CERTIFICATION REPORT

Alliance for Water Stewardship (AWS)

Audit Number: AO-001494

WSAS WATER STEWARDSHIP ASSURANCE SERVICES

SITE DETAILS

Site: **BAT Korea - Sacheon**
Address: Yucheon-ri 889, Sanam-myeon, 52530, Sacheon, KOREA, REPUBLIC OF
Contact Person: Dohyun Kim
AWS Reference Number: AWS-000419
Site Structure: Single Site

CERTIFICATION DETAILS

Certification status: Certified Core
Date of certification decision: 2025-Jun-11
Validity of certificate: 2028-Jun-10

AUDIT DETAILS

Audited Service(s): AWS Standard v2.0 (2019)
Audit Type(s): Re-Certification Audit
Audit Start Date: 2025-Mar-10
Audit End Date: 2025-Mar-12
Lead Auditor: Sa-Myeong Gim

Audit team participants:
Sa-Myeong Gim, Lead Auditor

Site Participants:
Taejin Park, Sustainability Manager
Dohyun Kim, Sustainability Team
Namki Min, Engineering Manager
Kyoung Pil Park, ENG Tech operator
Yunjeong Choi, Consultant
Nari Kim, Consultant
Jihyong Kim, Head of Manufacturing
Byungwoo Min, ENG & Sustainability Manager

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AUDIT TIMES

Dates	Audit from	Duration	Auditor	Description
2025-Mar-10	09:00:00 - 17:30:00	08:30	Sa-Myeong Gim	Opening meeting, Site and Catchment Tour, Stakeholder Interview, Document review
2025-Mar-11	08:30:00 - 18:00:00	09:30	Sa-Myeong Gim	Document review
2025-Mar-12	08:00:00 - 12:00:00	04:00	Sa-Myeong Gim	Document review, Closing Meeting

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ADDITIONAL INFO

Summary of Audit Findings: During the re-certification audit, 9 minor non-conformities and 5 observations were raised.

The Client is requested to perform a root cause analysis and define corrective actions for each of the non-conformities and to submit these to WSAS within 30 days of receipt of the audit report by 22/05/2025.

Minor non-conformities must be closed out by the time of the next annual audit.

The audit team recommends re-certification of BAT Korea - Sacheon at Core level pending approval of the corrective actions plan for the non-conformities.
CLOSURE OF FINDINGS AND CORRECTIVE ACTION PLAN:

The Client has successfully resolved the corrective action plans addressing all findings.
Proof of implementation has been requested for the Minors and this will be evaluated during the Surveillance Audit. The client is requested to upload evidence of implementation prior to the Surveillance Audit.

Scope of Assessment: The scope of services covers the recertification audit for assessing conformity of BAT Korea - Sacheon (BAT Korea) against the AWS International Water Stewardship Standard Version 2.
The Sacheon factory, operated by BAT Korea, is situated within the Sacheon Industrial Complex at 141, Gongdan 1-ro, Sanam-myeon, Sacheon-si, Gyeongsangnam-do, Republic of Korea, 52530. It is one of the factories owned by British American Tobacco. Commencing operations in 2002, the factory spans an area of 106,047.6 □, with a floor ratio area of 54.35%, and a total building area of 50,956.16 □. Approximately 710 employees and staffs work at this facility. The majority of employees travel to the factory from Sacheon-si and Jinju-si, which are located approximately 4.4 km and 17 km away from the factory, respectively.
The factory operates its own wastewater treatment facility, water purification facility, water reusing system, Cooling tower, Boiler, Fire water system, Canteen, etc.
The Sacheon factory specializes in the production of both factory-made cigarettes (FMC) and new categories (NC), also known as Heating Product (HP). In 2022, the factory achieved a production output of 37 billion cigarettes, of which 78% were exported, primarily to Japan (88%). Recognized as a strategic export hub within BAT, the Sacheon factory plays a significant role in the company's operations. In 2024, BAT Sacheon Factory relocated the FMD to a space previously used as a warehouse to expand the production facilities for HP. Additionally, a single-story office building was newly constructed right next to it.
The BAT Korea is located within the Nakdong River catchment to a large extent, and within the Nam River catchment to a lesser extent. The Nam River is the first major tributary of the Nakdong River, originating from Mount Namdeogyusan, Jirisan (Jiri Mountain) and flowing for a total length of 189.83 km before joining the Nakdong River. The river is referred to as the Nam River from Jinyang Lake, which is created by the Namgang Dam, to its confluence with the Nakdong River. The catchment area of the Nam River is 3,467.52 km2, and Jinyang Lake serves as an important water source, providing an annual irrigation water volume of 60 million cubic meters to 7,500 ha of farmland in the lower reaches of the Nam River and 2,300 ha of farmland in the lower reaches of the Nakdong River, as well as supplying approximately 100,000 cubic meters of water per day to the water supply systems of Jinju and Sacheon City.
The audit was conducted onsite from March 10 to March 12, 2025.
The site visit included the assessment of the water-related infrastructure of BAT Korea, the Jinyang Lake, Namgang Dam, Sacheon River, Gawha Stream.

FINDINGS

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CERTIFICATION REPORT

Alliance for Water Stewardship (AWS)

Audit Number: AO-001494

NUMBER OF FINDINGS PER LEVEL

Observation	5
Minor	9

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FINDING DETAILS

Finding No:	TNR-017256
Checklist Item No:	1.3.1
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	Existing water-related incident response plans shall be identified.
Findings:	- There is no response plan for incidents such as water supply problems, in-flow water contamination, out-flow water contamination, water leakage, and wastewater treatment plant failure.
Corrective action:	We have updated the existing emergency response SOP by adding sections on water resource contamination and effluent discharge, including corresponding response procedures and key contact information.

Finding No:	TNR-017257
Checklist Item No:	1.3.4
Status:	In Progress - CA plan approved
Finding level:	Observation
Checklist item:	Water quality of the site’s water source(s), provided waters, effluent and receiving water bodies shall be quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be quantified.
Findings:	The water quality of the site's receiving water body (Sacheon Bay) was not presented. However, the site was aware of the gap and since no publicly available water quality data for Sacheon Bay currently exists, the site has set an action plan in the 2025 WSP to initiate data collection for Sacheon Bay’s water quality. Considering the site's effort to collect the data, the water quality of the site's receiving water body will be verified in the next audit.
Corrective action:	To establish a water quality monitoring plan for Sacheon Bay, we reviewed 10 years of marine environmental monitoring data from nearby Jinju Bay. We examined the monitoring frequency and parameters, and analyzed the results. This analysis revealed seasonal variation, with the highest and lowest water temperatures observed in August and February, respectively. Based on these findings, we sought expert advice from Gyeongsang National University regarding the monitoring plan. We are currently in discussions to establish a collaboration. Through the consultation, we defined the monitoring parameters, locations, and frequency, and plan to conduct monthly monitoring starting in June 2025.

CERTIFICATION REPORT

Alliance for Water Stewardship (AWS)

Audit Number: AO-001494

Finding No:	TNR-017258
Checklist Item No:	1.4.1
Status:	Closed
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	The embedded water use of primary inputs, including quantity, quality and level of water risk within the site's catchment, shall be identified.
Findings:	- Only the locations of 3 suppliers were identified based on their addresses. The locations of 26 suppliers remain unidentified, and water usage, water quality, and level of water risk for all 29 suppliers have not been identified. - The moisture content of each primary input was investigated due to a misunderstanding of indirect water at the site. The moisture content of the primary inputs cannot be considered indirect water use.
Corrective action:	In the initial phase, we identified key suppliers related to the final product and conducted a survey on their water use status. The survey collected information on annual water consumption, BAT-allocated water usage, and water-related risks. However, due to limited understanding of indirect water use, some inaccuracies were noted in the responses. Accordingly, we plan to identify suppliers requiring further verification of indirect water use and will conduct a second round of surveys targeting those suppliers after distributing relevant guidance materials. From the first round of results, we identified one supplier located within the site's catchment area and reviewed water quality and water-related risks accordingly.

Finding No:	TNR-017259
Checklist Item No:	1.5.4
Status:	In Progress - CA plan approved
Finding level:	Observation
Checklist item:	Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be identified.
Findings:	- As of now, no publicly available water quality data exists for Sacheon Bay, but the site has planned to collect this data as part of its 2025 Water Stewardship Plan (WSP). The effectiveness of the action need to be assessed in the next audit.
Corrective action:	To establish a water quality monitoring plan for Sacheon Bay, we reviewed 10 years of marine environmental monitoring data from nearby Jinju Bay. Monitoring frequency and parameters were examined, and the results were analyzed. The findings revealed clear seasonal variation in water temperature, with the highest and lowest readings occurring in August and February, respectively. Based on these findings, we sought expert advice from Gyeongsang National University and are currently in discussions for collaboration. Through this consultation, we determined the monitoring parameters, locations, and frequency. Monthly monitoring is planned to begin in June 2025.

Finding No:	TNR-017260
Checklist Item No:	1.5.5
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	Important Water-Related Areas shall be identified, and where appropriate, mapped,and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement.
Findings:	- The site's catchment spans a wide area, covering regions from Jirisan (Mountain Jiri) to parts of Tongyeong, yet all identified IWRAs are located within approximately 10 km of the site. This indicates that the IWRA survey conducted does not adequately cover the entire catchment area.
Corrective action:	To re-identify Important Water-Related Areas (IWRAs) based on the site's catchment, we utilized monitoring points for rivers, lakes, and agricultural water from the Water Environment Information System. Each monitoring point was assessed for ecological significance, community importance, and water environment value. Locations found to meet at least two of these criteria were designated as IWRAs. As a result, two additional areas (Imcheon and Daega Reservoir) were added to the existing six IWRAs, and condition assessments were conducted.

Finding No:	TNR-017261
Checklist Item No:	1.7.1
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact.
Findings:	- The evaluation of potential financial impacts focused only on the costs of risk prevention measures rather than the actual potential costs that could be incurred by the site if the risks materialize. This approach does not provide an accurate assessment of the potential financial impact on the site.
Corrective action:	We re-evaluated the potential costs that could arise if identified risks were to materialize.

Finding No:	TNR-017262
Checklist Item No:	2.3.1
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard.
Findings:	- The site's water stewardship strategy has been revised to align with the newly developed water stewardship plan (WSP) for 2025, incorporating its mission and vision. However, the content is quite simplistic, such as "Increase AWS certification level" which makes it difficult to consider as a long-term AWS mission for the organization.
Corrective action:	The mission was revised to reflect the site's long-term AWS strategy.

Finding No:	TNR-017263
Checklist Item No:	2.3.2
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	A water stewardship plan shall be identified, including for each target: - How it will be measured and monitored - Actions to achieve and maintain (or exceed) it - Planned timeframes to achieve it - Financial budgets allocated for actions - Positions of persons responsible for actions and achieving targets - Where available, note the link between each target and the achievement of best practice to help address shared water challenges and the AWS outcomes.
Findings:	The site's water stewardship plan is action-based, lacking the overall targets that the site wants to achieve with the planned actions. Only water withdrawal reduction targets are clear. - Among the 28 action items, except for the two water withdrawal reduction targets, all performance measurement metrics are based on the frequency or number of activities, making performance measurement ineffective. - In particular, despite the overall "bad" status of the IWRA ecosystem (refer to 1.5.5), the performance of the site's IWRA-related activities is being measured by event counts and the number of agreements signed, making it difficult to evaluate what the site wants to achieve with those actions and difficult to assess actual improvements in the IWRAs targeted.
Corrective action:	We plan to review the existing WSP goals and actions to define the quantitative or qualitative outcomes that each activity aims to achieve, and to reset the targets based on performance. In particular, based on the findings related to Important Water-Related Areas (IWRAs), we intend to establish practical and achievable goals that reflect the current condition assessments (e.g., "bad") and develop specific plans to achieve those goals. However, since the improvement of IWRAs is limited by the site's efforts alone, we plan to set these targets in collaboration with other stakeholders.

Finding No:	TNR-017771
Checklist Item No:	2.4.1
Status:	In Progress - CA plan approved
Finding level:	Observation
Checklist item:	A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies shall be identified.
Findings:	- An MOU with the Gyeongsang National University Sustainable Development Center and meeting minutes from AWS committee discussions with stakeholders have been presented. It is not clear if a specific plan to mitigate or adapt to water risks would be developed from these engagements. - The site is located near an airport, presenting a risk of aircraft fuel spills. To address this, the site is in communication with stakeholders, including the Air Force, Sacheon Airport, industrial complex companies, and the public wastewater treatment plant, to develop a joint disaster response training plan. The training is scheduled for July 2025. Emails with Sacheon City confirming the communication have been reviewed. A more detailed plan should be confirmed during the next audit.
Corrective action:	We are currently in discussions with Gyeongsang National University regarding collaboration on water quality monitoring in Sacheon Bay, and also plan to participate in disaster response drills for the area. As specific plans for the drills have not yet been disclosed, we will submit the detailed plans and outcomes once they become available.

Finding No:	TNR-017265
Checklist Item No:	3.4.1
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	Status of progress towards meeting water quality targets set in the water stewardship plan shall be identified.
Findings:	- The site has set a target of having no more than one violation of water quality-related regulations, and achieved zero violations in 2024 (refer to 3.2.1). However, compliance with legal regulations is mandatory and serves as the baseline required by the AWS standard. - There is no identification of goals or efforts beyond regulatory compliance.
Corrective action:	The site plans to achieve targets beyond regulatory compliance levels in accordance with the revised 2025 Water Stewardship Plan (WSP). Monitoring activities for the receiving water body (Sacheon Bay) are planned (refer to 1.5.4), along with pollution prevention and response training. For the pollution response training, the specific schedule is currently under discussion and the activity is planned for the second half of the year. In addition, the site is reviewing technological approaches. It is actively collecting up-to-date technical information through benchmarking of domestic and international best practices, participation in relevant exhibitions, and meetings with technology providers. Based on the collected data, the site will conduct an assessment of technical applicability.

Finding No:	TNR-017266
Checklist Item No:	3.5.1
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	Practices set in the water stewardship plan to maintain and/or enhance the site's Important Water-Related Areas shall be implemented.
Findings:	- Despite the IWRA ecosystems being identified as "bad" in 1.5.5, the site's activities are limited to nearby cleanup efforts, and it is unclear how these efforts have contributed to the improvement of IWRA status (taking into account the IWRA analysis in 1.5.5). Furthermore, the improvement of IWRA has not been measured.
Corrective action:	We plan to seek advice from the Sacheon Environmental Movement Union (an NGO) to plan and implement activities aimed at improving the ecological condition of the IWRAs. If feasible, we intend to collaborate with the organization. After undergoing internal review procedures, these activities will be incorporated into the AWS plan.

Finding No:	TNR-017267
Checklist Item No:	3.7.1
Status:	In Progress - CA plan approved
Finding level:	Observation
Checklist item:	Evidence that indirect water use targets set in the water stewardship plan, as applicable, have been met shall be quantified.
Findings:	- The site did not set any targets related to indirect water use in the 2024 WSP, as there are no water scarcity issues within the catchment. - However, due to the long-term projections of a potential water balance shortage within the catchment, targets and actions related to indirect water use have become necessary. As a result, the site has included a goal in the 2025 WSP to communicate with suppliers and establish specific targets for reducing water usage. The performance of this action should be reviewed in next year's assessment.
Corrective action:	Water use status was identified through a first survey of primary suppliers. Before conducting a second survey, we plan to carry out preparatory steps such as selecting relevant companies and distributing materials on indirect water use. Based on the results of this follow-up survey, we intend to establish a reduction target for indirect water consumption.

Finding No:	TNR-017268
Checklist Item No:	4.1.1
Status:	In Progress - CA plan approved
Finding level:	Minor
Due date:	2026-Feb-10
Checklist item:	Performance against targets in the site's water stewardship plan and the contribution to achieving water stewardship outcomes shall be evaluated.
Findings:	- Performance measurement based solely on the number of actions performed does not clearly demonstrate the actual impact or effectiveness of the site's activities - contribution per AWS outcome has not been evaluated. Improvements in targets are needed to better capture the outcomes and effectiveness of the site's actions.
Corrective action:	We plan to review the existing WSP goals and actions to define the quantitative or qualitative outcomes that each activity aims to achieve, and to reset the targets based on performance.

Finding No:	TNR-017770
Checklist Item No:	5.1.1
Status:	In Progress - CA plan approved
Finding level:	Observation
Checklist item:	The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed.
Findings:	The position of those accountable for compliance with water-related laws and regulations is not clearly defined.
Corrective action:	The individual responsible for water-related legal matters has been clearly identified. However, the revised version has not yet been uploaded to the Sacheon Chamber of Commerce and Gyeongsang National University websites where it was previously disclosed. The updated version is scheduled to be uploaded before September 2025.

Report Details

Report	Value
Report prepared by	Sa-Myeong Gim
Report approved by	Ozge Gokmen
Report approved on (Date)	07/04/2025

Surveillance

Proposed date for next audit
2026-Feb-10

Stakeholder Announcements

Date of publication	Location
20/01/2025	https://www.gnu.ac.kr/sdgs/na/ntt/selectNttInfo.do?nttSn=2265299&mi=16879
20/01/2025	https://sacheoncci.korcham.net/file/dext5uploaddata/2025/AWS-000419_BAT%20South%20Korea%20Sacheon_StakeholderAnnouncement.pdf
20/01/2025	https://watersas.org/stakeholder-announcements/
20/01/2025	https://a4ws.org/certification/stakeholder-announcements/

Comment: The stakeholder announcement was posted on the websites of Gyeongsang National University and Sacheon Chamber of Commerce and Industry on January 20, 2025.

Catchment Information

Site's Catchment Area.png

Catchment Information

1. Catchment Name
The site is located within the Nakdong River catchment on a larger scale and within the Namgang Dam catchment, Namgang catchment, and Gahwa Stream catchment on a smaller scale.
2. Water Supply & Discharge Catchment
The site uses water supplied by K-water from Jinyang Lake, which was formed by Namgang Dam. Treated water is discharged into Sacheon Bay through a public wastewater treatment plant, and Sacheon Bay is connected to the South Sea via Samcheonpo.
3. Groundwater Aquifers
Groundwater is not used.
4. Catchment Water Service Providers
The BAT facility receives its water supply from K-Water.
Water supply source: Namgang Dam (Jinyang Lake)
Water treatment facility: Sacheon Water Treatment Plant, operated by K-water (Korea Water Resources Corporation)
Wastewater treatment facility: Sacheon Public Wastewater Treatment Plant discharge its effluent into Sacheon Bay
Stormwater discharge: As stormwater is not utilised, it is discharged through the stormwater drainage system to Sacheon Bay
5. Catchment Features
Namgang Dam serves as the primary water source, providing relatively stable water resources; however, continuous monitoring is necessary.
Due to the limited storage capacity of Namgang Dam, there is a risk of flooding in nearby areas.
A wetland protection area (Gwangpo Bay) is located near Sacheon Bay
Water from Namgang Dam is supplied to nearby areas and flows into local rivers.
This catchment falls under a temperate climate, experiencing high rainfall in summer and relatively low precipitation in winter.
Water resources in the catchment are primarily used for industrial (Jinsa industrial complex) and domestic.

Summary
The BAT Korea is located within the Nakdong River catchment to a large extent, and within the Nam River catchment to a lesser extent. The Nam River is the first major tributary of the Nakdong River, originating from Namdeogyusan (Mountain), Jirisan (Mountain), and flowing for a total length of 189.83 km before joining the Nakdong River. The river is referred to as the Nam River from Jinyang Lake, which is created by the Namgang Dam, to its confluence with the Nakdong River. The catchment area of the Nam River is 3,467.52 km2, and Jinyang Lake serves as an important water source, providing an annual irrigation water volume of 60 million cubic meters to 7,500 ha of farmland in the lower reaches of the Nam River and 2,300 ha of farmland in the lower reaches of the Nakdong River, as well as supplying approximately 100,000 cubic meters of water per day to the water supply systems of Jinju and Sacheon City.

Summary of Shared Water Challenges

Summary of Shared Water Challenges

The specific challenges within the catchment were identified through articles, stakeholder interviews, and reports. The site summarized these into four shared water challenges:

1. Flood risks due to Namgang Dam releases and fishing industry damage.
2. Changes in aquatic ecosystems, with environmental and social conflicts.
3. Water quality deterioration and aquatic ecosystem degradation in Gahwacheon (Gahwa Stream).
4. Pollution in discharge areas (Sacheon Bay).

Client Description and Site Details

BAT Korea Site boundary.png

Client/Site Background

1. Site Location
Gongdan 1-ro 141, Samnam-myeon, Sacheon-si, Gyeongsangnam-do, South Korea

2. Briefly Describe Surroundings
The facility is located within the Jinsa industrial complex, with some residential areas nearby and close proximity to Sacheon Bay.

3. Describe What the Site Produces
The BAT facility produces tobacco products. Water is used in both the production processes and utility operations.

4. Describe the Water-Related Infrastructure
(1) Water Sources on Site:
Water is supplied from the public water supply system (local water supply sourced from Namgang Dam) and stored in water tank. No wells or additional water sources are present on-site.
(2) Water Treatment Facilities:
The site operates its own wastewater treatment facility.
(3) Cooling Towers:
Cooling towers are operated for production processes.
(4) Rainwater Harvesting Infrastructure:
No rainwater harvesting facilities, as stormwater is not utilised.
(5) Fire Water:
Water from the incoming water tank is directly used for firefighting, with no separate storage facility.

5. Describe Where the Wastewater and Stormwater Are Discharged
(1) Process Wastewater:
Wastewater generated from the production process is transported to a public wastewater treatment facility, treated, and then discharged into Sacheon Bay.
(2) Sanitary Sewage:
Domestic sewage from employees is treated at the site's wastewater treatment facility before being sent to the public sewage treatment plant.
(3) Stormwater:
Discharged through stormwater drainage pipes.

6. Provide a Short Description of the Site
(1) Number of Employees: Approximately 420 employees
(2) Number of On-Site Contractor Staff: Approximately 290 staff members
(3) Total Site Area: 106,047.6□
(4) Building Area: 50,956.16□
(5) Main Buildings: Production plant, warehouse, office buildings, wastewater treatment facility, etc.

Summary
The Sacheon factory, operated by BAT Korea, is situated within the Sacheon Industrial Complex at 141, Gongdan 1-ro, Sanam-myeon, Sacheon-si, Gyeongsangnam-do, Republic of Korea, 52530. It is one of the factories owned by British American Tobacco. Commencing operations in 2002, the factory spans an area of 106,047.6 □, with a floor ratio area of 54.35%, and a total building area of 50,956.16 □. Approximately 710 employees and staffs work at this facility. The majority of employees travel to the factory from Sacheon-si and Jinju-si, which are located approximately 4.4 km and 17 km away from the factory, respectively.
The factory operates its own wastewater treatment facility, water purification facility, water reusing system, Cooling tower, Boiler, Fire water system, Canteen, etc.
The Sacheon factory specializes in the production of both factory-made cigarettes (FMC) and new categories (NC), also known as Heating Product (HP). In 2022, the factory achieved a production output of 37 billion cigarettes, of which 78% were exported, primarily to Japan

(88%). Recognized as a strategic export hub within BAT, the Sacheon factory plays a significant role in the company's operations. In 2024, BAT Sacheon Factory relocated the FMD to a space previously used as a warehouse to expand the production facilities for HP. Additionally, a single-story office building was newly constructed right next to it.

0.1	**General Requirements for Single Sites, Multi-Sites and Groups**	
0.1.1	*Eligibility Criteria*	
0.1.2		
0.1.2.1	*Have any water source locations and water-related discharge locations been visited during the audit, if so, which and where? If none were visited please provide justification.*	Yes
Comment	The site's water source, Jinyangho (Jinyang Lake), has been visited during the catchment tour.	
0.1.1.1	*The site(s) occupy one catchment OR an exception has been granted.*	Yes
Comment	The site occupy one catchment	
0.1.1.2	*The scope of the proposed certification shall be under the control of a single management system.*	Yes
Comment	The scope of the proposed certification is under the control of a single management system	
0.1.1.3	*The scope of the proposed certification shall be homogeneous with respect to primary production system, water management, product or service range, and the main market structures.*	Yes
Comment	The scope of the proposed certification is homogeneous with respect to the primary production system, water management, product or service range, and the main market structures, which is tabacco industry.	

1 STEP 1: GATHER AND UNDERSTAND

1.1 *Gather information to define the site's physical scope for water stewardship purposes, including: its operational boundaries; the water sources from which the site draws; the locations to which the site returns its discharges; and the catchment(s) that the site affect(s) and upon which it is reliant.*

1.1.1 *The physical scope of the site shall be mapped, considering the regulatory landscape and zone of stakeholder interests, including:*
- Site boundaries;
- Water-related infrastructure, including piping network, owned or managed by the site or its parent organization;
- Any water sources providing water to the site that are owned or managed by the site or its parent organization;
- Water service provider (if applicable) and its ultimate water source;
- Discharge points and waste water service provider (if applicable) and ultimate receiving water body or bodies;
- Catchment(s) that the site affect(s) and is reliant upon for water.

Yes

Comment

- In response to last year's major finding, the catchment boundary has been re-identified to include Sacheon City, the site premises, and Sacheon Bay. Using the Water Environment Information System provided by the Ministry of Environment, the site's catchment has been identified to encompass the mid-basin of the Nam River, Nam River Dam (K-Water), and Sacheon Bay. The identified boundary includes Jirisan (Jiri Mountain), the source of the Nam River, Nam River Dam, the downstream section of the Nam River, and Sacheon Bay. This region also includes cities and counties such as Sacheon, Jinju, Hadong, Goseong, Sancheong, and Hamyang, which share Nam River Dam as a water source.
- The site's ultimate water source and ultimate receiving water body are Jinyangho (Jinyang Lake) and Sacheon Bay, respectively.
- Following the flow of water from Jinyangho to Sacheon Bay, the sequence is as follows: Jinyangho → Nam River Dam → Sacheon Water Treatment Plant → Reservoir → Site (BAT Korea Sacheon factory) → Jinsa Industrial Complex Public Wastewater Treatment Plant → Sacheon Bay.
- The site's water-related facilities, including wastewater treatment facilities, water supply, sewage, and stormwater pipelines, were mapped.
- In 2024, the site's warehouse building was converted into the new FMC line building, and a new office building was constructed right next to it. Newly installed water supply and sewage lines were mapped. The office building includes male, female, and accessible restrooms.

1.2 *Understand relevant stakeholders, their water related challenges, and the site's ability to influence beyond its boundaries.*

1.2.1 *Stakeholders and their water-related challenges shall be identified. The process used for stakeholder identification shall be identified. This process shall:*
- Inclusively cover all relevant stakeholder groups including vulnerable, women, minority, and Indigenous people;
- Consider the physical scope identified, including stakeholders, representative of the site's ultimate water source and ultimate receiving water body or bodies;
- Provide evidence of stakeholder consultation on water-related interests and challenges;
- Note that the ability and/or willingness of stakeholders to participate may vary across the relevant stakeholder groups;
- Identify the degree of stakeholder engagement based on their level of interest and influence.

Yes

Comment

- In response to last year's finding, the Sacheon Environment Movement Union and Sacheon Disabled Association, which can represent the local community, were added as the site's SH.
- The site engaged both stakeholders about a month before the audit, and although communication was not sufficient, they conducted in-person interviews to identify the stakeholders' water-related interests and challenges. During the interviews, the stakeholders' level of interest in local water-related issues and their influence on the community were identified as "very high." Through stakeholder interviews during the audit, the meetings and discussions between the site and the two stakeholders were confirmed.
- Due to the termination of the contract between the site and K&L (supplier), they were removed from the SH list. Stakeholders such as Gyeongnam International High School, the Fishery/Farmer Union, and the Sacheon Waterworks Office were identified as having low interest, and engagement was halted. Updates on interest and the degree of SH engagement were updated based on these changes.
- K-water was identified as a representative of the Nam River Dam, the site's ultimate water source. Also, the Sacheon Environment Movement Union, active in Sacheon Bay, was newly added as a stakeholder for Sacheon Bay, the site's ultimate receiving water body.
- The Sacheon Disabled Association was identified as a vulnerable group stakeholder, and the site verbally agreed to provide bottled water during the Gyeongnam Disabled Persons' Unity Event in the second half of 2025. The stakeholder interview confirmed that the water-related challenges faced by individuals associated with the Disabled Association are currently being identified.
- In addition, the list of 16 stakeholders, including K-Water, the industrial complex public WWTP, Gyeongsang National University, and the site's suppliers, remains the same as last year.

1.2.2 *Current and potential degree of influence between site and stakeholder shall be identified, within the catchment and considering the site's ultimate water source and ultimate receiving water body for wastewater.*

Yes

Comment

- Due to the shared water body, the influence of both the Sacheon Environment Movement Union and the site on each other has been identified as "high."
- The Sacheon Disabled Association's influence on the local community is very high, so the site can benefit from their assistance in stakeholder communication. In return, the site can have a positive impact by addressing the challenges faced by disabled individuals and assisting with external communication, creating a mutually beneficial and highly influential relationship.
- K&L was removed from the SH list due to the termination of their contract with the site. Stakeholders such as Gyeongnam International High School, the Fishery/Farmer Union, and the Sacheon Waterworks Office were identified as having low interest, and engagement was halted. Updates on the interest and influence between the site and stakeholders have been made based on these changes.

1.3 *Gather water-related data for the site, including: water balance; water quality, Important Water-Related Areas, water governance, WASH; water-related costs, revenues, and shared value creation.*

1.3.1 *Existing water-related incident response plans shall be identified.*

in progress

Comment

- The Emergency Response Procedure was presented, and a revision history was confirmed due to an official format change on April 8, 2024. Other than that, there were no changes to the response plans for incidents such as flooding, chemical spills, typhoon damage, earthquakes, or boiler explosions.

Finding

- There is no response plan for incidents such as water supply problems, in-flow water contamination, out-flow water contamination, water leakage, and wastewater treatment plant failure.

Finding No: TNR-017256

1.3.2 *Site water balance, including inflows, losses, storage, and outflows shall be identified and mapped*

Yes

Comment

-The water flow diagram illustrates the flow from the initial inflow from K-water to the final outflow discharged into the public terminal treatment plant (WWTP). It includes the following elements: water tank, firefighting water, boiler, production water, water for domestic uses, scrubber, purification process, and recycling water.
- The water used in the boiler is recovered and reused through the water condensate system. Additionally, a portion of the treated effluent from the on-site WWTP undergoes further treatment through Ultra Filter (UF) and Reverse Osmosis (RO) before being reused. The reuse destinations are as follows: UF accept water is used for scrubbers and cooling towers, while RO accept water is used for boiler feed. These recycling waters have been reflected in the flow map.
- Storage components, including the main incoming tank, UF tank, and RO tank, have been mapped within each facility and treatment process.
- The water usage of the newly constructed office building and NFMC has been reflected in the toilet & glue kitchen category of DCW (domestic clean water) and the humidifier & boiler feed category of BFW (boiler feed water).

1.3.3 *Site water balance, inflows, losses, storage, and outflows, including indication of annual variance in water usage rates, shall be quantified. Where there is a water-related challenge that would be a threat to good water balance for people or environment, an indication of annual high and low variances shall be quantified.*

Yes

Comment

- In response to last year's observation, the site has identified water losses. The amount of water incorporated into products and evaporated into the atmosphere (BFW, RO), as well as evaporation from cooling towers (UF), is being measured. BFW and RO water are supplied to humidifiers and boilers, where they are either absorbed into products or evaporated. UF water is evaporated in scrubbers and cooling towers. All these losses are being measured. Additionally, the amount of water applied to products during the PMD process has been calculated based on total production and moisture content.
- BATK quantifies the flow of water from city water inflow to wastewater outflow by recording data from 33 water meters on a daily basis. This data is then visualized using a Sankey diagram to enhance understanding of the water balance. For 2024, BATK utilizes 42.6% of the total water supply within the factory from city water sourced from K-Water, while 57.4% is sourced from recycled water produced internally by factory facilities.
- For reuse rate calculations, the total water usage is defined as the sum of K-water supply, steam condensate, RO accept, and UF accept, with the reuse rate calculated based on the proportion of reused water.
- The site has been making efforts to achieve its target of a 50% water use reduction by 2025, compared to 2017 levels. As of 2024, a 50.19% reduction has been achieved.

1.3.4 *Water quality of the site's water source(s), provided waters, effluent and receiving water bodies shall be quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be quantified.*

Obs.

Comment

- In response to last year's major finding, the site attempted to locate public water quality data for Sacheon Bay but was unable to find any. Instead, water quality data from the public wastewater treatment plant (WWTP) effluent and downstream Sacheon Bay data provided by the Fisheries Safety Technology Institute were presented.
- The WWTP effluent is monitored monthly for pH, BOD, TOC, SS, TN, TP, and total coliform, with results confirming compliance with national effluent quality standards.
- The downstream Sacheon Bay data includes temperature, salinity, DO, pH, and transparency, measured once per month. However, this data is considered primarily for fisheries purposes rather than an assessment of Sacheon Bay's overall water quality.
- BATK's water source, JinYang Lake, has its water quality data publicly disclosed by K-water daily, including temperature, Chl-a, pH, COD, TOC, BOD, and other nine parameters.
- The water quality of the on-site city water tank, inflow and outflow of the WWTP is tested and recorded monthly for eight parameters: pH, TOC, BOD, SS, TN, TP, □□□□□□□□ □□□, □□□□□□□□ □□□□□□. The the effluent water quality meets legal requirements.

Finding

- Since no publicly available water quality data for Sacheon Bay currently exists, the site has set an action plan in the 2025 WSP to initiate data collection for Sacheon Bay's water quality.

1.3.5 *Potential sources of pollution shall be identified and if applicable, mapped, including chemicals used or stored on site.*

Yes

Comment

- Six potential sources of pollution have been identified within the site: hazardous chemical storage warehouse, wastewater treatment plant, emergency generator room, fire pump room, flavor mixing room, and chemical laboratory. A mapping document has been provided.
- The chemicals stored at each location are documented (including MSDS, responsible department, and purpose of use) and are properly stored and managed. As confidential information, these records were verified during the on-site audit.

1.3.6 *On-site Important Water-Related Areas shall be identified and mapped, including a description of their status including Indigenous cultural values.*

Yes

Comment

- No on-site IWRA has been identified.

1.3.7 *Annual water-related costs, revenues, and a description or quantification of the social, cultural, environmental, or economic water-related value generated by the site shall be identified and used to inform the evaluation of the plan in 4.1.2.*

Yes

Comment

- In response to last year's audit finding, the site has identified 2024 water-related costs, including city water fees, water quality test costs, chemical costs, WWTP operating (outsourcing service) costs, bottled water purchase costs, public WWTP fees, and maintenance costs for water-related facilities (boilers, water tanks, chillers, filters). The total identified cost is 515 million KRW.
- Energy costs (electricity, LNG, pellets, PPA, etc.) used for water-related facility operations (e.g., boilers, WWTP) are recorded monthly.
- Three key values generated through regular stakeholder meetings were explained, including ensuring transparency in water resource management and operations. The annual cost of stakeholder meetings was identified as 600,000 KRW.
- The site explained its contribution to local water resource conservation, highlighting the reduction of wastewater discharge through water reuse and regular water quality monitoring.
- The 2024 plogging event incurred a cost of 5 million KRW, and its value creation was presented in terms of raising environmental awareness among local stakeholders and improving the ecological environment by collecting waste.

1.3.8 *Levels of access and adequacy of WASH at the site shall be identified.*

Yes

Comment

- The total number of on-site workers, including contracted workers, is 713 (594 men, 119 women). The number of toilets, urinals, sinks, water dispensers, and shower facilities in each building was surveyed and analyzed against the U.S. NPC standards, confirming compliance. There are two accessible restrooms for men and two for women, and the condition of all restrooms was visually inspected during the audit and found to be in good condition.
- An internal regulation requires that drinking water quality inspections comply with national standards. Accordingly, the site conducts annual water quality tests for both tap water and water purifiers. The tests cover 60 parameters for tap water and 53 parameters for water purifiers, including taste, odor, heavy metals, ions, and organic compounds. The 2024 results showed no abnormalities.
- The on-site cafeteria undergoes an annual microbiological inspection for E. coli, Salmonella, and Yersinia enterocolitica, with the 2024 test results confirming compliance.

1.4 *Gather data on the site's indirect water use, including: its primary inputs; the water use embedded in the production of those primary inputs the status of the waters at the origin of the inputs (where they can be identified); and water used in out-sourced water-related services.*

1.4.1 *The embedded water use of primary inputs, including quantity, quality and level of water risk within the site's catchment, shall be identified.*

closed

Comment

- The primary inputs for the site include filter rods, inner frames, tipping, adhesives, board packs, cigarette paper, and film. A total of 29 suppliers have been identified.
- The primary input of tobacco leaves, which is sourced from abroad (Brazil, Bangladesh), does not fall within the site's catchment.

Finding
- Only the locations of 3 suppliers were identified based on their addresses. The locations of 26 suppliers remain unidentified, and water usage, water quality, and level of water risk for all 29 suppliers have not been identified.
- The moisture content of each primary input was investigated due to a misunderstanding of indirect water at the site. The moisture content of the primary inputs cannot be considered indirect water use.

Finding No: TNR-017258

1.4.2 *The embedded water use of outsourced services shall be identified, and where those services originate within the site's catchment, quantified.*

Yes

Comment

- A total of 8 service outsourcing companies were identified, and among them, only one logistics service company uses water externally.
- Communication took place with Lotte Logistics, the logistics delivery service provider for the site. Based on the number of vehicles, the annual car wash frequency, and the water usage per wash, the annual water usage for car washing outside the site was calculated, amounting to 36 tons per year.

1.5 *Gather water-related data for the catchment, including water governance, water balance, water quality, Important Water-Related Areas, infrastructure, and WASH*

1.5.1 *Water governance initiatives shall be identified, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action.*

Yes

Comment - In response to last year's audit findings, the Nakdong River Water Management Basic Plan and related news articles were reviewed. Out of a total of 20 initiatives, 15 were identified as being within the site's catchment but not included in the site's current initiatives, including MOU for flood disaster prevention and emergency recovery system by the Nakdong River Basin Environmental Office, Sea cleanup by NGOs in the Busan and Gyeongnam regions, Gyeongnam Water Forum.
- Additionally, the National Institute of Ecology conducted a habitat survey for endangered wildlife species, which included areas within the site's catchment, such as Sacheon and Goseong.
- Furthermore, initiatives led by the Nakdong River Basin Environmental Office, such as the Namgang Dam purification activities and Jinyangho wildlife protection activities, were also identified.

1.5.2 *Applicable water-related legal and regulatory requirements shall be identified, including legally-defined and/or stakeholder-verified customary water rights.* Yes

Comment - A legal compliance checklist has been presented, including the following laws and regulations that the site is required to comply with:
1. Fire Services Act
2. Soil Environment Conservation Act
3. Water Supply Act
4. Water Environment Conservation Act
5. Drinking Water Quality Standards and Testing Rules
6. Hazardous Materials Safety Management Act
7. Chemical Substances Control Act
- Within the site's catchment, ongoing issues have been raised concerning flood damage caused by the Namgang Dam's discharge and destruction of coastal ecosystems. These issues have impacted the fishing rights of local fishermen and the water usage rights of local residents. Although legal compensation for these damages has been completed, local communities continue to assert their rights and engage in conflicts regarding these issues. The site has classified this ongoing issue as a stakeholder-verified water right.

1.5.3 *The catchment water-balance, and where applicable, scarcity, shall be quantified, including indication of annual, and where appropriate, seasonal, variance.* Yes

Comment - The water balance equation has been analyzed based on data related to the Namgang Dam including inflow, rainfall, dam water levels, and outflow. Net freshwater has increased in both 2024 and 2023, but research predicts that from 2011 to 2040, the flood-season outflow in the Namgang catchment will increase.
According to the 2050 Water Supply and Sewerage Basic Plan, water demand in the catchment area is expected to rise, leading to water scarcity concerns.
- Climate change scenarios indicate an increase in rainfall within the catchment, which could lead to flooding risks, while simultaneously, the Namgang Dam's freshwater storage capacity may become insufficient, worsening the risk of water shortages.
- Data on rainfall, inflow, dam water levels, and outflow from Namgang Dam were collected daily in 2024, revealing seasonal variations.

1.5.4 *Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified. Where there is a water-related challenge that would be a threat to good water quality status for people or environment, an indication of annual, and where appropriate, seasonal, high and low variances shall be identified.* Obs.

Comment

- The water quality data from Namgang Dam and the Namgang River for the years 2022-2024 have been presented. The data covers the following parameters: temperature, DO, BOD, COD, TN, TP, TOC, and SS. Seasonal variations in the monthly data are shown graphically.
- Summer months show a rise in water temperature, and DO levels tend to drop to poor or very poor levels. During the summer, coliform levels (including E. coli) surge, exceeding normal levels.

Finding
- As of now, no publicly available water quality data exists for Sacheon Bay, but the site has planned to collect this data as part of its 2025 Water Stewardship Plan (WSP). The effectiveness of the action need to be assessed in the next audit.

1.5.5 *Important Water-Related Areas shall be identified, and where appropriate, mapped,and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement.*

in progress

Comment

- Six water bodies—Jinyangho, Namgang, Gahwachun, Sacheon River, Sacheon Bay, and Samcheongpo—have been identified as IWRA (Important Water Resource Areas), with all being influenced by local stakeholders, both directly and indirectly.
- The status of these six IWRA areas was evaluated using the national public data from the Ecological Monitoring Network, which measures the environmental condition of water bodies through five categories: attached algae, benthic macroinvertebrates, fish, habitat and riparian environments, and riparian vegetation. The results showed:
1. Namgang and Sacheon River: Moderate ecological condition.
2. The other four water bodies (Jinyangho, Gahwachun, Sacheon Bay, and Samcheongpo) had a bad ecological condition.
- The data from the Ecological Monitoring Network highlight the need for further investigation and efforts to improve the ecological health of these areas.

Finding
- The site's catchment spans a wide area, covering regions from Jirisan (Mountain Jiri) to parts of Tongyeong, yet all identified IWRA are located within approximately 10 km of the site. This indicates that the IWRA survey conducted does not adequately cover the entire catchment area.

Finding No: TNR-017260

1.5.6 *Existing and planned water-related infrastructure shall be identified, including condition and potential exposure to extreme events.*

Yes

Comment

- The site's catchment has been mapped, identifying various key infrastructure, such as wastewater treatment plants, sewage treatment plants, water purification plants, intake facilities, booster stations, and water tanks. Among these, six sites are directly related to the site.
- According to K-water data, the Namgang Dam was evaluated in 2021-22, receiving a C-grade for performance (average) and a B-grade for safety inspection (good). The dam's small reservoir capacity and weak flood control ability were identified as vulnerabilities, and there is a need for flood damage mitigation measures to address these risks.
- The Sacheon Water Purification Plant and public sewage treatment plants were also assessed, revealing ageing infrastructure: there are two over 25-year-old public sewage treatment plants in Jinju and Tongyeong.
- The Water Risk Index (WRI) indicates a high flood risk within the catchment, underscoring the need to improve the response capacity of water-related infrastructure.

1.5.7 *The adequacy of available WASH services within the catchment shall be identified.*

Yes

Comment	- In the site's catchment, the water supply coverage in Jinju, Sacheon, Goseong, Tongyeong, and Geoje cities is over 83%, while the sewerage coverage is over 74%. With the inclusion of alternative water sources, the water supply coverage reaches 100%. - Regarding Sacheon's water supply quality, tests for E. coli, chlorine, ammonia, and other bacteria have shown that the local water is suitable for drinking. Therefore, the water supply coverage in the catchment can be considered equivalent to the coverage of drinking water provision.	
1.6	*Understand current and future shared water challenges in the catchment, by linking the water challenges identified by stakeholders with the site's water challenges.*	
1.6.1	*Shared water challenges shall be identified and prioritized from the information gathered.*	Yes
Comment	- In response to last year's audit findings, 14 specific challenges within the catchment were identified through articles, stakeholder interviews, and reports, including issues like flooding due to the Namgang Dam, water quality deterioration in Gahwacheon, and marine pollution in Sacheon Bay. The site summarized these into four shared water challenges: 1. Flood risks due to Namgang Dam releases and fishing industry damage. 2. Changes in aquatic ecosystems, with environmental and social conflicts. 3. Water quality deterioration and aquatic ecosystem degradation in Gahwacheon (Gahwa Stream). 4. Pollution in discharge areas (Sacheon Bay). - Each challenge was evaluated based on environmental impact, social importance, economic consequences, and the site's potential to engage. As a result, the marine pollution issue in Sacheon Bay was given the highest priority. - Meeting minutes documenting discussions with stakeholders about these shared water challenges were also presented.	
1.6.2	*Initiatives to address shared water challenges shall be identified.*	Yes
Comment	- To address the identified shared water challenges, governance initiatives involving the Ministry of Environment, civic organizations, local governments, private-sector advisory bodies, community meetings, and task forces have been identified. - For the Sacheon Bay and surrounding marine pollution issues, which were prioritized as the most urgent, several initiatives were identified, including: 1. Marine litter collection organized by the Natural Protection Sacheon City Council. 2. Seaforest creation project led by KB Kookmin Bank. 3. Support for fishing vessel waste oil/wastewater collection by the Coast Guard and Marine Environmental Agency.	
1.7	*Understand the site's water risks and opportunities: Assess and prioritize the water risks and opportunities affecting the site based upon the status of the site, existing risk management plans and/or the issues and future risk trends identified in 1.6.*	
1.7.1	*Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact.*	in progress

Comment

- The site conducted a risk analysis using tools from WRI and WWF, evaluating 12 types of risks, including physical risks (such as drought, floods, and water pollution), regulatory risks, and reputational risks. Among these, floods, lack of water governance, and intensifying social conflicts were identified as high-risk areas.
- Based on catchment data, the site identified six specific risks:
1. Flood damage due to the release of water from Namgang Dam.
2. Limitations in drinking water supply.
3. Confidentiality breaches related to the disclosure of water usage by suppliers.
4. Negative perceptions of the tobacco industry.
5. Increases in sewage charges.
6. Water pollution in discharge water areas.
- Each risk was assessed for likelihood, severity of impact, timeframe, potential effects, and potential financial impacts. Based on this analysis, the risk of water pollution in discharge areas was prioritized as the highest risk.

Finding
- The evaluation of potential financial impacts was flawed, as it focused on the costs of risk prevention measures rather than the actual potential costs that could be incurred by the site if the risks materialize. This approach does not provide an accurate assessment of the potential financial impact on the site.

Finding No: TNR-017261

1.7.2 *Water-related opportunities shall be identified, including how the site may participate, assessment and prioritization of potential savings, and business opportunities.*

Yes

Comment

- The site identified four opportunities for improving its water stewardship efforts:
1. Improving stakeholder perceptions through AWS certification, which could enhance the site's reputation and engagement.
2. Cost savings through reduced water usage, which can result in more efficient operations and lower expenses.
3. Participation in water quality monitoring of Sacheon Bay and joint disaster response training organized by Sacheon City, enhancing community collaboration and environmental stewardship.
4. Engagement in forums and seminars within the catchment area, which could strengthen the site's relationships with local stakeholders and foster knowledge exchange.
- Each opportunity was assessed based on its feasibility, impact, timeframe, and potential financial implications. This analysis allowed for the prioritization of the opportunities, helping the site to focus on the most beneficial actions to achieve its water stewardship goals.

1.8 *Understand best practice towards achieving AWS outcomes: Determining sectoral best practices having a local/catchment, regional, or national relevance.*

1.8.1 *Relevant catchment best practice for water governance shall be identified.*

Yes

Comment

- The site conducted a thorough investigation into the best practices of four companies within the same industry, four major companies in the catchment area, and six other companies across several areas of water stewardship.
Altria: Established an ESG Committee led by senior executives and implemented strong environmental management systems with a focus on water governance.
Moorim Paper: Conducted environmental, safety, and health (ESH) education for employees and established a robust environmental management system.
- Based on these practices, the site has developed actions to 'Activate the AWS Committee', 'Expand stakeholder communication', 'Provide employee water resource education'.

1.8.2 *Relevant sector and/or catchment best practice for water balance (either through water efficiency or less total water use) shall be identified.*

Yes

Comment	- The site conducted a thorough investigation into the best practices of four companies within the same industry, four major companies in the catchment area, and six other companies across several areas of water stewardship. - Companies in the same industry have set water intake reduction targets, strengthened monitoring systems, and achieved 100% wastewater recycling. - The site is using these practices to develop a water recycling plan, including 'Condensate recovery', 'Stormwater utilization'.

1.8.3 *Relevant sector and/or catchment best practice for water quality shall be identified, including rationale for data source.* Yes

Comment	- The site conducted a thorough investigation into the best practices of four companies within the same industry, four major companies in the catchment area, and six other companies across several areas of water stewardship. Lotte Fine Chemical: Established goals for reducing the emissions of major environmental pollutants. CJ CheilJedang: Applied Membrane Bio-Reactor (MBR) technology for water treatment.

1.8.4 *Relevant catchment best practice for site maintenance of Important Water-Related Areas shall be identified.* Yes

Comment	- The site conducted a thorough investigation into the best practices of four companies within the same industry, four major companies in the catchment area, and six other companies across several areas of water stewardship. KT&G: Engaged in TNFD (Taskforce on Nature-related Financial Disclosures) and marine litter collection. PMI: Focused on river water quality improvement and ecosystem restoration programs. Altria and the National Fish and Wildlife Foundation collaborated on assessing the IWRA impact of tobacco agriculture.

1.8.5 *Relevant sector and/or catchment best practice for site provision of equitable and adequate WASH services shall be identified.* Yes

Comment	- The site conducted a thorough investigation into the best practices of four companies within the same industry, four major companies in the catchment area, and six other companies across several areas of water stewardship. KT&G: Invested in WASH (Water, Sanitation, and Hygiene) projects in vulnerable countries, providing facility support. JTI: Contributed to providing clean water in disaster areas.

2	STEP 2: COMMIT & PLAN - Commit to be a responsible water steward and develop a Water Stewardship Plan

2.1 *Commit to water stewardship by having the senior-most manager in charge of water at the site, or if necessary, a suitable individual within the organization head office, sign and publicly disclose a commitment to water stewardship, the implementation of the AWS Standard and achieving its five outcomes, and the allocation of required resources.*

2.1.1 *A signed and publicly disclosed site statement OR organizational document shall be identified. The statement or document shall include the following commitments:*
- That the site will implement and disclose progress on water stewardship program(s) to achieve improvements in AWS water stewardship outcomes
- That the site implementation will be aligned to and in support of existing catchment sustainability plans
- That the site's stakeholders will be engaged in an open and transparent way
- That the site will allocate resources to implement the Standard.

Yes

Comment - BATK's AWS (Alliance for Water Stewardship) policy document, containing the four required elements outlined in indicator 2.1.1, has been publicly disclosed through the Sacheon Chamber of Commerce website bulletin board. The full version of the document can be found in the 2021 post, while summarized versions are uploaded for the years 2025.
Full version: https://sacheoncci.korcham.net/file/dext5uploaddata/2021/03.%20BATKM%20AWS%20%EC%84%B1%EB%AA%85%EC%84%9C.pdf
Summary version: https://sacheoncci.korcham.net/front/board/boardContentsListPage.do?boardId=10435&menuId=2623
- Furthermore, it has been observed during site tours that the same document is posted at the entrance of the factory's office and cafeteria, consistent with its presence in the previous year.

2.2 *Develop and document a process to achieve and maintain legal and regulatory compliance.*

2.2.1 *The system to maintain compliance obligations for water and wastewater management shall be identified, including:*
- Identification of responsible persons/positions within facility organizational structure
- Process for submissions to regulatory agencies.

Yes

Comment - The site explains its process for ensuring compliance with relevant laws as follows: Regular updates regarding new legislation are received from legal counsel. Afterward, the EHS manager, facility managers, and senior environmental engineers review the changes in the laws and, if necessary, incorporate them into the Standard Operating Procedures (SOPs). The updates are then communicated to employees to ensure compliance with relevant legal obligations.
- The newsletter emails containing legislative information provided by legal counsel, review confirmation emails and Excel documents regarding the changed laws, and confirmation from the responsible individuals are presented.
- The site's internal EHS compliance assessment report is provided, and internal audits are conducted based on the checklist.
- When the regulatory agency, Sacheon City, issues a formal request for water-related data, the site follows a process to compile the necessary information and submit it to Sacheon City. The request for tank cleaning and water quality inspection results from Sacheon City and the site's data submission have been verified during audits.

2.3 *Create a water stewardship strategy and plan including addressing risks (to and from the site), shared catchment water challenges, and opportunities.*

2.3.1 *A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard.*

in progress

Comment

- The site's water stewardship strategy has been revised to align with the newly developed water stewardship plan (WSP) for 2025, incorporating its mission and vision. However, the content is quite simplistic, such as "Increase AWS certification level" which makes it difficult to consider as a long-term AWS mission for the organization.

Finding No: TNR-017262

2.3.2 *A water stewardship plan shall be identified, including for each target:*
- How it will be measured and monitored
- Actions to achieve and maintain (or exceed) it
- Planned timeframes to achieve it
- Financial budgets allocated for actions
- Positions of persons responsible for actions and achieving targets
- Where available, note the link between each target and the achievement of best practice to help address shared water challenges and the AWS outcomes.

in progress

Comment

- In response to last year's audit findings, the WSP has been newly updated, providing detailed information on specific activities, activity frequencies, water reduction amounts, responsible individuals, and budgets.
- The 2024 plan includes a total of 11 action items and 12 specific goals, with 9 of these goals being achieved, excluding 1 IWRA-related action and 2 WASH-related actions.
- The 2025 plan sets a total of 28 action items across 5 AWS outcomes areas and indirect water use, with assigned individuals, timelines, target achievements, and budgets.

Finding:
- Among the 28 action items, except for the two water withdrawal reduction targets, all performance measurement metrics are based on the frequency or number of activities, making performance measurement ineffective.
- In particular, despite the overall "bad" status of the IWRA ecosystem (refer to 1.5.5), the performance of the site's IWRA-related activities is being measured by event counts and the number of agreements signed, making it difficult to assess actual improvements in the IWRA.

Finding No: TNR-017263

2.4 *Demonstrate the site's responsiveness and resilience to respond to water risks*

2.4.1 *A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies shall be identified.*

Obs.

Comment

- An MOU with the Gyeongsang National University Sustainable Development Center and meeting minutes from AWS committee discussions with stakeholders have been presented. It is not clear if a specific plan to mitigate or adapt to water risks would be developed from these engagements
- The site is located near an airport, presenting a risk of aircraft fuel spills. To address this, the site is in communication with stakeholders, including the Air Force, Sacheon Airport, industrial complex companies, and the public wastewater treatment plant, to develop a joint disaster response training plan. The training is scheduled for July 2025. Emails with Sacheon City confirming the communication have been reviewed. A more detailed plan should be confirmed during the next audit.

3	STEP 3: IMPLEMENT - Implement the site's stewardship plan and improve impacts

3.1 *Implement plan to participate positively in catchment governance.*

3.1.1 *Evidence that the site has supported good catchment governance shall be identified.* ✓ Yes

Comment

- The AWS committee involving external stakeholders was held on July 30, 2024. Participants included K-water, Sacheon Chamber of Commerce and Industry (CCI), Gyeongsang National University, and the site. The meeting discussed the site's findings from the previous year's audit and potential solutions, with feedback from stakeholders obtained. Meeting minutes and photos from the event have been reviewed.
- The site has planned monthly meetings and interviews with stakeholders. Between April and December 2024, a total of 8 meetings were held, involving suppliers, Gyeongsang National University, the public wastewater treatment plant, and CCI. These meetings focused on collaboration and gathering feedback on the site's Water Stewardship Plan (WSP). Photos from the meetings and surveys completed by stakeholders have been reviewed.
- In March and November 2024, the site supported plogging activities around Jin-Yang Lake and Sacheon Bay, alongside Gyeongsang National University, suppliers, K-water, and CCI.
- In September 2024, the site attended the Climate Industry International Expo, hosted by the International Energy Agency, and submitted a paper on pellet boilers to the Korean Society of Climate Change Studies conference.

3.1.2 *Measures identified to respect the water rights of others including Indigenous peoples, that are not part of 3.2 shall be implemented.* ✓ Yes

Comment

- The site has identified the fishing rights of fishermen and the river use rights of local residents. To ensure these rights, the site is engaging in communication meetings with stakeholders, participating in Sacheon Bay water quality monitoring, joining joint water pollution disaster response training, and developing and implementing action plans for biodiversity improvement. Meeting minutes and photos with stakeholders have been provided.

3.2 *Implement system to comply with water-related legal and regulatory requirements and respect water rights.*

3.2.1 *A process to verify full legal and regulatory compliance shall be implemented.* ✓ Yes

Comment

- Managers responsible for compliance with each regulation conduct a self-assessment twice a year according to the self-assessment SOP. The results are approved by the plant manager, and the status is shared among the responsible individuals. The 2024 self-assessment report has been reviewed, and there are no notable issues. Due to security reasons, a screenshot has been submitted.
- Specific criteria for legal requirements (such as tank cleaning, water quality testing, effluent water quality, and drinking water quality) have been presented, and it has been confirmed that all requirements are being met.

3.2.2 *Where water rights are part of legal and regulatory requirements, measures identified to respect the water rights of others including Indigenous peoples, shall be implemented.* ✓ Yes

Comment

- The site utilizes public water infrastructure and wastewater treatment systems, and water is supplied and treated according to contracts with national agencies. As a result, the site complies with legal and regulatory requirements (refer to 3.2.1), and it is not considered to infringe upon water rights.

3.3 *Implement plan to achieve site water balance targets.*

3.3.1	*Status of progress towards meeting water balance targets set in the water stewardship plan shall be identified.*	Yes
Comment	- The site received a target from the global head to reduce water usage by 35% compared to 2017 by 2025, and achieved a 50.19% reduction in 2024. - The water reuse target was set at 30%, and the site achieved a reuse rate of 57.42% in 2024. To achieve this target, the site installed UF and RO systems, as well as a boiler recovery system, to increase the reuse rate. - In 2024, to reduce water consumption in the cafeteria building, pipeline modifications and water-saving devices were installed. Water-saving devices were also installed in showers and restrooms. These facility modifications were confirmed during the site tour, and an 18% reduction in water usage was observed compared to 2023.	
3.3.2	*Where water scarcity is a shared water challenge, annual targets to improve the site's water use efficiency, or if practical and applicable, reduce volumetric total use shall be implemented.*	Yes
Comment	- Although long-term water demand is expected to increase, leading to potential water scarcity issues, currently, flood problems are more prominent than water shortages. Through stakeholder communication, it has been confirmed that water scarcity is not included in the shared water challenge. Nonetheless, the site has set a goal to reduce water intake by 50% compared to 2017 levels by 2025 and has achieved a 50.19% reduction in 2024 (refer to 3.3.1).	
3.3.3	*Legally-binding documentation, if applicable, for the re-allocation of water to social, cultural or environmental needs shall be identified.*	Yes
Comment	- This is not applicable since the site is not reallocating the water.	
3.4	*Implement plan to achieve site water quality targets*	
3.4.1	*Status of progress towards meeting water quality targets set in the water stewardship plan shall be identified.*	in progress
Comment	- The site has set a target of having no more than one violation of water quality-related regulations and achieved zero violations in 2024 (refer to 3.2.1). However, compliance with legal regulations is mandatory and serves as the baseline required by the AWS standard. - There is no identification of goals or efforts beyond regulatory compliance. ***Finding No: TNR-017265***	
3.4.2	*Where water quality is a shared water challenge, continual improvement to achieve best practice for the site's effluent shall be identified and where applicable, quantified.*	Yes
Comment	- Issues related to the discharge water quality from industries, including fisheries and agriculture, have been identified as part of the shared water challenge (refer to 1.6.1). While the site meets the minimum requirement for this indicator by adhering to regulatory compliance (refer to 3.2.1), efforts to address the shared water challenge should be reviewed during next year's audit.	
3.5	*Implement plan to maintain or improve the site's and/or catchment's Important Water-Related Areas.*	
3.5.1	*Practices set in the water stewardship plan to maintain and/or enhance the site's Important Water-Related Areas shall be implemented.*	in progress

Comment
- The site has set a goal to establish a natural and biodiversity management roadmap by 2030, but no progress has been made so far.
- During the 2024 World Water Day event, the site carried out cleanup activities with multiple stakeholders in Jinyangho and Sacheon Bay (IWRA).
- For 2025, the site is currently identifying items for collective action related to IWRA.

Finding
- Despite the IWRA ecosystems being identified as "bad" in 1.5.5, the site's activities are limited to nearby cleanup efforts, and it is unclear how these efforts have contributed to the improvement of IWRA. Furthermore, the improvement of IWRA has not been measured.

Finding No: TNR-017266

3.6 *Implement plan to provide access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers at all premises under the site's control.*

3.6.1 *Evidence of the site's provision of adequate access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers onsite shall be identified and where applicable, quantified.* Yes

Comment
- The site's on-site WASH facilities and water quality are maintained according to international standards (refer to 1.3.8).
- In 2024, educational materials for a handwashing campaign were placed in the restrooms.

3.6.2 *Evidence that the site is not impinging on the human right to safe water and sanitation of communities through their operations, and that traditional access rights for indigenous and local communities are being respected, and that remedial actions are in place where this is not the case, and that these are effective.* Yes

Comment
- The site's use of public water supply and the wastewater generation and treatment processes are fully compliant with relevant regulations (refer to 3.2.1). Considering the high coverage rate of water supply and sewerage systems and access to drinking water within the catchment (refer to 1.5.7), it can be concluded that the site's operations do not infringe upon the water rights of others.
- Furthermore, the stakeholder-verified customary water rights, including fishing rights and residents' rights to use the river, are not infringed upon, based on the site's low impact on the Sakcheon Bay (compliance with wastewater discharge regulations).

3.7 *Implement plan to maintain or improve indirect water use within the catchment:*

3.7.1 *Evidence that indirect water use targets set in the water stewardship plan, as applicable, have been met shall be quantified.* Obs.

Comment
- The site did not set any targets related to indirect water use in the 2024 WSP, as there are no water scarcity issues within the catchment.
- However, due to the long-term projections of a potential water balance shortage within the catchment, targets and actions related to indirect water use have become necessary. As a result, the site has included a goal in the 2025 WSP to communicate with suppliers and establish specific targets for reducing water usage. The performance of this action should be reviewed in next year's assessment.

3.7.2 *Evidence of engagement with suppliers and service providers, as well as, when applicable, actions they have taken in the catchment as a result of the site's engagement related to indirect water use, shall be identified.* Yes

Comment - Through communication with the on-site cafeteria manager, the site installed a main water valve, water-saving pedals, outlet valve, and flow meters in 2024. As a result, water consumption was reduced by 18% compared to 2023, with supporting documentation available for verification.
- Meetings with suppliers in the site's catchment area, Amcor and Taeyoung Industrial, resulted in the creation of surveys. Water-saving initiatives and some plans from both stakeholders were identified.

3.8 *Implement plan to engage with and notify the owners of any shared water-related infrastructure of any concerns the site may have.*

3.8.1 *Evidence of engagement, and the key messages relayed with confirmation of receipt, shall be identified.* Yes

Comment - On January 17, 2025, the site visited the Namgang Dam, managed by K-water, and interviewed the responsible personnel. A survey was completed during the visit. The personnel mentioned that the dam's capacity is limited, leading to flood risk during discharge. Additionally, climate change is causing more concentrated summer rainfall, which is increasing discharge-related issues. The manager also conveyed that there are annual water quality and quantity issues due to algal blooms, and managing these challenges has been difficult. Meeting minutes are provided.

3.9 *Implement actions to achieve best practice towards AWS outcomes: continually improve towards achieving sectoral best practice having a local/catchment, regional, or national relevance.*

3.9.1 *Actions towards achieving best practice, related to water governance, as applicable, shall be implemented.* Yes

Comment The site conducted an AWS Committee meeting on July 30, 2024, with the participation of K-water, the Sacheon Chamber of Commerce (CCI), Gyeongsang National University, and the site team. Discussions focused on addressing last year's audit findings, and feedback from stakeholders was collected. Meeting minutes and photos have been provided.

3.9.2 *Actions towards achieving best practice, related to targets in terms of water balance shall be implemented.* Yes

Comment - The site has set a target to reduce water intake by 35% compared to 2017 levels and achieve a 30% water reuse rate by 2025.
- To achieve this goal, the site has installed UF and RO systems, a boiler recovery system, conducted leak inspections, facility maintenance, internal stakeholder education, and installed water-saving equipment at WASH facilities.

3.9.3 *Actions towards achieving best practice, related to targets in terms of water quality shall be implemented.* Yes

Comment The site has explored wastewater quality improvement technologies through Gyeongsang National University. After reviewing the technology with the vendor and conducting sample tests, it was concluded that the technology did not provide sufficient benefits to offset the costs. Although the outcome was not achieved, the site took action to explore the application of cutting-edge technology.

3.9.4 *Actions towards achieving best practice, related to targets in terms of the site's maintenance of Important Water-Related Areas shall be implemented.* Yes

Comment - The site has set a goal to establish a roadmap for natural and biodiversity management by 2030. However, progress on this goal has not been made yet.
- The site participated in cleanup activities at Jinyangho (Jinyang Lake) and Sacheon Bay (IWRA) with multiple stakeholders during the 2024 World Water Day event.
- For 2025, the site is identifying actions for collective efforts related to IWRA.

3.9.5	*Actions towards achieving best practice related to targets in terms of WASH shall be implemented.*	Yes
Comment	- The site's on-site WASH facilities and water quality are maintained according to international standards. - Additionally, the site is planning to improve WASH conditions in vulnerable areas through collaboration with global sites and is planning support activities for the Sacheon Disabled People's Association.	

4	STEP 4: EVALUATE - Evaluate the site's performance.

4.1 *Evaluate the site's performance in light of its actions and targets from its water stewardship plan and demonstrate its contribution to achieving water stewardship outcomes.*

4.1.1 *Performance against targets in the site's water stewardship plan and the contribution to achieving water stewardship outcomes shall be evaluated.* Obs.

Comment

- In response to the last audit finding, the 2024 performance of the site's Water Stewardship Plan (WSP) against its targets has been evaluated for each action:
1. Water Governance: The target for holding annual meetings with all stakeholders was achieved at a rate of 100%, as all meetings were conducted as planned.
2. Water Balance: The target for reducing water intake to 49,451 tons/year was met with an actual consumption of 49,448 tons/year, achieving 100% of the target. The target for water reuse was set at 57%, and the actual achievement was 57.42%, also meeting the target.
3. Water Quality: The target of fewer than one water quality regulation violation was met with zero violations, achieving 100%.
4. IWRA: The target of conducting one initiative per IWRA was only partially met, with 0.5 initiatives (clean-up activities) completed, achieving 50% of the target. However, the goal of leading at least one initiative and participating in one initiative from another organization was fully achieved (100%).
5. WASH: The goal of installing one women's disabled toilet in a new building was set but not completed in 2024, as construction began in 2024 and the building is expected to be completed in 2025.

Finding:
- Performance measurement based solely on the number of actions performed does not clearly demonstrate the actual impact or effectiveness of the site's activities. Improvements in performance measurement metrics are needed to better capture the outcomes and effectiveness of the site's actions.

4.1.2 *Value creation resulting from the water stewardship plan shall be evaluated.* Yes

Comment

- The yearly cost savings resulting from BATK's water-saving activities in 2021 to 2023, along with the investment data for the corresponding projects, have been identified.
- In 2024, the site invested 41 million KRW in the replacement of UF and RO filters. Through the operation of these facilities, 66,676 tons of water were reused, resulting in a total savings of 86.6 million KRW in water costs.

4.1.3 *The shared value benefits in the catchment shall be identified and where applicable, quantified.* Yes

Comment

- In response to the last audit finding, the social, environmental shared value benefits in the catchment have been presented.
- The regular stakeholder meetings highlighted three social values created, including securing transparency in water resource management and operations.
- Environmental values were explained as the reduction of wastewater due to water reuse at the site, as well as contributions to local water resource conservation through regular water quality testing.
- Additionally, in 2024, 5 million KRW was spent on a plogging event, which contributed to raising environmental protection awareness among local community stakeholders and improving the ecological environment of Jin-yang Lake and Sacheon Bay through trash collection.

4.2 *Evaluate the impacts of water-related emergency incidents (including extreme events), if any occurred, and determine the effectiveness of corrective and preventative measures.*

4.2.1	*A written annual review and (where appropriate) root-cause analysis of the year's emergency incident(s) shall be prepared and the site's response to the incident(s) shall be evaluated and proposed preventative and corrective actions and mitigations against future incidents shall be identified.*	Yes

Comment

- The site has presented its environmental and safety standard operating procedures (SOP) documents, which include emergency response procedures, work environment management procedures, and water use and discharge management procedures. These SOPs outline review processes after responding to emergency situations.
- However, to date, the site has had zero environmental accidents. Additionally, under the BAT global internal standards, the site has been recognized as an accident-free facility for the past 7 years.

4.3 *Evaluate stakeholders' consultation feedback regarding the site's water stewardship performance, including the effectiveness of the site's engagement process.*

4.3.1	*Consultation efforts with stakeholders on the site's water stewardship performance shall be identified.*	Yes

Comment

- In response to last year's audit findings, the site has provided evidence of its communication efforts with stakeholders regarding its water stewardship performance.
- From April to December 2024, the site conducted a total of eight meetings with stakeholders, during which it shared its water stewardship performance and gathered feedback through surveys.
- Feedback was collected from a total of 10 internal and external stakeholders. Key responses included:

1. The public WWTP representative requested the site's participation in the joint water pollution accident response training conducted by Sacheon City.
2. The site's service provider, Sanam, requested more collaboration opportunities with other partner companies.
3. The Sacheon Disabled Association hoped the site's water stewardship activities would continue to consider the needs of vulnerable groups.
4. K-water encouraged the site to establish best practices through collaboration with various stakeholders.

4.4 *Evaluate and update the site's water stewardship plan, incorporating the information obtained from the evaluation process in the context of continual improvement.*

4.4.1	*The site's water stewardship plan shall be modified and adapted to incorporate any relevant information and lessons learned from the evaluations in this step and these changes shall be identified.*	Yes

Comment

- From April to December 2024, the site conducted eight meetings with stakeholders to share its water stewardship performance and gather feedback. Based on stakeholder requests and suggestions, the site revised and improved its 2025 Water Stewardship Plan (WSP), incorporating changes such as:
Expanding AWS committee membership to enhance stakeholder engagement.
Increasing the frequency of regular meetings from once to twice a year.
- A total of 10 action plans were modified or added to strengthen stakeholder communication and water stewardship efforts. The updated 2025 WSP has been presented.

5	STEP 5: COMMUNICATE & DISCLOSE - Communicate about water stewardship and disclose the site's stewardship efforts

5.1 *Disclose water-related internal governance of the site's management, including the positions of those accountable for legal compliance with water-related local laws and regulations.*

5.1.1 *The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed.* Obs.

Comment
- The site's internal AWS governance structure has been presented, including positions such as legal counsel, facility manager, and water owner.
- The internal water governance structure document has been published on the Gyeongsang National University Sustainable Development Center website and the Sacheon Chamber of Commerce and Industry (CCI) website.
CCI: https://sacheoncci.korcham.net/file/dext5uploaddata/2025/(5.1.1)%20The%20site%E2%80%99s%20water-related%20internal%20governance_.pdf
GNU: https://www.gnu.ac.kr/sdgs/na/ntt/selectNttInfo.do?mi=16879&nttSn=2268740

Finding:
- The position of those accountable for compliance with water-related laws and regulations is not clearly defined.

5.2 *Communicate the water stewardship plan with relevant stakeholders.*

5.2.1 *The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, shall be communicated to relevant stakeholders.* Yes

Comment
- As the response to the last audit finding, the site produced a summary of 2024 WSP and communicated with stakeholders as below:
- During stakeholder meetings, the site printed and shared a summary of its 2024 WSP and verbally explained the plan and the five AWS outcomes. Feedback on the WSP was then requested, and handwritten stakeholder feedback along with meeting minutes were presented.
- The site's supplier, Amcor, proposed rainwater reuse. The site internally reviewed its feasibility, but it was not incorporated into the plan.

5.3 *Disclose annual site water stewardship summary, including: the relevant information about the site's annual water stewardship performance and results against the site's targets.*

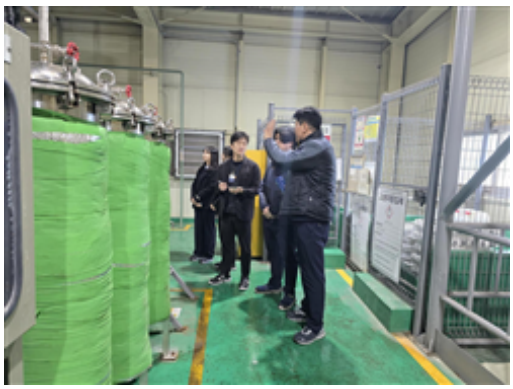
5.3.1 *A summary of the site's water stewardship performance, including quantified performance against targets, shall be disclosed annually at a minimum.* Yes

Comment
- The site prepared a summary of its 2024 WSP and performance, categorized by the five AWS outcomes, and posted it on the Gyeongsang National University Sustainability Development Center website and the Sacheon Chamber of Commerce and Industry website (refer to 5.1.1). The actions and achievement rates in the summary match the values presented in Section 4.1.1, with 8 out of 11 action plans achieving 100% of their targets.
- The summary includes quantitative performance data on water withdrawal reduction and water reuse rates.

5.4 *Disclose efforts to collectively address shared water challenges, including: associated efforts to address the challenges;engagement with stakeholders; and co-ordination with public-sector agencies.*

5.4.1	*The site's shared water-related challenges and efforts made to address these challenges shall be disclosed.*	Yes
Comment	- A document summarizing the six shared water challenges identified in 2024 and the site's efforts to address them was presented and posted on the Gyeongsang National University Sustainability Development Center website and the Sacheon Chamber of Commerce and Industry website (refer to 5.1.1). - In the previous audit finding (of 1.6.1), the shared water challenges identified by the site were not specific enough, making it difficult to understand the actual issues. The shared water challenges disclosed on the website also remain unclear, and the connection between the site's efforts and the challenges is not well defined. To address this, the site revised the shared water challenges for 2025, making them more specific. - However, efforts to address them are still in progress and have not yet been disclosed but are planned for future publication.	
5.4.2	*Efforts made by the site to engage stakeholders and coordinate and support public-sector agencies shall be identified.*	Yes
Comment	- The site held a total of eight meetings with stakeholders from April to December 2024 (refer to 3.1.1). - In March and November 2024, the site conducted river cleanup activities in collaboration with K-Water, Gyeongsang National University, and the Sacheon Chamber of Commerce and Industry. - In September 2024, the site participated in the Korean Climate Change Society academic conference to support regional water governance.	
5.5	*Communicate 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.*	
5.5.1	*Any site water-related compliance violations and associated corrections shall be disclosed.*	Yes
Comment	The site has asserted that there have been no water-related compliance violations since the last audit. As there were no findings in the previous audit and no issues identified during the on-site audit or through stakeholder input, this indicator is not applicable.	
5.5.2	*Necessary corrective actions taken by the site to prevent future occurrences shall be disclosed if applicable.*	Yes
Comment	There have been no water-related compliance violations; therefore, this indicator is not applicable.	
5.5.3	*Any site water-related violation that may pose significant risk and threat to human or ecosystem health shall be immediately communicated to relevant public agencies and disclosed.*	Yes
Comment	There have been no water-related compliance violations; therefore, this indicator is not applicable.	

Photographic Evidence from Audit



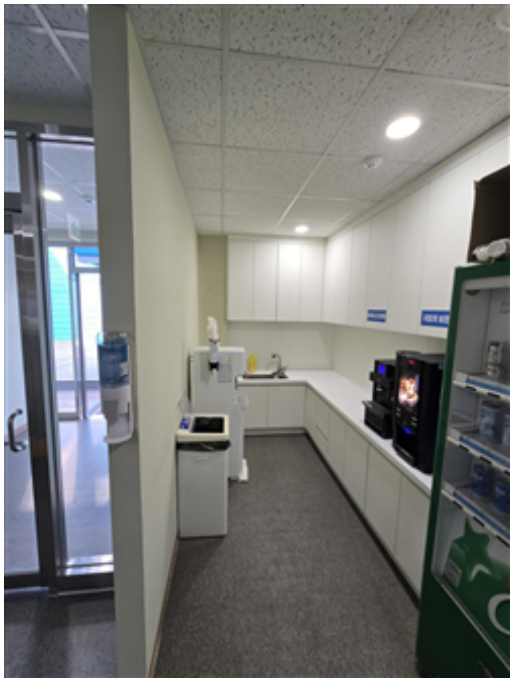
WWTP.jpg

Evaporation loss point.jpg

WASH2.jpg

WASH1.jpg

Accessible Toilet.jpg



WASH3.jpg

Yes

	Previous Findings	
	All non-conformities raised in the previous audit have been satisfactorily closed.	Yes
Comment	All non-conformities raised in the previous audit have been closed.	