The AWS Standard and IRIS tools are similar in several ways. Both are intended to be used to better understand and optimize the social, environmental, and financial performance of projects or investments. With respect to water use, socially equitable water use recognizes and fulfills the human right to safe water and sanitation so as to ensure human well-being and equity; environmentally sustainable water use maintains or improves biodiversity and ecological and hydrological processes at the catchment level; and financially beneficial water use contributes to long-term sustainable economic growth, development, and poverty alleviation for water users, local communities, and society at large.

Additionally, both the AWS Standard and IRIS were developed through a multi-stakeholder, consultative process. The IRIS initiative leverages existing third-party standards and sector-specific working groups for metric creation, and hosts a formal public comment period during each upgrade cycle to receive open feedback. Further, an advisory body that includes representatives from various key stakeholder groups (investors, third-party standards providers, and industry networks) oversees and supports the ongoing development of the IRIS catalog. AWS brought together several major water and environmental expert organizations to form the 15-member International Standard Development Committee (ISDC) with representatives from three stakeholder groups (businesses and water service providers, civil society, and public-sector agencies) and eight regions. Based on this global, stakeholder inclusive process, the AWS Standard Version 1.0 was released to the public in 2014.

The AWS Standard and IRIS also differ slightly in their functionality for investors. For example, the AWS Standard can be used at the due diligence stage as a screening and reporting gate to assess water risks and opportunities. The IRIS metrics can then be used as a management tool, to set specific social and environmental performance targets and manage against them during the course of the investment.

**Impax Asset Management’s Approach**

Impax is a leading investment manager focused on the transition to a more sustainable economy. Its investments are based on the strong conviction that demographic dynamics, resource scarcity, inadequate infrastructure and environmental constraints will profoundly shape global markets, creating risks and opportunities.

Impax invests in environmental markets and across the rapidly growing water value chain. As part of its non-financial reporting, Impax measures the positive environmental impact of investee companies. Water impact metrics comprise water savings, water treatment and clean water provision. Impact reporting can give investors the insight into how Impax’s investments in companies providing environmental products and services and the environmental outcomes of their business activities.