

CDP South Africa Water 2016: Risks and Targets

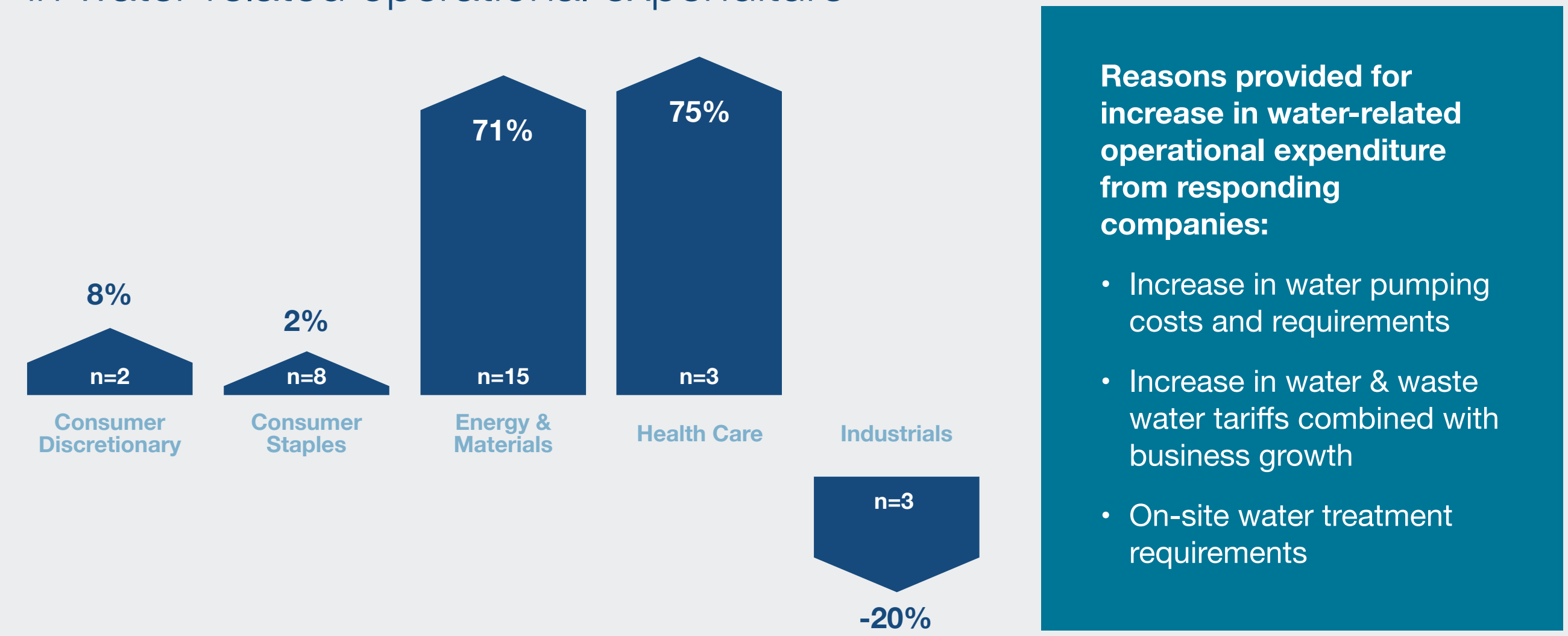
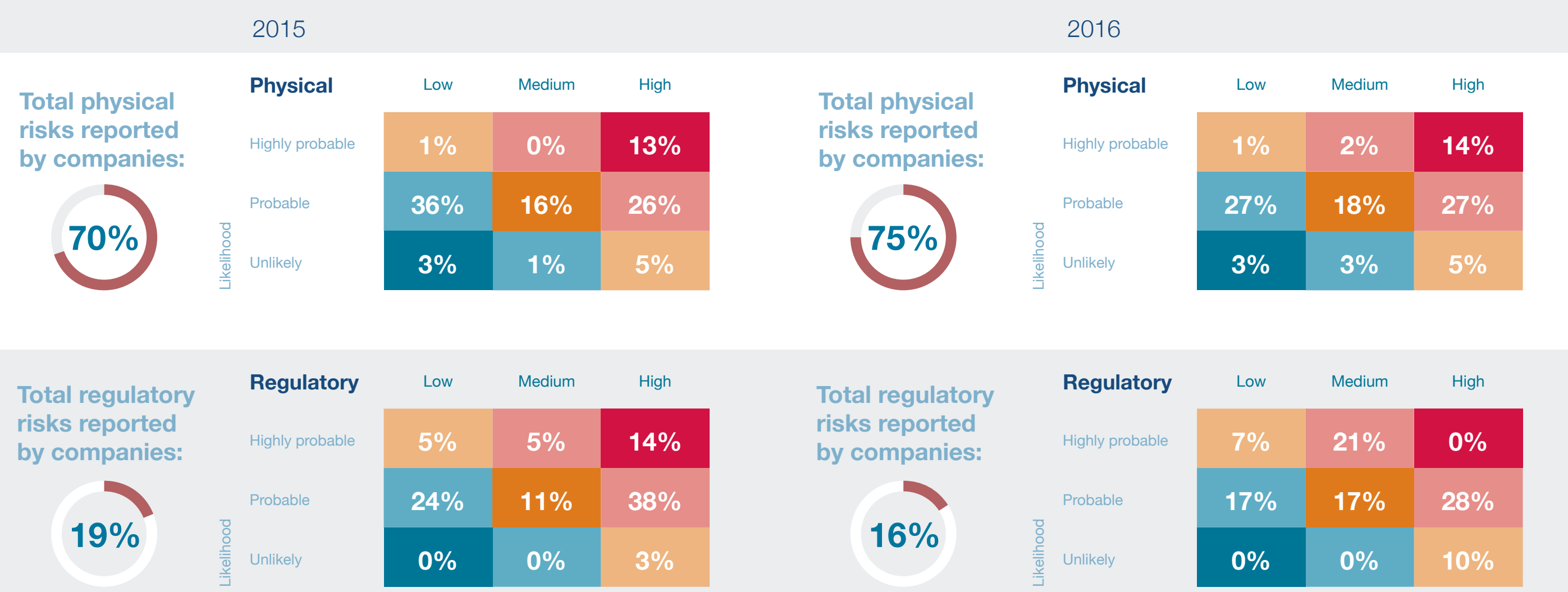


The impact of unmitigated water risk on company cost management and business longevity is significant. Response measures are most effective when underpinned by ambitious targets.

Physical risks dominate how companies perceive risk. The financial impact on companies is also steadily increasing.

Companies view regulatory risk as less significant than in 2015

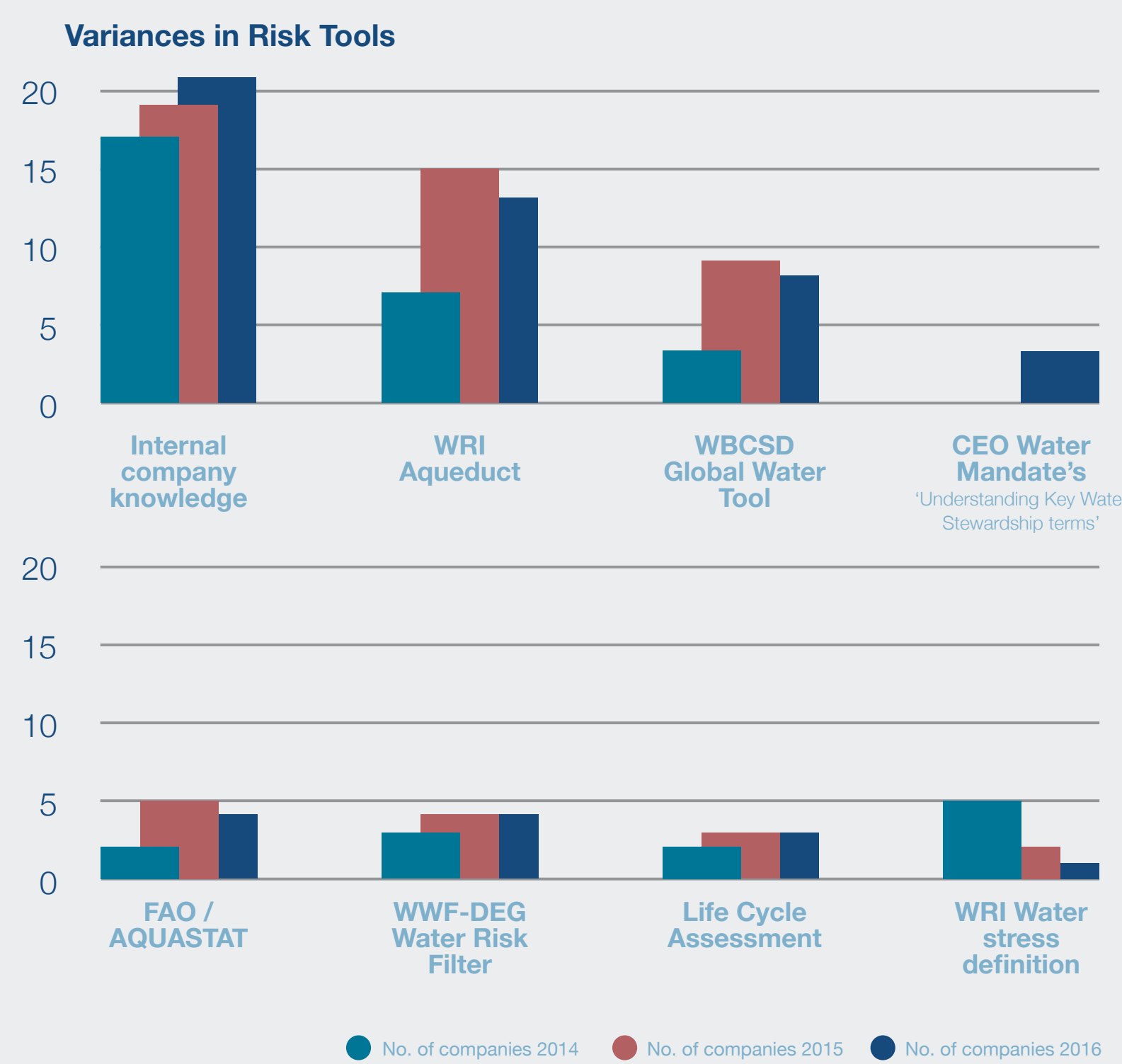
Energy & Materials and Health Care report significant increases in water-related operational expenditure



- Reasons provided for increase in water-related operational expenditure from responding companies:**
- Increase in water pumping costs and requirements
 - Increase in water & waste water tariffs combined with business growth
 - On-site water treatment requirements

Comprehensive risk assessments are the first step in building resilience for companies, their stakeholders and their value chain.

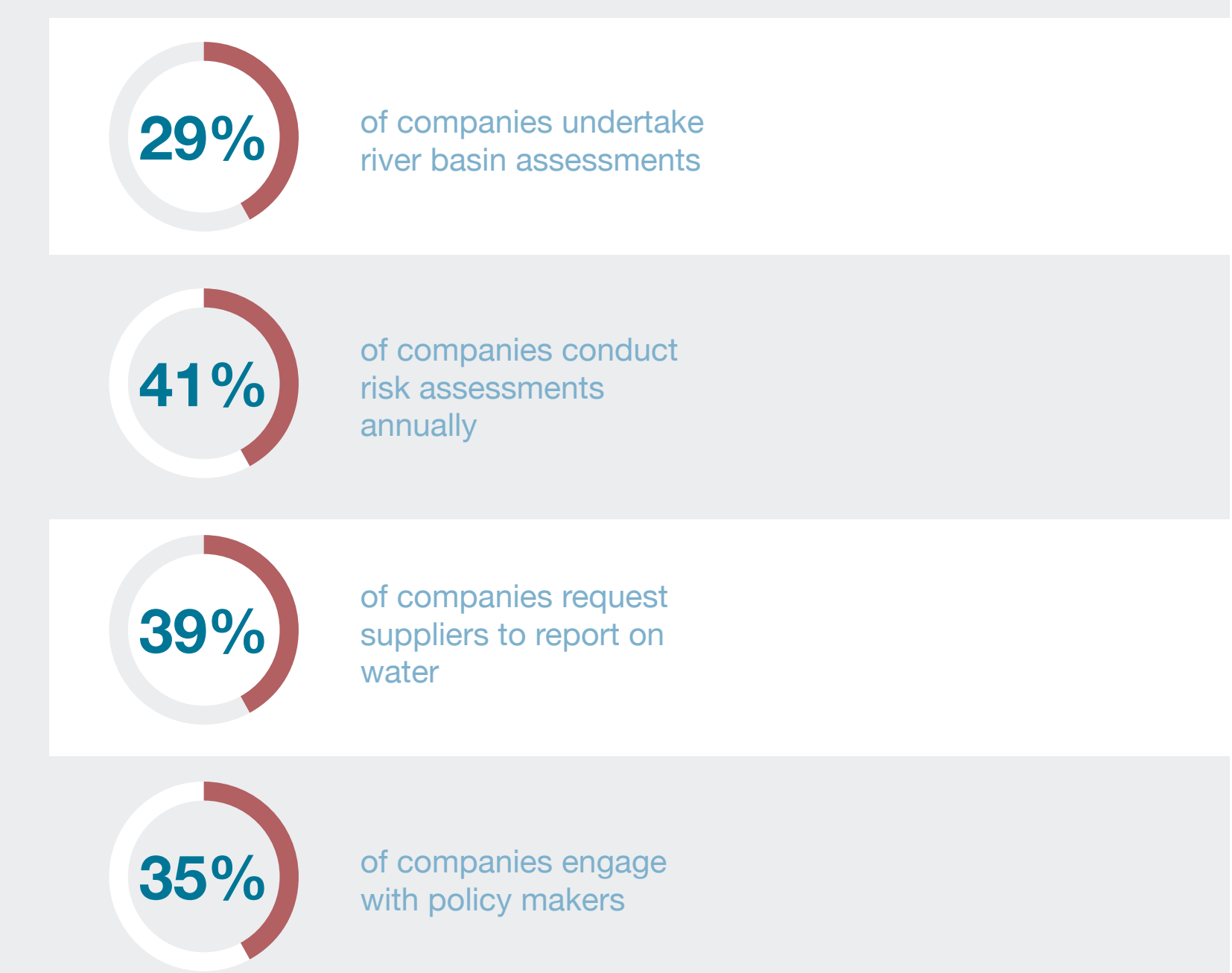
Companies use a wide range of risk assessment methodologies



Companies are beginning to explore a wider range of local-level factors in their risk assessments



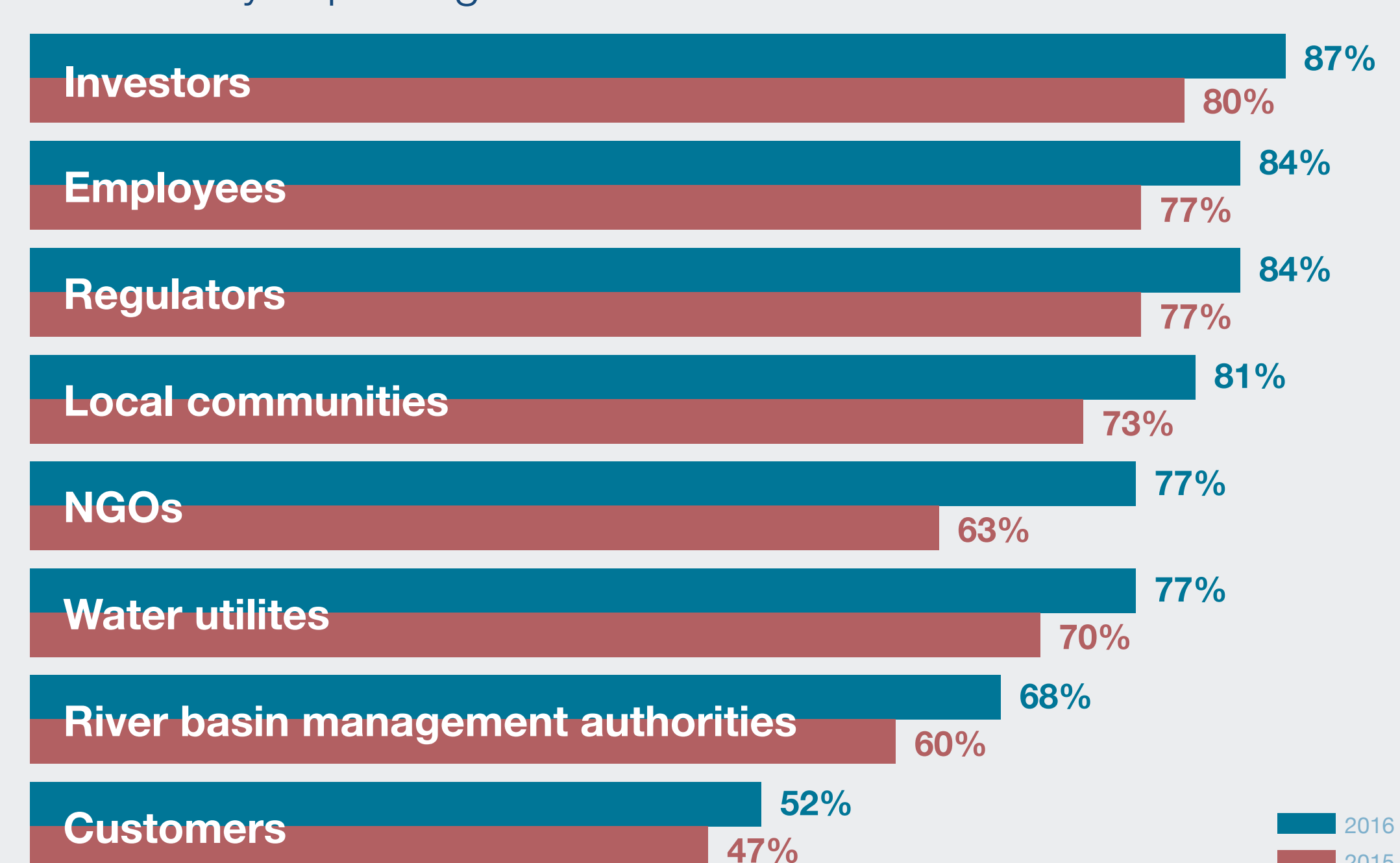
Improvements are required in the scale of assessments, the frequency of assessment and in engaging with stakeholders and the public sector



The goals set by companies do not adequately reflect the shared nature of water risk.

Only a limited number of goals set by companies relate to their wider context

However the stakeholders included in company risk assessments are steadily improving



While South African respondents have steadily improved their risk assessments, there is a need to drive performance through more rigorous targets.

Despite a high number of companies setting targets, the focus on key metrics is poor

