

Third-party validation is a powerful way to build credibility and trust in your sustainability commitments. By engaging independent experts to verify performance, companies can strengthen stakeholder confidence, meet disclosure requirements, and differentiate their brand in a competitive marketplace. Acting now on external validation signals transparency, accountability, and leadership.

A Cornerstone of Credible Water Stewardship

Third-party validation provides an objective assessment of a company's water data, methodologies, and performance claims. It ensures transparency, builds stakeholder trust, and aligns corporate reporting with recognized international standards.

In a region as interconnected and visible as the Great Lakes, independent verification is not simply a compliance exercise; it is a cornerstone of credible, accountable, and impactful water stewardship.

Why Validation Matters

As companies increasingly report water-related performance through sustainability reports, ESG disclosures, or public commitments, stakeholders expect a level of rigor that goes beyond self-reported claims. Independent validation helps prevent:

- Greenwashing - overstating or misrepresenting environmental performance
- Double counting - attributing the same water benefit to multiple entities
- Over-claiming - reporting benefits that exceed measurable impact

Third-party validation builds trust and demonstrates additionality with:

- Investors, who depend on accurate data for ESG assessments.
- Regulators, who oversee compliance and environmental impacts
- Communities and stakeholders directly affected by corporate water use
- NGOs and advocacy groups that scrutinize sustainability claims

An Advantage, Not a Burden

When companies prepare effectively, validation becomes faster, more cost-efficient, and far more impactful. It strengthens organizational credibility and accelerates the adoption of high-quality stewardship practices across the Great Lakes region.

The following four pillars outline how businesses can unlock the full value of an independent review.

1. Build a Strong Foundation (Prepare Your Evidence) - Third-party validation works best when companies have:



- Reliable baseline data
- Clear documentation
- Defined boundaries and assumptions
- Maps, logs, and traceable metadata

Value unlocked: Faster audits, fewer corrections, lower costs, and stronger credibility.



2. Align with the right framework for your goal - Validation gains power when companies align with recognized frameworks like:



- **WAVE:** Water Stewardship Verified – enterprise-level risk, use, and dependency screening
- Alliance for Water Stewardship (AWS) Standard – site- and basin-level water stewardship
- Science Based Targets Network (SBTN) Freshwater – science-based target setting
- Global Reporting Initiative (GRI) 303/CDP Water Security (formerly Carbon Disclosure Project) – consistent disclosure

Value unlocked: Comparable, externally credible results that meet global expectations.



3. Connect to basin reality - Validation carries the most meaning when global tools are grounded in real watershed conditions, including:



- Local hydrology
- Watershed conditions
- Indigenous knowledge
- Utility data
- Watershed community priorities

Value unlocked: Results reflect actual basin needs and demonstrate both impacts to and impacts on local water systems.



4. Design for measurable outcomes - Validation demonstrates impact when companies can show:



- Reductions in withdrawals or pollutant loads
- Basin-aligned restoration outcomes
- Clear attribution in collective actions
- Demonstrable improvements over time

Value unlocked: Strong investor confidence, regulatory readiness, and business differentiation.

Implement Third-Party Validation

- ❖ Mandate Independent Verification for water stewardship claims to ensure credibility and transparency.
- ❖ Audit Current Data and Processes to identify gaps and prepare for external review.
- ❖ Adopt Recognized Standards for consistency and global alignment.
- ❖ Engage Accredited Auditors and hydrogeological experts to validate methodologies and outcomes.
- ❖ Define Clear Attribution in collective projects to prevent double counting and misrepresentation.
- ❖ Establish Continuous Monitoring with periodic third-party reviews to maintain integrity and adapt to changing conditions.
- ❖ Communicate Verified Results in sustainability reports and stakeholder disclosures to build trust and strengthen brand reputation.

