Alliance for Water Stewardship

Audit Report - Nestle Waters North America Inc.
Allentown, PA Site

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

Report Issued on July 31, 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. -Allentown, PA
AWS Reference Number	AWS-010-INT-SCS-00-01-0005-0060
Client AWS Representative/Group Manager (Role/Name/Contact info)	Valeria Orozco, Senior Manager, Sustainability Valeria.Orozco@waters.nestle.com
Audit Team (Role/Name)	Lead Auditor: Isabella Polenghi-Gross, AMEC Foster Wheeler
	Support Auditor: Christian Mielke, E2M
	Team Auditor: Rae Mindock, SCS Global Services
Audit dates (DD-DD Month YYYY)	4-5 May, 2018
Audit Location (main site being audited)	Nestlé Waters North America (NWNA) Allentown PA, USA; 305 and 405 Nestle Way, Breinigsville, PA 18031, 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 Allentown Campus has two water bottling facilities, producing bottled water products under the brand names of Deer Park Natural Spring Water, and Nestlé Pure Life. The geographic scope of the Campus is limited to the property boundary of the two facilities. The Campus is located in an urban, light industrial setting. Five-gallon and three-gallon bottles are produced at this site for delivery in home and office settings, in addition to one-gallon and single serving bottles. Water for the bottling facilities comes from several sources, including spring water delivered by truck from several regional springs outside of the catchment, to produce bottled spring water; municipal water and water from an on-site ground water well to produce bottled purified water.

Description of the catchment in which the client operates:

The catchment for the Allentown facility is approximately 59,900 acres (93.6 sq. miles, or 242 sq. km), encompasses the Little Lehigh Creek watershed and is contained within the Lehigh River Watershed. The Allentown factories receive water from eight off-site springs, from an on-site groundwater well, and from Municipal water supplied by Lehigh County Authority. The onsite well and municipal sources are located within the Little Lehigh Creek watershed.

Summary of shared water challenges:

Shared challenges presented by NWNA were drought/projected water scarcity, water quality/contamination, public/consumer education and water use efficiently. Water quality/contamination was ranked as the highest priority and is consistent with Stakeholder concerns.

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**
Eric Andreus, Natural Resource Manager, NWNA	x	x		x	x
Jillian Olsen, Natural Resource Support Contractor	x	x		x	x
Joshua Labeda SHE Manager, NWNA	x	x		x	x
Ron Lentini, SHE Manager, NWNA	x	x		x	x
Birgitte Krenk, Factory Manager, NWNA	x			x	x
Michael Franceschetti, Factory Manager, NWNA	x				x
Danielle Hoster, SHE Coordinator, NWNA	x	x		x	
Senior Manager, Sustainability, NWNA					
Springs Resource Manager, NWNA					
Factory Engineer, NWNA					
Plant Controller, NWNA					
FI Pillar Leader, NWNA					
Logitics Manager, NWNA					

Additional information on audit attendance

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Criterion #	Standard Provision or Requirement	Major Minor Observation Conforming	Objective Evidence/Notes Allentown
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 implementation 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 organizational l capacity necessary to successfully implement the AWS Standard, including ensuring that staff have the time and resources necessary to undertake the implementation on; - Support water-related national and international treaties; - Disclose material on water-related information to relevant audiences.		
1.1.1	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 each site factory manager of the two factories located at this site. The pledges, containing all elements described in this criterion, are posted in each factory.

Criterion 1.2	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	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 Nestle Policy on Environmental Sustainability", includes Appendix, "Nestle Commitment on Water Stewardship". 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	2.1.1 Documentation or map of the site's boundaries	OBS	A map of the site was provided. Two factories are included in the map. They operate under the same management and perform the same purpose, and are considered as one single site. The map includes the property boundaries of the factory, as well as one groundwater well (PW-1). **OBS 2018.5 No wastewater discharge points, storm water retention ponds or creek, all within the site boundaries, are included in this map.**

2.1.2	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 Allentown factories receive water from eight off-site springs, from an on-site groundwater well, and from Municipal water supplied by Lehigh County Authority. The onsite well and municipal sources are located within the Little Lehigh Creek watershed. A map with the names and locations of water sources was reviewed. The Allentown facilities received a total of approximately 790 MG/yr. of water in 2017 (~2M gal/day). 387 MG/yr. is from Lehigh County Authority of which 20% is groundwater and 80% is surface water, 341 MG/yr. is from spring water (see breakdown below), and 62MG/yr. is from the on-site GW well. The Allentown facilities receive water from: - Allentown Factories Site Groundwater Well PW-1 (62 MG/yr./yr.) - Lehigh County Authority Municipal Supply (387 MG/yr.) GROUNDWATER SOURCES (20%) * Groundwater wells; * Schantz Spring; * Crystal Spring. SURFACE WATER SOURCES (80%) * Little Lehigh Creek Surface Water Intake; * Lehigh River Surface Water Intake (Emergency Use Only) Spring Sources (outside site catchment), in order of spring priority for the site 1) Hoffman Springs (109 MG/yr.); 32% 2) Greenwaltz Springs (146 MG/yr.); 43% 3) Sasoonan Springs (22 MG/yr.); 6% 4) Arrowhead Springs (Newmanstown, PA, 61 MG/yr.);18% 5) Pine Grove Springs (2 MG/yr.); 1% 6) Valley View Springs (1 MG/yr.); 0.5% 7) Boiling Springs or Deer Park (1 MG/yr.); 0.5% 8) Quiet Valley Springs (0 gal/yr.); 0%
2.1.3	2.1.3 Names and location of effluent discharge points, including both water service provider (if applicable) and ultimate receiving water body	C	The site map includes discharge points located within the site. Wastewater discharges go to Lehigh County Authority (LCA) Klines Island Wastewater Treatment Plant. The treated effluent discharge to surface water (Lehigh River) and the ultimate receiving water body is Lehigh River.

2.1.4	2.1.4 Geographical description or map of the catchment(s)	Minor NC	A map of the site catchment was provided. The catchment for the Allentown facility is approximately 59,900 acres (93.6 sq. miles, or 242 sq. km), encompasses the Little Lehigh Creek watershed and is contained within the Lehigh River Watershed. **Minor NC 2018.1: Several of the spring sources used by the site are not included in the catchment due to their long distance to the site. Reasonable amount of information should be compiled and provided to describe their catchment area (at least for the spring sources that the site mostly relies upon), namely, water balance, water quality data, water risks & challenges shared with stakeholders.**
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	2.2.1 List of stakeholders, descriptions of prior engagements and summaries of their water-related challenges *(TCW in Guidance)*	C	A stakeholder map, created during the Nestle Community Relations Process (CRP), was reviewed. Stakeholders identified include Upper Macungie Township Manager, Lehigh County Authority (LCA), Delaware River Basin Commission (DRBC), PA Department of Environmental Protection, bottling/packaging material suppliers, the Boston Beer Company, PennVEST, Watershed Coalition of Lehigh Valley, Wildlands Conservancy, Northampton County Conservation District, Statewide Master Watershed representatives, local communities. No opposing stakeholders in this region known to NWNA. Of the stakeholders interviewed, all were aware of NWNA. - A stakeholder engagement tracker database was prepared and provided. It contains inputs from the above stakeholders and summarize details of the communications, the topics discussed (including AWS overview, shared water challenges, and IWRAs) and the feedback received from them. It also lists action items being taken by NWNA, including a commitment to continue with regular stakeholder communication, to share outcomes of actions implemented, to participate at stakeholder meetings and talk about NWNA water stewardship actions, and to potentially be involved in cleanup volunteering opportunities or partnership for environmental restoration efforts. NWNA Allentown has hosted one factory tour in 2016 and plan to host another one in the fall of 2018. NWNA Allentown created stakeholder presentations, and participated in volunteer activities within the community.
2.2.2	2.2.2 Description of the site's sphere of influence	C	A sphere of influence was provided for some of the stakeholders 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	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 Allentown 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	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 was provided including the applicable permits for customary water rights and water use rights. Water withdrawals were described for the Delaware River Basin and from Hoffman Springs. There are NPDES storm water permits for the Allentown site.
2.3.3	2.3.3 Catchment water balance by temporally relevant time unit and commentary on future supply and demand trends *(TCW in Guidance)*	C	The Allentown Catchment Water balance details the water influx and extraction from the catchment based on a twenty-nine year average. The balance includes the site well and other sources extracted from the catchment. The recharge rate was determined based on ten years of precipitation data to determine the recharge for the year in question. Current balance versus future balance is noted.
2.3.4	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 anticipated future changes in water quality	C	The water sources undergo the standard annual quality testing and weekly testing as required by FDA. Quarterly testing is conducted for effluent POTW discharge. Trending of water quality sources is evaluated annually and compared to historical data.

2.3.5	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 with a description of their water related issues, and distinguished as wildlife or cultural. The general status, current and future trends are detailed for each IWRA. The IWRAs were identified in good condition. Discussions indicated that there are 2 IWRAs that are potentially influenced by NWNA.
2.3.6	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 publicly available reports of water-related infrastructure, detailing the local infrastructure and potential risks. Stakeholder interviews involved discussion of water-related infrastructure, including natural infrastructure.
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	2.4.1 Copies of existing water stewardship and incident response plans *(TCW in Guidance)*	C	The Water Stewardship Plan, Spill Prevention Control Countermeasure Plan (SPCC) for both facilities were reviewed. Incidence response was addressed in the plans.
2.4.2	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	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. Site is currently operating at approximately a 1.42 with a goal of 1.35 L/L at the West Plant and 1.29 L/L at the East Plant.

2.4.3	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	The industrial wastewater permits dated February 2016 (West Plant) and February 2014 (East Plant) were provided and reviewed. Analytical reports of waste water effluent were reviewed. Their water quality protocol was consistent with the AWS guidance.
2.4.4	2.4.4 Inventory of all material water-related chemicals used or stored on-site that are possible causes of water pollution	C	Chemical lists for processing chemicals, utility chemicals were available and reviewed. Tier II reports for both facilities were also reviewed.
2.4.5	2.4.5 Documentation identifying existing, or historic, on-site Important Water-Related Areas, including a description of their status	C	On-site potable well was identified as an IWRA. The current and future status of the well has been documented. Note: The on-site well may not fall within AWS criteria as an IWRA.
2.4.6	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 NC	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. **Minor NC 2018.2: Revenues and shared services are not provided. Interviews indicated this data is not tracked at the site level and unable to be provided at this time.** NC's associated with Indicator 2.4 will be extended for one (1) year to provide time for the AWS Technical Committee guidance to be released with the forthcoming revised AWS Standard (v2.0). Nestle' should use this additional time to comply with the intent of this indicator to ensure their certified status.
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	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 primary inputs with annual water consumption values for each input as well as outputs were reviewed. Analysis includes water use associated with packaging, transportation, cooling, and end of life.
2.5.2	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	Minor NC	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. **Minor NC 2018.3: The process for obtaining annual effluent data from NWNAs outsourced services is not consistently effective. It was communicated that there were no responses from the outsourced services providers, therefore NWNA did not obtain water quality data.**

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	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 Water Quality/Contamination prioritized as first, on a scale of 1-4. Shared water challenges were 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	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. Water Quality/Contamination prioritized first, on a scale of 1-4.
2.7.2	2.7.2 Prioritized list of water-related opportunities for the site	C	A prioritized list of water-related opportunities for the site was provided and reviewed which match the water challenges and water risks listed. First priority is based on Water Quality/Contamination and focuses on participating in water quality improvement programs to help preserve water resources.
2.7.3	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 quantified as applicable.
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	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)*	Minor NC	The Monitoring and Measurement Plan provides a record of the compliance calendar and lists the reporting requirements and renewals that are needed to maintain compliance. Responsible persons are documented and the location of the records are defined. **Minor NC 2018.4: Evidence was not able to be provided that the site had developed a process for the well, PW-1.**
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	3.2.1 Available water stewardship strategy	C	A water stewardship strategy statement was provided and reviewed. NWNA Allentown strategy is a high level document stating the overall strategy is in alignment with the AWS requirements.

3.2.2	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, costs, responsible person, status, and other criteria. Watershed management, Water Quality, Public Consumer Education , Water Efficiency are the water topics identified in this plan. Several elements accounted for in the plan were identified during the stakeholder engagement process.
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	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 Allentown provided their Incident Response Plan, which included description of their required responses and resilience to water related issues and risks; plan highlights shortages or interruptions of the municipal water and springs that could be caused by multiple factors. All other types of emergencies are discussed in the Emergency Response Plan.
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	3.4.1 Documented evidence of communicating the site's plan to the relevant catchment authority/agency	C	NWNA Allentown provided evidence of communication with catchment authorities about the AWS process and catchment plan in the stakeholder engagement tracker. By optimizing their water efficiency, the site is contributing to the catchment plan for all users within it. Communication and outreach is 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	4.1.1 Documentation demonstrating compliance *(TCW in Guidance)*	OBS	Multiple reports for were provided and reviewed to document compliance. Records associated with corrective actions will be addressed in Indicator 5.2.1. **OBS 2018.6: Site may want to develop a methodology to detail which records were reviewed to draw conclusions of compliance.**
4.1.2	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.
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	4.2.1 Measurement-based evidence showing that targets have been met	C	The site has implemented seven actions to improve its water efficiency. Completion of the actions in 2017 has resulted in approximately 15 MM gallons in annual water reduction.
4.2.2	4.2.2 (Water scarce catchments only) Evidence of continual decrease or best practice	C	The site is not within a water scarce catchment.

4.2.3	4.2.3 (Sites wishing to increase withdrawals in water scarce catchments only) Evidence of no net increase in water scarcity	C	The site is not within a water scarce catchment.
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	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.
4.3.2	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	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	4.4.1 Documented evidence showing that targets have been met	C	The potable well PW-1 was identified as a IWRA. Maintenance activities were reviewed and best practice maintenance is in place.

4.4.2	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	4.5.1 Documented evidence of the site's ongoing efforts to contribute to good catchment governance	C	NWNA Allentown provided documentation of their efforts to support good catchment governance through participation with the Lehigh County Authority and Water Resource Association of the Delware River Basin.
4.5.2	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	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. Service providers did not respond to NWNA requests. NWNA has made a supplemental request to suppliers.
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	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 Allentown 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	4.8.1 List of individuals contacted and key messages relayed *(TCW in Guidance)*	C	Evidence from 2,2, 2.3, 2.6, 2.7 and 3.3 indicates that there are no concerns with any shared water related infrastructures. Should a concern arise, the site plans to discuss it during the quarterly Operations Assistance Committee meetings they regularly and actively participate at, during which they exchange general information and give managers of local industries, Upper Macungie Township, and Lehigh County Authority, an opportunity to share various current events and updates that have taken place at their industries and the LCA wastewater treatment plant.
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	5.1.1 Post-implementation data and narrative discussion of performance and context (including water risk)	OBS	NWNA Allentown 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. **OBS 2018.7: Not all targets are SMART (for instance some of them do not have a clearly defined timeframe)**
5.1.2	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	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	5.2.1 Documented evidence (e.g., annual review and proposed measures)	C	No water related emergency events occurred during the timeframe of the audit. A drought mitigation/water shortage plan is in place (see incident response plan under 3.3.1). No shutdown occurred that was water related. They have specific procedure to report emergency events (as required by the state), if any, as documented in their emergency document plans. PA State does not require a separate SWPPP but this is part of the PPC/SPCC for each factory, last updated in 2018) and other incident response plans as listed for indicator 2.4.1.
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	5.3.1 Commentary by the identified stakeholders *(TCW in Guidance)*	OBS	Internal and external stakeholder outreach conducted through the CRP 2.0. Responses covered the main topics of Water Resource Management, Industrial Impacts and Local Contribution. Internal stakeholders were mostly interested in quality efficiency and outreach education programs. External stakeholders were mostly interested in Water Quantity, water quality and relations with stakeholders, such as local population and authorities. Among the key issues, trucking from spring was listed for more than one reasons, including contributing to traffic and affecting air quality. Other concerns included impact on water quantity and quality, more contact with new plant manager, and the concern that AWS could be used as "greenwashing". Positive feedback is included too, including satisfaction with how NWNA handles communities issues, good communication, water donations, good local project work. Some actions (and associated budget) are laid out to address the issues identified. **OBS 2018.8: keep and provide records of all meetings, including dates, log or signing sheets of people attending, topics discussed.**
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	5.4.1 Modifications to water stewardship and incident response plans incorporating relevant information *(TCW in Guidance)*	C	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	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 Allentown facility posts the factory organization charts in the entry of the factory floors where they can be reviewed by staff and visitors. 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.
Criterion 6.2	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	6.2.1 Disclosed summary of site's water stewardship results	C	The stakeholder presentation was reviewed, which includes a description of the AWS Plan and targets Development and the site's Implementation Outcomes. The presentation was provided to stakeholders as documented in the stakeholder engagement tracker. The list of attendees was reviewed.
Criterion 6.3	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	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, which includes the site's water stewardship performance results, a list of the shared water challenges and accomplished/planned efforts to address them in cooperation with engaged stakeholders. The presentation was provided to stakeholders as documented in the stakeholder engagement tracker database. NWNA plans to show something similar to attendees of future factory tours. NWNA Allentown conducted public/consumer education outreach through several organized programs to local schools, groups and factory tours (see criterion 2.3.1); regular updates to website; Annual Summary Report to Community Leaders & Regulators; Annual Monitoring & Community Reports to their spring community stakeholders.

Criterion 6.4	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	6.4.1 Available list of water-related compliance violations with corresponding corrective actions	C	All violations are publicly available through state reporting. Latest reported violation was in 2015 and was administrative in nature for late payment of an annual permit fee. All violations were closed and now in compliance status.
Criterion 6.5	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	6.5.1 Record of awareness efforts (dates and communication) and, if possible, level of awareness *(TCW in Guidance)*	C	Signed sheets dated in 2017 documenting AWS educational program provided to the Allentown factories' employees were reviewed. AWS is discussed also with the spring managers. The truck drivers are not included in the formal program, because they are sourced from an outside company. The site reviews water related regulatory compliance with the truck drivers.

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 (90 calendar Days)	Root Cause Analysis and Corrective Action Taken

NC #	Section #	Minor – Detail on Non Conformance	Due Date (90 calendar Days)	Corrective Action Taken
2018.1	**2.1.4**	Several of the spring sources used by the site are not included in the catchment due to their long distance to the site. Reasonable amount of information should be compiled and provided to describe their catchment area (at least for the spring sources that the site mostly relies upon), namely, water balance, water quality data, water risks & challenges shared with stakeholders.	**Provided May 2018**	**Root Cause Analysis**: Information on the spring sources was not provided to allow evaluation. **Corrective Action:** Additional information was provided for Hoffman Springs, Greenwaltz Springs, Arrowhead Springs, Sasoonan Springs, Valley View Springs, Pine Grove Springs, Boiling Springs, and NWNA Community Engagement to address the non-conformity. **NC 2018.1 is Closed**.

2018.2	**2.4.6**	Revenues and shared services are not provided. Interviews indicated this data is not tracked at the site level and unable to be provided at this time. NC's associated with Indicator 2.4 will be extended for one (1) year to provide time for the AWS Technical Committee guidance to be released with the forthcoming revised AWS Standard (v2.0). Nestle' should use this additional time to comply with the intent of this indicator to ensure their certified status.	**4-Aug-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 were represent the financial data as specifically attributed to the factory, where possible. The business sensitive nature of the financial information and the brand aggregate values led to presentation of some N/A values. **Corrective Action:** Revised water-related costs and revenues will be presented and/or estimated for the 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.
2018.3	**2.5.2**	The process for obtaining annual effluent data from NWNAs outsourced services is not consistently effective. It was communicated that there were no responses from the outsourced services providers, therefore NWNA did not obtain water quality data.	**Provided May 2018**	**Root Cause Analysis:** The outsourced service providers presented in 02.05.02_WF02 _24 _AWS_v1.0.pdf and 04.06.01_WF02_24_AWS.pdf were specific to the Allentown factory. Additional outreach to service providers and publicly available data may be required to ensure completeness. **Corrective Action:** Outsourced service providers will continue to be contacted to received AWS outreach including solicitation of water use data and future AWS participation. Publicly available information was submitted to provide additional data needs. **NC 2018.3 is Closed.**
2018.4	**3.1.1**	Evidence was not able to be provided that the site had developed a process for the well, PW-1.	**Provided May 2018**	**Root Cause Analysis:** Documentation was not available to the audit team. **Corrective Action:** The tracking sheet with required information was provided for review to address the non-conformity. **NC 2018.4 is Closed.**

OFI #	Section #	Observation – Detail on Opportunity for Improvement	Due Date	Corrective Action Taken
2018.5	**2.1.1**	No wastewater discharge points, storm water retention ponds or creek, all within the site boundaries, are included in this map.		**Note:** We understand the observation and will take the advice under consideration. No Corrective Action Plan required.
2018.6	**4.1.1**	Site may want to develop a methodology to detail which records were reviewed to draw conclusions of compliance.		**Note:** We understand the observation and will take the advice under consideration. No Corrective Action Plan required.
2018.7	**5.1.1**	Not all targets are SMART (for instance some of them do not have a clearly defined timeframe)		**Note:** We understand the observation and will take the advice under consideration. No Corrective Action Plan required.
2018.9	**5.3.1**	Keep and provide records of all meetings, including dates, log or signing sheets of people attending, topics discussed.		**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/Continued Certification **Recommended**
		Initial/Continued Certification **Not Recommended**
Level of certification recommended (if applicable):	X	AWS Core
		AWS Gold
		AWS Platinum
Comments (e.g. justification for change in certification level, recommendations for sampling):		

To be completed by the SCS Decision-Making Entity	**SCS Certification Decision:**	**x**	**Approved**
			Denied
	Certification decision by:	**Rae Mindock**	
	Technical Review by:	**Rae Mindock**	
	Date of decision:	**31 July 2018**	
	Surveillance schedule:	**Next audit is scheduled for May 4, 2019 to June 4, 2019.**	