to raise the understanding of the importance of water issues at the site through active communications.		
	6.5.1 Record of awareness efforts (dates and communication) and, if possible, level of awareness *(TCW in Guidance)*	C	A signed sheet dated in 2017 documenting AWS educational program provided to the Cabazon facility employees was reviewed. The truck drivers are not included in the formal program, because they are sourced from an outside company. NWNA have discussed AWS with their managers during regular conference calls.
ADVANCED Criterion 6.7	6.7 Implement a programme for water education: Implement a water education programme within the catchment to raise awareness and understanding of water stewardship issues and practices.		

	6.7.1 Description of water-related education programme	4	Project Wet is a water educational program sponsored by NW Global and NW North America. The site has voluteers whom deliver the program to local community schools. Additionally, the site provides educational outreach through facility open houses and educational booths at community events.

Audit Non-conformities and Observations

Guidance

Disclaimer: auditing is based on a sampling process of the available information and therefore nonconformities may exist which have not been identified.

Observations are defined as an area of concern regarding a process, document, or activity where there is opportunity for improvement.

Major non-conformity is raised if the issue represents a systematic problem of substantial consequence; the issue is a known and recurring problem that the client has failed to resolve; the issue fundamentally undermines the intent of the AWS Standard; or the nature of the problem may jeopardize the credibility of AWS.
Applicants must close* major NCR within Ninety (90) days of the NCR issue date. Failure to meet this deadline will require another conformity assessment.
Certificate Holders must close* major NCR within Thirty (30) days of the NCR issue date. If the Major NCR is not addressed within 30 days SCS shall suspend or withdraw the certificate and reinstatement shall not occur before another conformity assessment has been successfully completed.

Minor non-conformity: Where the audit team has evaluated an audit finding and determines that the seriousness of the issue does not meet the any of the criteria for Major non-compliance the audit team shall grade the finding as a minor non-conformity.
Applicants must submit an acceptable corrective action plan^ to address all minor non-conformities to be recommended for certification.
Certificate Holders must close minor NCR within Ninety (90) days of the NCR issue date. SCS may agree to an alternative time frame with the client as long as this can be justified and is documented in the NCR report.
If corrective actions are inadequate to resolve a minor non-conformity by the time of the next scheduled audit, SCS shall upgrade the audit finding to a major non- conformity.
If an unusually large number of minor non-conformities are detected during the course of a single audit, the audit team may at their discretion raise a major non-conformity to reflect a systematic failure of the client's management system to deliver conformity with the AWS Standard.

** closed = actioned by the client, corrections & corrective actions verified and closed by the auditor.*
^The corrective action plan shall include an analysis of the root cause of the minor non-conformity; the specific corrective action(s) to address the minor non-conformity; and an appropriate time frame to implement corrective action(s).

NC #	Criteria / Indicator #	Major – Detail on Non Conformance	Due Date (XX calendar Days)	Root Cause Analysis and Corrective Action Taken

MINOR #	Section #	Minor – Detail on Non Conformance	Due Date	Corrective Action Taken

NES-MINOR-2017-001	2.4.6	Finances are compiled and reviewed by NWNA corporate headquarters. Normally data is reviewed regionally or at the product level, not at the level of individual sites such as the Cabazon facility. A Minor NC was issued: The standard asks for a list of annual water-related costs, revenues and description/quantification of social, environmental or economic value generated by the site to the catchment. Site level costs were presented, however economic value is tracked at a product level and specific data was not presented. Social and environmental values were also not described or quantified. Thus a true cost benefit analysis of the site to the catchment was not completed.	2-Mar-18	Root Cause Analysis: Currently, the company tracks financial data by total brand values and not at a factory-specific level. However, costs and revenues presented in the audit represent the financial data as specifically attributed to the Los Angeles factory, where possible. Corrective Action: Revised water-related costs and revenues will be presented and/or estimated for the Los Angeles site, where possible and where company determines proprietary information is not required to be disclosed. Explicit references will be made regarding social and environmental values provided to the catchment.

OBS #	Section #	Observation – Detail on Opportunity for Improvement	Due Date	Corrective Action Taken
NES-OBS-2017-002	4.2.2	The site is within a water scarce catchment. NWNA is planning for product increase at the at the brand level, not the site level. So, it's not clear whether this particular site would increase or maintain its water use in the future. However, even if they increase their water use, their plans to continue their WWR improvement, ensures no net water increase.	N/A	Note: We understand the observation and will take the advice under consideration. We agree that efforts by NWNA have already been undertaken to increase water use efficiency, decrease water usage, and to understand NWNA's effect on Catchment water balance. Since NWNA wishes to increase production at the Los Angelese factory, NWNA will work with Catchment governance authorities to formalize documentation of no net increase in water scarcity. These items will be enacted by the first surveillance audit. No Corrective Action Plan required.
	4.2.3	See 4.2.2	N/A	Note: We understand the observation and will take the advice under consideration. No Corrective Action Plan required.

Certification Decision

Guidance
The recommendation section to be filled out by the auditor with optional comments. The Certification Decision section is to be completed by the SCS's decision-making entity after initial, re-certification and re-evaluation audits. Details of the decision making entity and any observations or further details can be included in the comments field.

Auditor's recommendation for initial, continued or re-certification based on compliance with requirements:	**X**	Initial Certification **Recommended**
		Initial/Continued Certification **Not Recommended**
Level of certification recommended (if applicable):		AWS Core
	X	AWS Gold
		AWS Platinum
Comments (e.g. justification for change in certification level, recommendations for sampling):	*Advanced criteria, providing 40 additional points beyond core, were evaluated and assessed as compliant.*	

To be completed by the SCS Decision-Making Entity	**SCS Certification Decision:**	**x**	**Approved**
			Denied
	Certification decision by:	*Neil Mendenhall*	
	Technical Review by:	*Neil Mendenhall*	
	Date of decision:	28 January 2017	
	Surveillance schedule:	**annual**	