

REUTERS PLUS Presents

BETTER WATER, BETTER BUSINESS

Leading companies across industries can be profitable and sustainable by strategically managing this vital and increasingly scarce asset.



Every industry needs water to survive.

Water is integral to operations and manufacturing in many ways, including the fabricating, cleaning, heating, cooling, and moving of products, as well as the powering and maintenance of facilities and infrastructure¹.

¹ USGS Water Resources Mission Area, "Industrial Water Use," March 1, 2019



More than **4 out of 10** companies are experiencing **substantive risk related to water** in their operations or along their value chain.

But this finite resource is in peril.

Global demand for water is expected to increase by 1% each year, with the manufacturing sector largely driving up this need^{2,3}. Already, more than four out of 10 companies are experiencing a substantive risk related to water in their operations or along their value chain that could undermine their entire business, such as water scarcity and declining water quality⁴.

Plus, the treatment of water to make it fit for commercial use requires a lot of energy. Smart water management can make a huge difference in your organization's water and energy consumption, overall environmental footprint and costs.

² UNESCO, "Nature-based Solutions for Water: The United Nations World Water Development Report 2018", 2018

³ OECD, "OECD Environmental Outlook to 2050", June 2012

⁴ CDP, "Riding the Wave", March 2023

Your company's impact on the environment not only reflects on your value chain, but it also matters to...



Boards and Shareholders



Customers



Employees



Governments and Legislators

Forward-thinking organizations already know they can advance sustainability and grow their business simultaneously. They also know that **the cost of mitigating supply chain water risk is nearly three times less than the cost of impact⁵**.

Business and climate goals are intrinsically linked to water strategies. Our **Ecolab Water for Climate™ program** can promote sustainable business growth and turn your climate commitments into meaningful action and savings across your enterprise.

⁵ CDP, "Stewardship at the Source," March 2024



A RIPPLE EFFECT

The industrial use of water has significant environmental and financial costs globally and locally.

Global water withdrawals

About **20% of global water withdrawals is for industry use⁶**.

Of that amount, **only 20% is treated and recycled for additional use⁷**.

The rest effectively becomes pollution that enters our waterways.

⁶ Global Commission on the Economics of Water, "Turning the Tide: A Call to Collective Action," March 2023

⁷ Ibid.

40%

The world could experience a **40% freshwater shortfall by 2030** unless global water use is improved⁸.

⁸ Ibid.

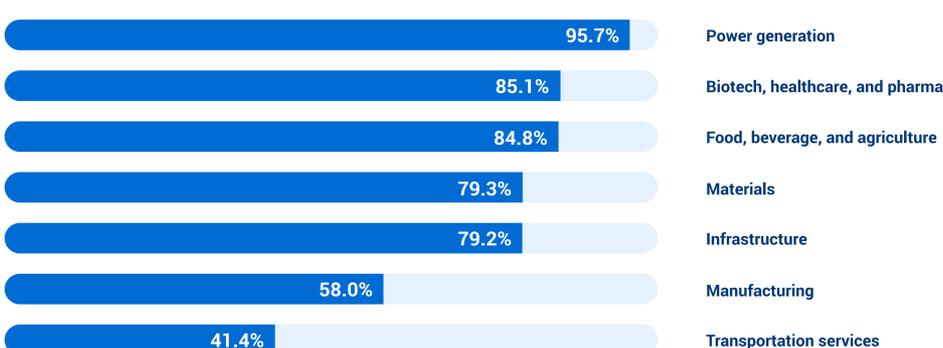
Freshwater Supply

Water Scarcity

A reliable supply of freshwater is vital to the direct operations of

63.7% of companies across industries, on average⁹.

Select Industries



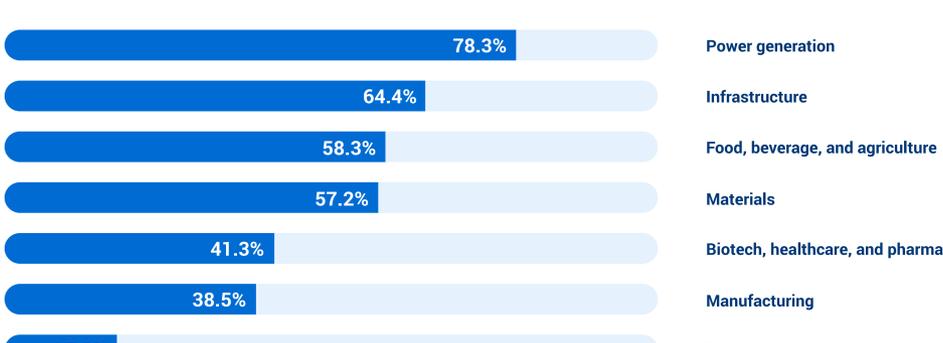
⁹ Source: CDP, "Riding the Wave," March 2023

Freshwater Supply

Water Scarcity

43.6% Yet, **43.6% of companies across industries report that water scarcity poses a significant risk to their direct operations or value chain¹⁰**.

Select Industries



¹⁰ Ibid.

Industrial water use has impacts far beyond local groundwater, aquifers and watersheds, and the distribution, storage and usage of industrial water is responsible for 10% of global greenhouse gas (GHG) emissions¹¹.

Effective management of water resources and usage is key to our collective decarbonization journey.

¹¹ CDP, "A wave of change: The role of companies in building a water-secure world," 2020



THIRSTING FOR CHANGE

Efficiently managing and optimizing your company's water usage could boost profitability, business growth and your organization's competitive edge in the eyes of stakeholders.

Customers are making conscious purchases and prospective talent are making career choices based on corporate sustainability initiatives and values:



80%

of consumers are more likely to buy from a company that values the environment¹².

¹² PwC, "Beyond compliance: Consumers and employees want business to do more on ESG" 2023



2 out of 3

people are more willing to apply for and accept job offers from organizations they consider to be environmentally sustainable¹³.

¹³ IBM, "IBM Global Consumer Study: Sustainability Actions Can Speak Louder Than Intent," April 13, 2022



80%

of consumers are willing to pay more for goods that are produced or sourced using sustainable practices¹⁴.

¹⁴ PwC, "Consumers willing to pay 9.7% sustainability premium, even as cost-of-living and inflationary concerns weigh," PwC 2024 Voice of the Consumer Survey, May 15, 2024

Business leaders are taking note.

87%

 plan to increase their organization's investment and action in issues related to sustainability due to pressure from stakeholders¹⁵.

¹⁵ Gartner, "Gartner Survey Finds 87% of Business Leaders Expect to Increase Sustainability Investment Over the Next Two Years," Nov. 14, 2022

The following percentages of executives say the most stakeholder pressure comes from these key groups:



Customers



Investors



Regulators

By engaging with their investors on corporate responsibility issues, business leaders also see benefits, including major increases in financial value across several areas¹⁶:



35%

 Access to new capital sources

30%

 Better business resiliency

33%

 Risk mitigation

34%

 Customer loyalty and retention

27%

 Brand reputation

¹⁶ KPMG, "KPMG U.S. ESG and Financial Value Survey: Businesses report ESG delivers value in many ways, but hurdles remain," September 2023

What barriers do companies face as they progress toward their long-term sustainability targets¹⁷?

42%

say their biggest barrier is a lack of strategic alignment across key stakeholders, including investors, board members, and business unit heads.

33%

lack the data to identify and prioritize their company's key opportunities and risks related to sustainability.

31%

lack an implementation plan that defines priorities, timeframes, key milestones, and KPIs.

¹⁷ LEK, "Putting Sustainability at the Heart of Strategy," LEK Global Corporate Sustainability Survey, 2022



PROFITS AND WATER STEWARDSHIP CAN GO TOGETHER

Here's the refreshing news:

Water conservation does not have to come at the expense of your company's growth, and it can create significant benefits.

Our Ecolab Water for Climate™ program takes a four-step holistic approach to identifying and implementing tiered, outcome-based solutions that leverage the power of water to drive profitability and sustainability goals specific to you and your industry.

1

First, we collaboratively work with you to dig into your goals.

- We review your organization's water and climate targets.
- We develop an approach to meet your targets within your operational constraints.
- We distinguish site-level goals and enterprise-wide goals.

2

Second, we distill insights.

- We organize asset-level surveys and operational site assessments.
- We conduct end-to-end engineering audits.
- We develop roadmaps to reach goals across your enterprise.

3

Third, we implement action.

- We formulate water solutions specific to your industry and unique situation.
- We provide resources to help manage their implementation through auditing, consulting, engineering, advanced chemistries, and digital technologies.



4

Finally, we deliver outcomes together.

We collaborate with you to create enterprise-wide outcomes and value by helping to reduce water usage, save energy, lower greenhouse gas emissions, reduce costs and protect brand equity. For example...

Beverage and brewing manufacturing industry leaders can reduce:



water usage by **25%**



energy consumption by **12%**



GHG emissions by **6%**

Data center leaders can reduce:



water usage by **31%**

Actual results will vary based on individual site design and operation.

JUMP IN TODAY

By taking a comprehensive view of operational performance and implementing a proactive model of continuous improvement, our Ecolab Water for Climate™ program can help your organization achieve its ambitious sustainability goals without compromising business growth.

Water will shape the future of business.

FIND OUT MORE

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