THE UNITED REPUBLIC OF TANZANIA

MINISTRY OF WATER

IRINGA WATER SUPPLY AND SANITATION AUTHORITY (IRUWASA)

SUSTAINABILITY AND ESG FRAMEWORK

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS

Abbreviation / Acronym	Full Meaning
AfDB	African Development Bank
CPA	Certified Public Accountant
CPD	Continuing Professional Development
CSR	Corporate Social Responsibility
EHS	Environment, Health and Safety
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
ESIA	Environmental and Social Impact Assessment
EWURA	Energy and Water Utilities Regulatory Authority
FYDP III	Third Five-Year Development Plan (2021/22–2025/26)
GB	Governing Board
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HR	Human Resources
ICT	Information and Communications Technology
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related Disclosures
ILO	International Labour Organization
ISSB	International Sustainability Standards Board
KPI	Key Performance Indicator
MD	Managing Director
M&E	Monitoring and Evaluation
MoW	Ministry of Water
IRUWASA	Iringa Urban Water Supply and Sanitation Authority
NBAA	National Board of Accountants and Auditors
NDCs	Nationally Determined Contributions
NGO	Non-Governmental Organization
NRW	Non-Revenue Water
OHS	Occupational Health and Safety
PAFA	Pan African Federation of Accountants
PCCB	Prevention and Combating of Corruption Bureau
PPRA	Public Procurement Regulatory Authority
PSEs	Public Sector Entities
SDGs	Sustainable Development Goals
SSC	Sustainability Steering Committee
TCFD	Task Force on Climate-related Financial Disclosures
TRA	Tanzania Revenue Authority
UN	United Nations
UNEP	United Nations Environment Programme
URT	United Republic of Tanzania
WCF	Workers Compensation Fund
IRUWASA / IRUWASA	Water Supply and Sanitation Authority / Authorities

1.0 INTRODUCTION

1.1 Background

The Water Supply and Sanitation Act 2019 provide the legal institutional framework for the management and provision of water supply and sanitation services. The Water Supply and Sanitation Act aim at addressing the weaknesses and challenges that face the water Sector.

Iringa Urban Water Supply and Sanitation Authority ('the Authority') was established under the Water Works Ordinance Cap. 281 in accordance with the Government Notice No. 371 published on 25 July 1997. Subject to Section 3 (1) of the Water Works Regulations, the Minister responsible for Water declared Iringa Urban Water Supply and Sanitation Authority as an autonomous body with effect from 1st January 1998. It commenced operations on 1st July, 1998.

The principal activities of Iringa Water Supply and Sanitation Authority are production, distribution and delivery of potable water including collection, treatment and disposal of the waste water emanating from the urban area of the Iringa Municipality.

IRUWASA started its operation as a category 'C' Authority. It was promoted to category 'B' in August 2003 and to category 'A' in May 2007 and AA in 2023. IRUWASA aims at becoming the entity that covers fully its costs.

1.2 Mandate

The Water Supply and Sanitation Act make the Boards of Directors the sole mandated authorities to obtain the licenses for the provision of water and sanitation services, in the area of their jurisdiction.

1.3 Mandate of IRUWASA Board of Directors

IRUWASA serves an area of 162 Km in Iringa Municipality. The population in 2012, extrapolated from 2012 national census is estimated at 151,345 people with a growth rate of 1.1% per annum. During the deliberations the Board of Directors, Management, and other Stakeholders developed their Mission, Vision, Core Values and expressed their objectives, strategies and action plans that would deliver the mandate of IRUWASA and help the process of monitoring and evaluation (M & E).

1.4 Core Function of the Board of Directors

IRUWASA Board of Directors has a clear mandate with the core functions including but not limited to: -

a. Approval of plans, annual reports and budgets
b. Efficient and economic provision of water supply and sanitation services as authorized by the Licensee.
c. Development and management of assets.
d. Hold/lease assets and water services infrastructure.

e. Ensure efficient and economical provision of services.
f. Plan development of services and facilities to increase access to water and sanitation.
g. Ensure compliance with licensing requirements by EWURA.
h. Ensure available human resource developed and maintained for sustainability of the organization.

1.5 Vision:

"To be the best water supply and sanitation authority in Tanzania in the provision of modern, quality and sustainable services".

1.6 Mission:

To provide adequate and safe water and sanitation services to Iringa Municipal, Ilula and Kilolo Townships population at affordable and cost reflective prices in order to enhance their health and quality of life".

1.7 Core Values:

In order to fulfil her vision and mission statements, IRUWASA adheres to the following core values:

i. **Reliability:** IRUWASA aims at offering and performing the promised services accurately and all the time;
ii. **Accountability:** Willingness to help customers and provide prompt services and take responsibility for the intended poor performance;
iii. **Competence:** Ensuring that staff have required skills and knowledge to deliver water supply and sanitation services;
iv. **Security**: Ensuring customers' freedom from danger, risk, or doubt concerning the services of IRUWASA;
v. **Sustainability**: To ensure financial, economic, operational and environmental sustainability is guaranteed;
vi. **Creativity and innovation:** Involving the use of skills and imagination to offer mandated services, and
vii. **Integrity:** Being honest and having strong moral principles in the delivery of mandated services.

2.0 MESSAGE FROM THE MANAGING DIRECTOR

It is with great pride and a deep sense of responsibility that I present the inaugural Sustainability Framework for Iringa Urban Water Supply and Sanitation Authority (IRUWASA). This Framework marks a critical milestone in our journey to integrate sustainability into the core of our mandate and to lead by example in ensuring reliable, affordable, and sustainable water supply and sanitation services for the communities of Iringa Municipality, Kilolo and Ilula Township.

As providers of water supply and sanitation services in Tanzania, we recognize that today's challenges—climate change, population growth, urbanization, social inequality, water resource scarcity, and environmental degradation—demand a new model of stewardship and accountability. Water and sanitation are not only basic human rights but also critical enablers of public health, social well-being, and economic development. Through this Framework, IRUWASA affirm our commitment to creating sustainable value by ensuring that environmental, social, and governance (ESG) considerations are embedded in every aspect of water service delivery, sanitation infrastructure development, and resource management.

The Framework is designed to align with the National Water Policy of 2002 version 2025, the Water Supply and Sanitation Act of 2019, Tanzania's Development Vision 2050, and international sustainability standards such as the UN Sustainable Development Goals (SDGs), particularly Goal 6 on Clean Water and Sanitation services. By doing so, we ensure that sustainability-related performance and reporting are transparent, comparable, and decision-useful—not only for government and development partners but also for citizens who depend on us daily. This will enhance public trust, strengthen service delivery, and reinforce our role as custodians of Tanzania's vital water resources.

I commend the dedicated IRUWASA team, sector stakeholders, and partners who contributed to the development of this Framework. Their commitment reflects the enduring values of professionalism, accountability, and service to the public good. I also call upon all IRUWASA Directorates, Units, Zones and Sections to actively adopt and implement the principles outlined in this document.

Together, let us reinforce our position as progressive, responsible Directorates, Units, Zones and Sections to actively shape a sustainable future for Iringa Urban water supply and sanitation Authority.

Eng. David Pallangyo
Managing Director
Iringa Urban Water Supply and Sanitation Authority (IRUWASA)

Date: ___________________

3.0 EXECUTIVE SUMMARY

3.1 Purpose of the Sustainability Framework

The purpose of the Iringa Urban Water Supply and Sanitation Authorities (IRUWASA) Sustainability Framework is to provide a structured and strategic approach for integrating sustainability principles into the operations, governance, and service delivery functions of IRUWASA. This Framework serves as a foundational guide to ensure that IRUWASA align their mandate with evolving global, national, and local expectations around sustainable resource management, service delivery efficiency, and Environmental, Social, and Governance (ESG) performance—while contributing meaningfully to Tanzania's socio-economic development.

Specifically, the Framework aims to:

i. Demonstrate Leadership by Example:
As key providers of essential public services, IRUWASA is uniquely positioned to lead by example in embedding sustainability principles in its operations. This includes efficient water resource management, climate-resilient infrastructure development, equitable access to clean water and sanitation services, and active engagement with communities.

ii. Support Compliance with National and Global Standards:
The Framework ensures alignment with national water and sanitation policies, the Water Supply and Sanitation Act of 2019, the National Water Sector Development Programme (WSDP), as well as international standards such as the UN Sustainable Development Goals (particularly SDG 6 on Clean Water and Sanitation, and SDG 13 on Climate Action). This reinforces credibility, comparability, and accountability in the sector.

iii. Operationalize IRUWASA Sustainability Guidelines:
The Framework translates IRUWASA sustainability commitments into actionable steps, enabling effective planning, monitoring, and evaluation of sustainability initiatives across service areas on provision of water supply and sanitation services.

iv. Institutionalize ESG and Risk Management:
The Framework embeds ESG considerations into governance structures, investment planning, tariff setting, and risk management. It ensures that sustainability is treated as a strategic imperative to address risks such as climate variability, non-revenue water (NRW), pollution, and infrastructure financing gaps.

v. Enhance Transparency and Accountability:
Through clear reporting mechanisms, citizen engagement, and stakeholder consultation, the Framework fosters a culture of openness, responsiveness, and continuous improvement in water supply and sanitation service delivery.

vi. Inspire and Influence the Sector:
By establishing a best-practice model, the Framework seeks to inspire IRUWASA, local government authorities, private operators, and development partners to integrate sustainability thinking into infrastructure investment, operational practices, and community engagement.

This Framework is not only a reflection of the IRUWASA commitment to sustainable development but also a strategic tool for shaping water and sanitation services that are resilient, equitable, efficient, and future-ready. In doing so, it supports Tanzania's national development agenda and contributes to the achievement of the global Sustainable Development Goals.

4.0 ALIGNMENT WITH NATIONAL GUIDELINES AND GLOBAL STANDARDS (i.e. IFRS S1 AND S2)

The IRUWASA Sustainability Framework has been deliberately designed to ensure alignment with both national implementation guidance and internationally recognized sustainability disclosure standards. This alignment enhances the quality, consistency, and comparability of sustainability-related information reported by IRUWASA and provides a model for other public utilities and service providers in Tanzania.

4.1 Alignment with National Water Sector Guidelines and Policies

The Water Supply and Sanitation Act of 2019, the National Water Policy, and the Water Sector Development Programme (WSDP) provide Tanzania's benchmarks for integrating ESG and sustainability considerations into institutional operations, governance, and reporting. This Framework directly incorporates the principles outlined in these policies, including:-

a. Establishment of internal ESG structures within IRUWASA to oversee sustainability integration and service delivery;
b. Conducting materiality assessments and stakeholder engagement to capture community needs, environmental priorities, and sector risks;
c. Setting sustainability performance targets such as improving water service provision, reducing non-revenue water (NRW) and improving sanitation coverage;
d. Developing ESG and climate risk registers to track challenges such as drought, flooding, or infrastructure breakdowns;
e. Institutionalizing sustainability reporting and assurance processes in line with both government and development partner requirements.

By following these national benchmarks, IRUWASA reinforce their mandate as custodians of public resources while embedding sustainability into their governance, operational, and performance culture.

4.2 Alignment with Global Reporting and Sustainability Standards

Although designed for financial reporting, international sustainability disclosure standards also provide useful principles for the water and sanitation sector. In particular, alignment with global frameworks ensures that IRUWASA reporting is credible, comparable, and decision-useful for government, development partners, and citizens.

Alignment with ISSB IFRS S1 – General Requirements for Disclosure of Sustainability-related Information

IRUWASA Framework aligns with IFRS S1 principles by:

a. Focusing on governance, strategy, risk management, and metrics & targets—the four core content areas of S1;
b. Emphasizing consistency, comparability, and connectivity between financial, technical, and sustainability reporting;
c. Ensuring that disclosures are entity-specific, forward-looking, and decision-useful for both sector regulators and communities;
d. Using materiality assessment to guide what is reported based on potential impact on service delivery, financial viability, and resource sustainability.

4.3 Alignment with ISSB IFRS S2 – Climate-related Disclosures

IFRS S2, derived from the TCFD recommendations, is critical for utilities highly exposed to climate risks. IRUWASA's Framework reflects IFRS S2 by:

i. Incorporating processes to identify, assess, and manage physical and transition climate-related risks such as droughts, floods, and water quality deterioration;
ii. Providing guidance on the disclosure of climate metrics, targets, and scenario analysis relevant to water and sanitation services;
iii. Promoting the integration of climate resilience into investment planning and governance structures;
iv. Encouraging capacity building for staff and leadership to strengthen understanding and management of climate and sustainability risks.

By aligning with both national water sector frameworks and international sustainability standards, the IRUWASA Sustainability Framework ensures that not only comply with best practices but also build stakeholder confidence through credible, transparent, and forward-looking disclosures. This alignment reinforces IRUWASA's commitment to delivering sustainable, reliable, and resilient water supply and sanitation services while advancing Tanzania's transition toward a green and inclusive future.

5.0 ROLE OF IRUWASA IN PROMOTING SUSTAINABILITY IN TANZANIA

As public utilities responsible for delivering safe, reliable, and sustainable water supply and sanitation services, Iringa Water Supply and Sanitation Authority (IRUWASA) play a pivotal role in advancing sustainable development in Tanzania. Its mandate goes beyond service delivery — it extends to promoting resource efficiency, transparency, accountability, and good governance in managing water supply and sanitation systems. IRUWAS is central to integrating sustainability principles into operations, ensuring equitable access to clean water, protecting the environment, and supporting national and global commitments such as Tanzania's Water Sector Development Programme (WSDP), National Water Policy (NAWAPO), National Ant-Corruption Strategy and Action Plan Phase IV (NACSAP IV) 2023-2030, Tanzania National Development Vision 2050, The Water Supply and Sanitation Act, No. 5 of 2019, Environmental Management Act 2004, and the UN Sustainable Development Goals (SDGs) and other related instruments.

5.1 Complying to Service Standards and Regulatory Guidance

Iringa Urban Water Supply and Sanitation Authorities (IRUWASA) have a statutory mandate to ensure the efficient, transparent, and sustainable delivery of water supply and sanitation services in the public interest. In fulfilling this mandate, IRUWASA align with the Ministry of Water and regulatory directives from EWURA and the Treasury Registrar to integrate sustainability considerations into all aspects of service delivery and resource management. Through Sustainability Implementation Guidelines, IRUWASA is expected to embed Environmental, Social, and Governance (ESG) principles into its strategic and operational decisions—covering areas such as water resource conservation, wastewater treatment, energy efficiency, customer service, and community engagement. The IRUWASA Sustainability Framework demonstrates how the authority can operationalize sustainability practices within its unique environmental and socio-economic context.

5.2 Building Institutional Capacity and Awareness

IRUWASA play a key role in building a sustainability-conscious workforce and organizational culture. This is achieved through:

a. Continuous capacity-building programs for Management, technical staff, and Board members on ESG integration, climate resilience, and sustainable service delivery;
b. Incorporating sustainability principles into staff training, performance management, and operational manuals;
c. Organizing community awareness campaigns, stakeholder dialogues, and knowledge-sharing workshops on water stewardship and sanitation innovation.

These initiatives strengthen institutional readiness to manage sustainability-related risks and leverage opportunities for efficiency, inclusiveness, and long-term viability.

5.3 Championing ESG Integration in the Water and Sanitation Sector

IRUWASA act as sustainability champions within its working areas by promoting environmental protection, social inclusion, and good governance. It engages with local government authorities, basin water Boards, development partners, and communities to foster collaboration on climate adaptation, equitable access to services, and pollution control. By integrating ESG principles into planning, procurement, and reporting processes, IRUWASA enhance accountability, improve customer trust, and contribute to national sustainability goals.

5.4 Promoting National and Global Alignment

IRUWASA sustainability initiatives are aligned with Tanzania's Vision 2050, the National Water Policy 2002 version 2025), the Water Sector Development Programme, and the National Climate Change Response Strategy. At the global level, IRUWASA contribute to the achievement of Sustainable Development Goal 6 (Clean Water and Sanitation), while aligning with broader frameworks such as the African Union's Agenda 2063 and the Paris Agreement on Climate Change. This alignment ensures that IRUWASA operations are not only locally responsive but also globally relevant and forward-looking.

5.5 Leading by Example

Through this Sustainability Framework, IRUWASA demonstrates leadership by embedding sustainability into its governance, operations, and reporting systems. This includes responsible use of water resources, adoption of renewable energy solutions, transparent performance reporting, and inclusive stakeholder engagement. By leading through action, IRUWASA send a strong message that sustainable water and sanitation management is not just an operational requirement—but a core institutional value and a national development imperative.

6.0 IRUWASA COMMITMENT TO ESG

6.1 Background and Context

The global shift towards sustainable development has redefined how public utilities operate. IRUWASA is now expected not only to ensure reliable service delivery and financial sustainability but also to demonstrate how it can manage environmental, social, and governance (ESG) impacts. For Iringa Urban Water Supply and Sanitation Authorities (IRUWASA), this transition presents both a challenge and an opportunity—to evolve into resilient, transparent, and sustainability-driven service providers that safeguard public health and the environment.

In this changing landscape, IRUWASA recognize the urgency of placing sustainability at the core of their strategic, operational, and governance frameworks. As public entities mandated to provide essential water supply and sanitation services, IRUWASA occupy a critical position in advancing Tanzania's sustainable development agenda—particularly in promoting equitable access to clean water, protecting catchment areas, reducing non-revenue water, improving sanitation coverage, and supporting climate resilience at the community level.

The development of the IRUWASA Sustainability Implementation Guidelines represents a foundational milestone in mainstreaming ESG and climate-resilient practices across the water and sanitation sector. These guidelines provide a nationally contextualized framework for authorities to integrate sustainability principles into their infrastructure planning, resource management, service delivery, stakeholder engagement, and performance reporting. For IRUWASA to effectively champion this agenda, sustainability must be institutionalized within their own governance, operations, and culture.

At the international level, the growing emphasis on sustainability reporting—driven by global frameworks such as the IFRS Sustainability Disclosure Standards (IFRS S1 and S2), the UN Sustainable Development Goals (SDG 6 and SDG 13), and the African Union's Agenda 2063—underscores the need for structured and transparent disclosure of ESG impacts. Aligning with these frameworks enhances the credibility of IRUWASA to strengthens investor and donor confidence, ensures better accountability to communities and regulators.

The IRUWASA Sustainability Framework responds to this dual imperative: national leadership and global alignment. It provides a clear and actionable roadmap for embedding sustainability into every facet of IRUWASA operations—from governance and asset management to water quality monitoring, stakeholder communication, and environmental stewardship. The Framework also serves as a model for how other public service entities can integrate sustainability into its operational and reporting systems.

Through this Framework, IRUWASA reaffirm their commitment to responsible leadership, efficient resource utilization, good governance, and inclusive service delivery—principles that are essential for achieving Tanzania's Development Vision 2050, the National Water Policy, and the SDGs, while strengthening resilience against climate and socio-economic risks.

7.0 SUSTAINABILITY AND THE WATER SUPPLY AND SANITATION SECTOR

The water and sanitation sector is undergoing a profound transformation as the global sustainability agenda gains momentum. No longer limited to providing basic utility services, IRUWASA is now expected to demonstrate how its manage environmental, social, and governance (ESG) impacts, ensure water security, and contribute to sustainable community development. Sustainability is becoming an integral part of every IRUWASA roles encompassing efficient resource management, climate adaptation, equitable access and long-term value creation for society.

7.1 Expanding the Scope of IRUWASA Mandate

Traditionally, IRUWASA has been viewed primarily as providers of clean water and sanitation services. However, in today's interconnected and climate-conscious environment, its responsibilities extend to promoting water stewardship, environmental protection, and social inclusion. IRUWASA now play a critical role in:

a. Identifying and managing material sustainability issues such as water scarcity, energy efficiency, and waste management;
b. Integrating ESG and climate-resilience metrics into performance and investment planning;
c. Assessing and reporting climate-related and operational risks; and
d. Aligning strategic plans with national development priorities and the Sustainable Development Goals (particularly SDG 6 on Clean Water and Sanitation, and SDG 13 on Climate Action).

This expanded scope positions IRUWASA as key enablers of sustainability transitions across communities, contributing to both social welfare and economic resilience.

7.2. Ensuring High-Quality ESG and Service Performance Information

The credibility of sustainability reporting in IRUWASA depends on the accuracy and reliability of operational, environmental, and financial data. IRUWASA is uniquely positioned to ensure the quality, transparency, and accountability of data related to water production, distribution efficiency, wastewater management, energy consumption, and customer satisfaction.

By establishing strong internal control systems, risk management frameworks, and performance monitoring tools, IRUWASA can enhance the trust of regulators (such as EWURA and the Ministry of Water), development partners, and the public. As global sustainability standards such as **IFRS S1 and IFRS S2** gain prominence, IRUWASA is encouraged to align their reporting and disclosure practices with these frameworks to improve transparency, comparability, and decision-usefulness of their sustainability information.

7.3. Contributing to National and Global Priorities

Tanzania's Development Vision 2050, the National Water Policy, and the National Climate Change Response Strategy call for sustainable and inclusive management of water resources. IRUWASA play a pivotal role in realizing these goals by ensuring that service delivery, investment, and resource utilization are guided by sustainability principles.

Through effective monitoring and reporting, IRUWASA can demonstrate progress toward achieving SDG 6 (Clean Water and Sanitation), SDG 13 (Climate Action), and SDG 11 (Sustainable Cities and Communities). By embedding sustainability into their operations, IRUWASA contribute not only to improved water access and sanitation but also to poverty reduction, health improvement, and climate resilience—ensuring that development outcomes do not compromise environmental integrity or social equity.

7.4 Strengthening Institutional Competence in Sustainability

To effectively respond to sustainability challenges, IRUWASA must build the capacity of their workforce and governance structures. This involves:

a. Integrating ESG and climate adaptation concepts into staff training, technical manuals, and operational guidelines;
b. Developing tailored training programs for Directors, Head of Units, Head of Sections, Zones Managers, engineers, finance officers and all staff on sustainability planning, data management, and performance reporting; and
c. Adopting ethical and governance standards that promote transparency, accountability, and responsible use of resources.

By embedding sustainability competencies into institutional development, IRUWASA ensures that their operations remain resilient, efficient, and aligned with both national policies and global sustainability frameworks. This transformation strengthens the Institution’s credibility and demonstrates that water and sanitation service delivery are sustainably achievable and essential for Tanzania’s future.

8.0 SCOPE AND COVERAGE OF THE FRAMEWORK

The IRUWASA Sustainability Framework sets out the institutional approach for integrating sustainability principles into the governance, operations, and reporting functions of IRUWASA. It provides a comprehensive roadmap for aligning IRUWASA's internal practices and external engagements with national sustainability priorities and international disclosure standards, including IFRS S1 and IFRS S2. The Framework ensures that sustainability becomes a cross-cutting principle guiding all aspects of service delivery, resource utilization, stakeholder engagement, and accountability.

8.1 Institutional Scope

This Framework applies to all Directorates, Units, Zones, Sections, and operational areas within IRUWASA, It defines how the Authority will:

a. Embed sustainability considerations into strategic and investment planning, operational decisions, and annual performance reviews;
b. Integrate ESG and climate-risk management into service delivery, infrastructure maintenance, and resource allocation;
c. Establish mechanisms for monitoring, evaluating, and reporting on sustainability performance;
d. Promote internal accountability and ownership of sustainability outcomes across directorates, Units and Zones; and
e. Serve as a model for other utilities and public institutions in advancing sustainability integration in Tanzania.

The Framework also guides the establishment of internal ESG structures, such as Sustainability Steering Committees (SSC), ESG Focal Persons or Coordinators, EAG Champions and clear reporting lines to senior management, Boards of Directors, and regulatory bodies such as the Ministry of Water and EWURA.

8.2 Thematic Coverage

The IRUWASA Sustainability Framework is structured around the three interrelated dimensions of sustainability—Environmental, Social, and Governance (ESG)—each tailored to the water and sanitation context:

a. Environmental Dimension: Focuses on sustainable water resource management, energy efficiency, reduction of non-revenue water, proper sludge and wastewater management, pollution control, and resilience to climate-related risks such as droughts and floods.
b. Social Dimension: Covers equitable access to water and sanitation services, community engagement, gender and inclusiveness in service provision, occupational health and safety, staff capacity development, and customer satisfaction.
c. Governance Dimension: Addresses ethical leadership, transparency, regulatory compliance, accountability to stakeholders, sound procurement and financial management practices, and disclosure of ESG performance and risks.

These thematic areas are translated into specific policies, targets, indicators, and implementation activities presented in the Framework's subsequent chapters.

8.3. Standards and Guidelines Covered

This Framework integrates and aligns with both national and international sustainability standards and policy references relevant to the water and sanitation sector, including:

a. IRUWASA's Sustainability Implementation Guidelines (2025);
b. IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information;

c. IFRS S2 – Climate-related Disclosures;
d. Tanzania Development Vision 2050 and National Climate Change Response Strategy (2021–2026);
e. National Water Policy 2002 version 2025 and Water Sector Development Programme (WSDP) III;
f. Sustainable Development Goals (particularly SDG 6, SDG 13, and SDG 11); and
g. African Union Agenda 2063 aspirations on environmental sustainability and inclusive growth.

By adopting these standards and references, the Framework provides a coherent, comparable, and decision-useful structure for sustainability reporting and accountability—strengthening both national compliance and international credibility.

8.4 Time Frame and Review Cycle

The IRUWASA Sustainability Framework covers the period 2026–2031 and will be reviewed every three years or as required to reflect evolving national policies, regulatory developments, international sustainability standards, and institutional priorities.

Implementation will follow a phased approach:

a. Short-term (2026–2027): Establishment of governance structures, baseline data collection, and pilot reporting;

b. Medium-term (2028–2029): Integration of sustainability metrics into operational systems and expansion of stakeholder engagement;

c. Long-term (2030–2031): Full institutionalization of sustainability practices, advanced reporting, and external assurance of disclosures.

This progressive approach ensures continuous learning, improvement, and adaptability to Tanzania’s dynamic environmental and socio-economic conditions.

9.0 SUSTAINABILITY GOVERNANCE AND OVERSIGHT

9.1 Roles and Responsibilities

Effective governance is fundamental to the successful implementation of sustainability IRUWASA This section outlines the roles and responsibilities of key institutional actors responsible for embedding, managing, monitoring, and reporting sustainability-related matters. These roles are structured to ensure accountability, transparency, and alignment with the IRUWASA Sustainability Implementation Guidelines, IFRS S1, IFRS S2, and relevant national policies such as the National Water Policy and the National Climate Change Response Strategy.

9.2 Board of Directors

a. Provides strategic oversight, policy direction, and leadership for IRUWASA sustainability agenda.
b. Reviews and approves the IRUWASA Sustainability Framework, annual ESG performance reports, and long-term sustainability targets.
c. Ensures that sustainability initiatives are aligned with the IRUWASA mandate, national priorities, EWURA's regulatory requirements, and international standards.
d. Holds management accountable for effective ESG risk management, environmental compliance, and performance outcomes.
e. Promotes a culture of sustainability and ethical governance at the highest institutional level.

9.3 Managing Director (MD)

a. Acts as the Institutional champion for sustainability within IRUWASA.
b. Oversees the development, implementation, and continuous improvement of IRUWASA Sustainability Framework.
c. Chairs the Sustainability Steering Committee (SSC) and ensures ESG integration into all strategic and operational decisions.
d. Represents the IRUWASA in national, regional, and international sustainability, climate, and water governance platforms.
e. Ensures adequate resource allocation and performance monitoring for sustainability-related initiatives.

9.4 Sustainability Steering Committee (SSC)

a. Serves as the central coordinating body for all sustainability and ESG-related initiatives across IRUWASA.
b. Reviews progress on implementation, validates ESG performance data, and ensures timely and accurate sustainability reporting.
c. Advises management on sustainability policy development, ESG risks, stakeholder engagement, and prioritization of projects.
d. Ensures consistency and coordination of ESG practices across technical, financial, and administrative units.
e. Facilitates collaboration between IRUWASA, Ministry of Water, EWURA, the Rufiji Basin Water Board, and development partners on sustainability matters.

9.4 Directors, Head of Units, Zonal Managers

a. Lead the implementation of sustainability and ESG initiatives within their respective Directorates and Units.
b. Ensure sustainability considerations are embedded in Directorates/Units work plans, budgets, and performance indicators.
c. Identify and manage Directorates/Units -specific sustainability risks and opportunities (e.g., energy efficiency in operations, gender equity in staffing, customer inclusiveness, etc.).

d. Report implementation progress, challenges, and ESG metrics to the ESG Coordinator and SSC on a quarterly basis.
e. Foster a culture of sustainability within teams through awareness, innovation, and accountability.

9.5 ESG Coordinator

a. Coordinates the day-to-day execution of sustainability activities under the guidance of the SSC and Managing Director.
b. Facilitates data collection, consolidation, and quality assurance of ESG-related information from all Directorates, Units, Zones and Sections.
c. Supports the integration of ESG targets into operational and budgetary plans, monitoring frameworks, and service performance contracts.
d. Prepares draft ESG and sustainability reports for internal and external disclosure.
e. Serves as the liaison between IRUWASA, regulators, communities and development partners on sustainability and reporting matters.

9.6 ESG Champions

Each Directorates, Units and Zones shall appoint at least one ESG Champion to serve as the focal point for sustainability integration within their functional area. Their roles include:

a. Acting as change agents to promote sustainability awareness and behavioural change at the Directorate, Unit and Zonal level.
b. Collecting and maintaining Directorate, Unit and Zones ESG data (e.g., water loss, energy usage, training hours, gender ratio, customer complaints, etc.) for reporting to the ESG Coordinator.
c. Monitoring compliance with sustainability guidelines, policies, and operational procedures relevant to their function.
d. Identifying innovative practices and opportunities to improve efficiency, reduce waste, and strengthen resilience within their operations.
e. Supporting internal and external audits and participating in sustainability training and review sessions.
f. Reporting any emerging ESG risks, incidents, or best practices to Directors and Head of units and ESG Coordinator.

9.7 Internal Audit Unit

a. Provides independent assurance on the adequacy and effectiveness of ESG controls, risk management processes, and reporting systems.
b. Assesses compliance with IRUWASA Sustainability Framework, ESG action plans, and disclosure requirements (including IFRS S1 and S2).
c. Identifies areas for improvement and recommends corrective actions to strengthen sustainability governance.
d. Reports ESG-related audit findings to the Audit Committee and to the Board for follow-up and implementation.

9.8 All Staff

a. Contribute to the achievement of IRUWASA sustainability objectives through their individual roles and conduct.
b. Adhere to IRUWASA environmental, social, and ethical policies, including resource efficiency, integrity and inclusiveness.
c. Participate in sustainability awareness, innovation programs, and capacity-building activities.
d. Report incidents, ideas, or suggestions that could enhance sustainability outcomes in their daily operations.

10.0 EXECUTIVE MANAGEMENT OVERSIGHT

Executive Management plays a pivotal role in translating IRUWASA sustainability vision into practice and ensuring that Environmental, Social, and Governance (ESG) principles are fully embedded within institutional planning, implementation, and reporting processes. Through strategic leadership, operational guidance, and clear accountability, Executive Management ensures that sustainability remains central to IRUWASA mission, operations, and compliance with regulatory and national development priorities.

10.1 Leadership and Strategic Direction

a. The Managing Director (MD), supported by the senior Management team, provides overall strategic leadership for sustainability across utility.
b. Executive Management ensures that sustainability principles are integrated into corporate strategies, annual business plans, budgets, and resource allocation processes.
c. The team champions sustainability as a cross-cutting institutional priority and actively communicates its importance across all departments and to external stakeholders.
d. Promotes sustainable service delivery through innovation in operations, climate adaptation, customer inclusiveness, and community engagement.

10.2 Oversight of ESG Integration

a. Ensures that ESG risks and opportunities such as water scarcity, energy efficiency, pollution control, occupational safety, and customer welfare are systematically identified, assessed, and managed within the Authority's operational and strategic frameworks.
b. Monitors progress of sustainability initiatives and ensures that ESG indicators are incorporated into Key Performance Indicators (KPIs), staff performance reviews, and departmental evaluations.
c. Validates the key deliverables of the Sustainability Steering Committee (SSC), including ESG reports, environmental audits, risk registers, and stakeholder engagement strategies.
d. Promotes transparent communication with EWURA, the Ministry of Water, and development partners regarding the Authority's sustainability performance and compliance.

10.3 Chairing the Sustainability Steering Committee (SSC)

a. The Managing Director serves as the Chairperson of the SSC, providing high level strategic guidance on ESG and sustainability matters.
b. Ensures that the Committee's decisions and recommendations are consistent with IRUWASA policy objectives, regulatory requirements and international frameworks such as IFRS S1 and IFRS S2.
c. Reviews and endorses SSC recommendations on materiality assessments, sustainability priorities, ESG disclosure practices, and implementation roadmaps.
d. Promotes coordination between Directorates, Units and Zones ensures the SSC's actions translate into measurable sustainability outcomes.

10.4 Accountability to the Board of Directors

a. Reports to the Board of Directors on sustainability performance, ESG-related risks, and compliance with national frameworks, IFRS S1 and IFRS S2, and IRUWASA Sustainability Implementation Guidelines.
b. Prepares and submits periodic ESG and sustainability performance reports, highlighting achievements, challenges, and areas requiring Board intervention or policy support.
c. Recommends updates to sustainability policies, strategies, and risk management mechanisms based on emerging trends, regulatory changes, and performance lessons.

d. Ensures continuous improvement in ESG reporting, transparency, and alignment with both national priorities and international sustainability standards.

10.5 Capacity Building and Institutional Culture

a. Leads the effort to embed a sustainability oriented culture across all levels of the organization, ensuring staff understand and internalize ESG principles in daily operations.
b. Facilitates internal training, workshops, and capacity building programs to strengthen ESG competencies and promote ownership of sustainability goals among all employees.
c. Encourages innovation, collaboration, and continuous improvement in areas such as energy conservation, digital data systems, stakeholder engagement, and climate resilience.
d. Recognizes and rewards departmental initiatives that contribute meaningfully to sustainability performance and community impact.

11.0 SUSTAINABILITY STEERING COMMITTEE (SSC)

The Sustainability Steering Committee (SSC) serves as the central coordinating body responsible for overseeing the implementation of IRUWASA sustainability and ESG agenda. Operating under the leadership of the Managing Director (MD), the Committee ensures that the Authority's sustainability initiatives are effectively aligned with the IRUWASA Sustainability Implementation Guidelines, IFRS S1 and IFRS S2, National Water Policy, and national development priorities such as the Tanzania Development Vision 2050 and the National Climate Change Response Strategy.

11.1 Composition

The Sustainability Steering Committee (SSC) is chaired by the Managing Director and comprises Senior representatives from key Directorates and functional Units to ensure cross-functional participation and accountability. The composition includes:

a. Director of Water Supply and Sanitation Management (Water Production, Distribution, and Wastewater Management)
b. Director of Finance and Accounts
c. Director of Human Resources and Administration Management
d. Director of Customer Service
e. Head of Communication and Public Relations Unit
f. Director of Procurement Management Unit
g. Chief Internal Audit (Observer role)
h. Head of Legal Services Unit
i. Head of Monitoring and Evaluation
j. Head of ICT Unit
k. Zonal Manager
l. ESG Coordinator (Secretariat)
m. Departmental ESG Champions (as co-opted members for specific agenda items)
n. Other technical experts or representatives (as required for specialized support, e.g., environment, IT, or engineering).

This multi-disciplinary composition ensures that the Committee reflects diverse perspectives technical, financial, social, and environmental necessary for informed decision-making and integrated sustainability management.

11.2 Mandate and Responsibilities

The SSC is responsible for steering and coordinating all sustainability related activities within the Authority. Its core functions include:

a. Strategic Coordination: Ensures that sustainability initiatives are systematically planned, integrated, and harmonized across all Directorates/Units/Zones and at operational levels.
b. Materiality Assessment Oversight: Reviews and validates key sustainability and ESG issues identified through stakeholder engagement, environmental assessments, and risk analyses.
c. Policy and Framework Development: Provides technical input to the development and review IRUWASA Sustainability Framework, environmental management policies, risk registers, and reporting procedures.
d. Performance Monitoring: Monitors the progress of sustainability Key Performance Indicators (KPIs), reviews quarterly implementation reports, and flags areas needing corrective or preventive actions.

e. Disclosure Review and Validation: Reviews and validates IRUWASA sustainability disclosures and ESG performance reports before submission to the Managing Director and onward to the Board of Directors, EWURA, and other stakeholders.
f. Capacity Building and Awareness: Supports the design and rollout of internal capacity building programs, workshops, and awareness sessions on ESG, climate adaptation, and sustainability reporting.
g. Advisory Role: Advises the Managing Director on emerging sustainability challenges, innovations, financing opportunities, and evolving regulatory or global standards.

11.3 Meeting Frequency and Reporting

a. The SSC shall meet quarterly, or more frequently when required, to review implementation progress, assess ESG risks, and address urgent sustainability matters.
b. Minutes, action points and recommendations shall be recorded by the ESG Coordinator and submitted to the Managing Director for review and onward reporting to the Audit Committee and Board of Directors.
c. An Annual Sustainability Performance Report shall be prepared jointly by the SSC and the ESG Coordinator, summarizing achievements, challenges, and lessons learned to inform disclosures to stakeholders, including EWURA, Treasury Register office and the Ministry of Water.

11.4 Decision Making and Accountability

a. Decisions within the SSC are made through consensus, with final accountability resting with the Managing Director as the institutional head.
b. Each SSC member is responsible for championing sustainability within their respective department or function and ensuring effective implementation of assigned ESG actions.
c. Departmental ESG Champions shall provide inputs and updates on their specific focus areas, ensuring bottom-up flow of information and consistent alignment with IRUWASA sustainability goals.
d. The SSC ensures that sustainability efforts within IRUWASA are not fragmented or reactive, but strategically managed, institutionally owned, and continuously improved through evidence-based decision making and transparent reporting.

12.0 ESG COORDINATION MECHANISMS

To ensure the effective implementation of IRUWASA Sustainability Framework, the Authority shall establish structured coordination mechanisms that integrate Environmental, Social, and Governance (ESG) responsibilities across all institutional levels. These mechanisms promote accountability, enhance operational efficiency, and facilitate timely, evidence-based decision-making consistent with the IRUWASA Sustainability Implementation Guidelines, IFRS S1, and IFRS S2.

12.1 ESG Coordinator

The ESG Coordinator plays a central role in managing and coordinating the Authority's day-to-day sustainability activities. This position ensures continuity, data integrity, and cross-departmental collaboration on ESG issues.

Key responsibilities include:

a. Coordinating the collection, validation, and consolidation of ESG-related data from all Directorates, Units and Zones.
b. Ensuring the timely preparation of sustainability reports and disclosures in line with IFRS S1 and S2, as well as EWURA, TR-Office and Ministry of Water reporting requirements;
c. Supporting the implementation of ESG initiatives, projects, and action plans approved by the Sustainability Steering Committee (SSC);
d. Liaising with external stakeholders such as EWURA, Rufiji Basin Water Board, development partners, and community representatives on sustainability and climate resilience matters;
e. Providing secretarial support to the SSC, including preparing meeting documentation, progress updates, and policy briefs;
f. Managing the central ESG information repository and ensuring compliance with data management standards.

The ESG Coordinator reports administratively to the Managing Director (MD) and functionally to the SSC.

12.2 ESG Champions (Departmental Focal Persons)

Each department or functional unit shall appoint an ESG Champion who serves as the focal point for sustainability integration and reporting within their area of operation.

Key responsibilities include:

a. Leading the execution of sustainability initiatives and integrating ESG considerations into departmental operations (e.g., reducing non-revenue water, improving staff welfare, minimizing energy usage, etc.);
b. Coordinating ESG data collection, tracking departmental KPIs, and maintaining records for periodic reporting;
c. Promoting awareness, good practices, and innovation in sustainability within their teams;
d. Identifying risks, challenges, and opportunities related to ESG performance and reporting these to the ESG Coordinator;
e. Preparing brief monthly updates for the ESG Coordinator summarizing departmental progress and emerging issues.

The ESG Champions ensure ownership and decentralization of sustainability implementation, embedding ESG principles into the Authority's operational culture.

12.3 Integration into Planning and Budgeting

To institutionalize sustainability, ESG coordination shall be integrated into the IRUWASA planning, budgeting, and performance management processes. This includes:

a. Embedding ESG objectives and targets into annual work plans, strategic plans, and performance contracts;
b. Allocating dedicated budgetary resources for sustainability projects such as renewable energy adoption, waste management, gender mainstreaming, and community engagement;
c. Integrating sustainability indicators and targets within the Monitoring and Evaluation (M&E) framework to track performance and inform decision making;
d. Including ESG related risks and opportunities in the Corporate Risk Register to strengthen resilience and accountability.

This ensures that sustainability is not treated as an isolated initiative but as a core component of IRUWASA strategic and operational functions.

12.4 Communication and Escalation Pathways

Effective communication ensures that ESG matters are addressed promptly and transparently throughout the institution.

Pathways include:

a. ESG related data and issues flow from departmental ESG Champions to the ESG Coordinator, and then to the Sustainability Steering Committee (SSC) for review and coordination.
b. Strategic or high level issues identified by the SSC are escalated to the Managing Director and where necessary, submitted to the Audit Committee and the Board of Directors for policy action or decision-making.
c. Regular feedback loops between staff, SSC, and management ensure continuous learning, responsiveness to emerging ESG risks, and dissemination of good practices.
d. Quarterly updates and annual reports ensure vertical and horizontal communication across Directorates, Units, Zones and stakeholders, including EWURA, TR-Office and the Ministry of Water.

12.5 Digital Tools and Data Systems

To strengthen ESG coordination, IRUWASA shall enhance their digital and data management systems to support efficient monitoring and reporting.

Priority actions include:

a. Development of a centralized ESG Data Management Platform to capture, analyse, and store sustainability-related information (e.g., water production, energy consumption, gender ratios, customer feedback, etc.).
b. Deployment of digital dashboards and scorecards to track sustainability indicators in real time and support management decision-making.
c. Integration of ESG data modules into existing ERP systems, M&E platforms, or performance management systems.
d. Automation of report generation for internal and external reporting, improving accuracy, timeliness, and transparency.
e. Ensuring data security, reliability, and traceability in line with best practices and national ICT policies.

These tools will enhance efficiency, promote data-driven sustainability management, and facilitate compliance with both national and international reporting standards.

13.0 MATERIALITY ASSESSMENT

13.1 Materiality Determination Process

Materiality is a foundational principle in sustainability governance and reporting. It refers to the process of identifying and prioritizing Environmental, Social, and Governance (ESG) issues that are most relevant to the organization and its stakeholders those that significantly influence operational performance, resource allocation, service delivery, and long-term resilience.

For Iringa Urban Water Supply and Sanitation Authority the materiality determination process ensures that sustainability strategies, frameworks, and disclosures are focused, evidence based, and aligned with stakeholder expectations, sector priorities, and the disclosure requirements of IFRS S1, which emphasizes entity specific and decision useful sustainability information.

13.2 Purpose of Materiality Assessment

The primary objectives of conducting a materiality assessment at IRUWASA level are as follows: -

a. Identify sustainability topics that are most significant to the Authority's operations, mandate, and stakeholders (e.g., customers, employees, regulators, and communities).
b. Focus the Authority's ESG efforts and resources on high impact and high risk areas, such as water resource management, energy efficiency, and service accessibility.
c. Inform the development of sustainability policies, KPIs, and risk management strategies that address sector-specific issues.
d. Enhance transparency, comparability, and decision usefulness of IRUWASA sustainability disclosures, and
e. Ensure alignment with IFRS S1, the IRUWASA Sustainability Implementation Guidelines, and national frameworks such as the National Water Policy and National Climate Change Response Strategy.

13.3 Methodology for Determining Material Topics

The IRUWASA adopts a structured four (4) step approach to determine material ESG topics.

Step 1: Identify Potential ESG Topics

i. Review global sustainability standards (e.g., IFRS S1/S2, SDGs, ISSB Guidance, and Agenda 2063).
ii. Analyse national policies and sectoral regulations (e.g. National Water Policy of 2002 version 2025, WSDP III, EWURA guidelines, and MoW performance contracts).
iii. Conduct internal consultations with Directorates, Units and Zones to map key ESG impacts and operational risks;
iv. Develop a preliminary list of potential environmental, social, and governance topics, such as water conservation, non-revenue water, community health, gender inclusion and transparency.

Step 2: Stakeholder Engagement and Validation

i. Engage key stakeholders (e.g. Board members, EWURA, Ministry of Water, the Rufiji Basin Water Board, staff, customers, local communities, and development partners) to evaluate the relevance and urgency of each ESG topic.
ii. Use structured methods such as surveys, focus group discussions, interviews and public feedback platforms.
iii. Assign impact and influence scores to each topic based on stakeholder feedback and operational importance.

Step 3: Prioritize and Rank Topics

i. Assess each ESG topic using two dimensions:
   a. Significance of impact on IRUWASA operations, mandate, and sustainability of water and sanitation services, and
   b. Importance to stakeholders in terms of public health, equity, and environmental protection.
ii. Apply a scoring matrix to categorize and rank topics within a Materiality Matrix (see Section 5.4).
iii. Identify high priority material topics that require immediate management attention and disclosure.

Step 4: Review and Approve Material Topics

i. Present the prioritized material topics to the Sustainability Steering Committee (SSC) for validation and recommendations.
ii. Seek formal approval from the Managing Director and the Board of Directors;
iii. Integrate approved material topics into sustainability plans, performance monitoring systems, and risk registers for implementation and reporting.

13.4 Frequency and Review Cycle

a. The materiality assessment shall be reviewed every **two years**, or earlier as required in response to emerging risks (e.g. droughts, pollution incidents, regulatory reforms, or climate shocks).
b. Regular reviews ensure that IRUWASA sustainability priorities remain dynamic, context sensitive, and responsive to changing internal and external realities.
c. Reviews shall be documented and approved by the SSC and reflected in updated sustainability disclosures.

13.5 Documentation and Disclosure

a. Material topics and the full assessment process shall be documented in IRUWASA Materiality Assessment Report (Annex 14.2).
b. Key material topics shall be disclosed in the Authority’s annual sustainability report in accordance with IFRS S1 and the IRUWASA Sustainability Implementation Guidelines.
c. Changes in material topics, emerging risks, or stakeholder priorities over time shall be clearly explained in disclosure narratives to ensure transparency and comparability.
d. The documentation will serve as a reference for internal audits, external assurance, and peer benchmarking.

14.0 STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

Stakeholder identification and engagement is a critical component of IRUWASA's sustainability governance and materiality determination process. Engaging stakeholders enables IRUWASA to align sustainability priorities with the expectations, needs, and concerns of the people and institutions they serve or impact. This engagement strengthens transparency, inclusiveness, and accountability core values that underpin the IRUWASA mandate to deliver equitable, reliable, and sustainable water and sanitation services.

14.1 Purpose of Stakeholder Engagement

IRUWASA engage stakeholders to: -

a. Identify ESG topics of material importance and operational relevance to water and sanitation service delivery.
b. Build trust, credibility, and social license through inclusive and participatory decision making.
c. Inform the design and implementation of sustainability strategies, programs, and policies.
d. Ensure that sustainability disclosures and reports are relevant, decision useful, and aligned with stakeholder expectations, and
e. Foster partnerships and collaborations that support IRUWASA's sustainability ambitions, innovation, and resource mobilization.

14.2 Stakeholder Identification Process

Stakeholders are identified based on their interest and influence over IRUWASA operations, services, and sustainability outcomes. IRUWASA applies the Mendelow's Matrix (Power vs. Interest Model) to categorize and prioritize its stakeholders as follows: -

Stakeholder Group	Interest	Influence	Examples
Key Players **(High Interest & High Influence)**	High	High	Ministry of Water, TR office,EWURA, Board of Directors, Regional and District Authorities, Rufiji Basin Water Board, Development Partners (e.g. World Bank, AfDB), Major Institutional Consumers
Keep Satisfied **(Low Interest & High Influence)**	Low	High	National Treasury, Environmental Regulatory Bodies (NEMC), Local Government Authorities, Financial Institutions
Keep Informed **(High Interest & Low Influence)**	High	Low	Community Members, Customer Groups, NGOs, Schools, Health Facilities, Faith-Based Organizations
Monitor **(Low Interest & Low Influence)**	Low	Low	General Public, Media, Local Traders, Informal Water Vendors

This categorization helps IRUWASA tailor engagement efforts to each stakeholder group's expectations and influence level.

14.3 Engagement Mechanisms and Tools

IRUWASA range of stakeholder engagement tools and platforms, selected based on stakeholder influence, interest, and accessibility.

a. Customer and Community Surveys – Used to gather broad-based insights on service quality, accessibility, affordability, and ESG priorities.
b. Focus Group Discussions (FGDs) – Targeted dialogues with key stakeholders such as local authorities, Rufiji Basin offices, and consumer representatives.
c. Stakeholder Forums – Annual or biannual meetings to discuss sustainability issues such as water conservation, climate resilience, and tariff fairness.
d. Consultation Workshops – Technical discussions on ESG topics, water efficiency programs, and reporting practices.
e. Digital Platforms – Website updates, mobile applications, SMS feedback systems, and social media channels to collect real-time input from customers.
f. One-on-One Consultations – Strategic engagements with development partners, regulatory agencies, and large institutional customers.
g. Public Communication Channels – Noticeboards, local radio programs, public meetings and town-hall meetings to ensure inclusion of rural and marginalized voices.

14.4 Key Stakeholder Groups to be Engaged for this Framework

a. Board of Directors and Management
b. Ministry of Water and EWURA
c. Rufiji Basin Water Board and Local Government Authorities
d. Employees and Internal Staff Associations
e. Customers and Consumer Advocacy Groups
f. Development Partners (e.g. World Bank, African Development Bank, IDYDC, UNICEF, WaterAid etc)
g. Environmental and Public Health Authorities (e.g. NEMC, MoHCDGEC)
h. Community-Based Organizations (CBOs) and Non-Governmental Organizations (NGOs)
i. Media and the General Public
j. Academic and Research Institutions working on water, sanitation, and climate resilience

These groups collectively influence or are affected by IRUWASA operations, and their input is vital in shaping responsive and inclusive sustainability strategies.

14.5 Feedback Integration and Reporting

a. Stakeholder feedback will be analysed and reflected in IRUWASA Materiality Matrix (see Section 5.4) and in periodic sustainability reviews.
b. Feedback will inform policy decisions, disclosure priorities, and improvement plans related to water efficiency, customer engagement, and ESG compliance.
c. IRUWASA shall maintain a Stakeholder engagement, Log documenting all consultations, key issues raised, and actions taken in response.
d. Findings and progress shall be summarized in the annual sustainability report and shared through public forums and digital channels.
e. A Stakeholder Communication Strategy (see Section 13) shall guide ongoing dialogue, transparency, and responsiveness to stakeholder expectations.

14.6 Review and Continuous Improvement

IRUWASA shall review its stakeholder mapping and engagement strategy every two years, or earlier where necessary, to remain responsive to emerging community needs, policy reforms, or sectoral sustainability priorities. The review process will ensure continuous learning, inclusiveness, and improvement in engagement quality.

15.0 MATERIAL SUSTAINABILITY TOPICS

Following the materiality determination and stakeholder engagement processes, IRUWASA has identified a set of material sustainability topics that represent the most significant Environmental, Social and Governance (ESG) risks, opportunities and impacts relevant to their operations, mandate, and stakeholders.

These topics form the foundation of IRUWASA Sustainability Strategy, performance monitoring system and disclosure requirements in line with IFRS S1, IFRS S2 and IRUWASA Sustainability Implementation Guidelines. They are aligned with both internal priorities and external stakeholder expectations and directly contribute to Tanzania’s Development Vision 2050, the National Water Policy of 2002 version 2025, the National Climate Change Response Strategy and the Sustainable Development Goals (particularly SDGs 6, 13, and 11).

15.1 Environmental Topics

Topic	Relevance
Water Resource Conservation	Ensuring sustainable abstraction, use and protection of water sources to secure long-term water availability and ecosystem integrity.
Energy Efficiency and Renewable Energy Use	Reducing energy consumption in water production and distribution through energy-efficient pumps, solar power and optimization technologies.
Wastewater and Sludge Management	Promoting environmentally sound treatment, faecal sludge management (FSM), disposal and reuse of wastewater and sludge to minimize pollution and protect public health.
Non-Revenue Water (NRW) Reduction	Reducing physical and commercial water losses to improve efficiency, conserve resources and enhance financial sustainability.
Climate Change Adaptation and Resilience	Building resilience against climate related risks such as droughts, floods, and infrastructure damage through adaptive planning and technology adoption.
Solid Waste and Chemical Management	Ensuring proper handling and disposal of laboratory waste, treatment chemicals, and other operational materials in compliance with environmental standards.

15.2 Social Topics

Topic	Relevance
Equitable Access to Water and Sanitation Services	Expanding access to affordable, safe and reliable services for all communities, especially vulnerable and marginalized groups.
Customer Satisfaction and Service Quality	Strengthening customer relations, complaint handling mechanisms and feedback systems to ensure responsive and inclusive service delivery.
Community Engagement and Public Awareness	Fostering collaboration and awareness on water conservation, sanitation, hygiene, and sustainability practices.
Employee Welfare, Health, and Safety	Ensuring safe working conditions, occupational health measures and staff welfare, including field workers and plant operators.
Capacity Building and Skills Development	Continuous professional training and development of IRUWASA staff in ESG management, climate adaptation and technical operations.
Gender Equality and Inclusion	Promoting gender balance, inclusiveness and equal opportunity in staffing, leadership and community programs.

15.3 Governance Topics

Topic	Relevance
Transparency and Accountability	Strengthening governance systems, internal controls, and public reporting to build trust with customers, regulators, and partners.
Ethical Conduct and Anti-Corruption	Upholding integrity, fairness, and zero tolerance for corruption in service delivery, procurement, and resource management.
Regulatory Compliance and Reporting	Ensuring full compliance with EWURA guidelines, Ministry of Water directives, Office of Treasury Registrar (OTR) and sustainability disclosure standards (IFRS S1 and S2) etc.
Board and Management Oversight	Enhancing the role of the Board of Directors and management team in steering ESG performance and risk oversight.
Stakeholder Accountability	Ensuring transparency in tariff reviews, public consultations, and partnerships, aligning decisions with community needs and sustainability principles.

15.4 Strategic Cross-Cutting Themes

In addition to the ESG-specific topics above, IRUWASA has identified strategic cross-cutting themes that underpin the sector's long-term sustainability and resilience.

a. Digital Transformation and ESG Data Systems – Establishment of digital platforms for real-time monitoring of ESG indicators such as water losses, energy use, and customer feedback.
b. Climate-Resilient Infrastructure Development – Integration of climate risk assessment in design, construction, and maintenance of water and sanitation infrastructure.
c. Innovation and Green Technologies – Adoption of low-carbon and resource-efficient technologies for water production, treatment, and distribution.
d. Sustainability Financing and Partnerships – Mobilization of climate and green finance to support infrastructure upgrades, renewable energy adoption, and community programs.
e. Research, Education, and Knowledge Sharing – Collaboration with academic and research institutions to advance sector innovation, capacity building, and evidence-based policy making.

16.0 MATERIALITY MATRIX

IRUWASA Materiality Matrix provides a visual representation of the most significant Environmental, Social, and Governance (ESG) topics identified through stakeholder engagement, internal analysis, and sectoral assessments. These topics were evaluated using two critical dimensions consistent with IFRS S1 and the IRUWASA Sustainability Implementation Guidelines.

i. Significance of Impact on IRUWASA's ability to deliver sustainable water and sanitation services and achieve long-term resilience, and
ii. Importance to Stakeholders — reflecting how strongly each issue influences stakeholder trust, decisions, and expectations regarding IRUWASA performance and service quality.

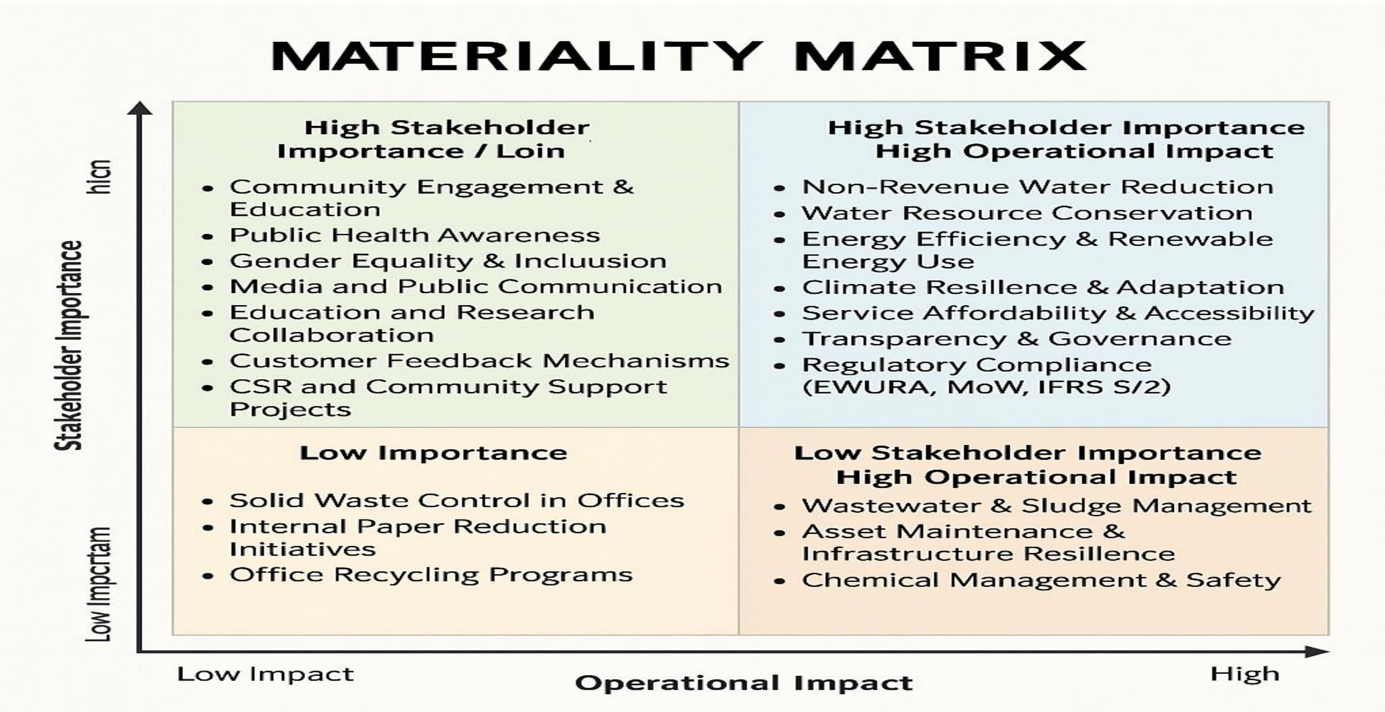
The matrix helps IRUWASA to prioritize ESG efforts and allocate resources effectively, ensuring that sustainability actions and disclosures are relevant, transparent, and aligned with stakeholder and regulatory expectations.

16.1 Materiality Assessment Criteria

Assessment Dimension	Definition
Impact on IRUWASA **Operations and Value Creation**	The extent to which a sustainability issue affects IRUWASA's ability to deliver reliable services, achieve operational efficiency, comply with regulations, protect natural resources, environment, and maintain financial viability.
Stakeholder Importance	The degree to which an issue influences stakeholder confidence, satisfaction, and decisions including those of customers, regulators, employees, development partners, and communities.

16.2 IRUWASA Materiality Matrix (High-Level Summary)

Below is a conceptual representation of how material ESG topics are mapped within the **Materiality Matrix** based on their **relative importance** to stakeholders and their **impact** on IRUWASA operations.



16.3 Key Prioritized Material Topics (High Impact & High Importance)

Based on the Materiality Matrix, the following topics are identified as most material for IRUWASA and will receive focused attention in planning, risk management, and reporting:

a. Water Resource Conservation and Protection
b. Non-Revenue Water Reduction
c. Energy Efficiency and Renewable Energy Adoption
d. Climate Change Adaptation and Infrastructure Resilience
e. Service Affordability and Equity of Access
f. Regulatory Compliance and Transparent Reporting (EWURA, IFRS S1/S2)
g. Community Engagement and Public Awareness
h. Occupational Health, Safety and Employee Welfare
i. Ethical Governance and Anti-Corruption

These topics will guide the formulation of policies, KPIs, and targets and will form the foundation for IRUWASA's Sustainability Framework implementation and reporting (2026–2031).

16.4 Application of the Matrix

IRUWASA Materiality Matrix will be used to:-

i. Guide the selection of ESG metrics and KPIs in Chapter 9.
ii. Inform the development of sustainability and operational policies in Chapter 7.
iii. Align risk identification and management strategies in Chapter 8.
iv. Support the disclosure framework and reporting structure in Chapter 10, and
v. Facilitate the periodic review and update of sustainability priorities in line with regulatory and environmental changes (see Section 12.3).

16.5 Periodic Review

i. The Materiality Matrix shall be reviewed every two years or earlier when significant operational, climatic, or stakeholder changes occur (e.g. new EWURA directives, climate events, or infrastructure reforms).
ii. Regular reviews ensure that IRUWASA remain responsive, transparent, and accountable to evolving stakeholder expectations and sustainability imperatives.
iii. All updates shall be reviewed by the Sustainability Steering Committee (SSC) and approved by the Management before integration into sustainability disclosures.

17.0 SUSTAINABILITY STRATEGY AND OBJECTIVES

17.1 Strategic Sustainability Priorities

IRUWASA has identified a set of strategic sustainability priorities that guide the integration of Environmental, Social, and Governance (ESG) principles into their institutional operations, service delivery, and stakeholder engagement processes.

These priorities are aligned with the material topics identified in the Materiality Assessment (Chapter 5), as well as with the IRUWASA Strategic/business Plans, National Water Policy of 2002 version 2025, and international sustainability standards particularly IFRS S1 (General Requirements for Disclosure of Sustainability related Financial Information) and IFRS S2 (Climate related Disclosures).

The strategic priorities are designed to position water Authorities including IRUWASA as national leaders in sustainable utility management, ensuring that water and sanitation services contribute effectively to climate resilience, social inclusion, and environmental protection in Tanzania.

17.2 Institutionalizing ESG and Accountability

i. Establish and operationalize robust ESG structures, including the Sustainability Steering Committee (SSC), ESG Coordinator, and Departmental ESG Champions,
ii. Integrate sustainability responsibilities into executive leadership, departmental functions, and staff performance evaluation systems.
iii. Ensure regular monitoring, reporting, and internal assurance of sustainability performance to the Board of Directors, EWURA, and other oversight bodies.
iv. Promote a culture of transparency, ethical conduct, and accountability throughout the organization.

17.3 Enhancing Compliance with IFRS S1 and IFRS S2

i. Align with IRUWASA's sustainability reporting and disclosures with IFRS S1 and IFRS S2, ensuring relevance, comparability, and decision usefulness of reported data.
ii. Develop internal capacity to generate accurate, reliable, and looking forward ESG information to support decision making and compliance.
iii. IRUWASA should collaborate with the Ministry of Water, EWURA, and development partners to build technical capacity and provide sector-wide training on sustainability disclosure standards.
iv. Establish internal documentation and verification mechanisms for ESG data quality assurance.

17.4 Promoting Ethical, Transparent, and Inclusive Governance

i. Strengthen IRUWASA's governance systems to uphold ethical conduct, transparency, and stakeholder responsiveness.
ii. Promote gender equality, diversity, and social inclusion across all levels of governance, management, and operations.
iii. Implement zero-tolerance policies against corruption, fraud, or non-compliance with public service and procurement regulations.
iv. Ensure Board and Management decisions reflect integrity and fairness in line with the Public Finance Act, Public Procurement Act, and Public Service Codes of Conduct.

17.5 Advancing Sustainability in Sector Capacity Building and Practice

i. Integrate sustainability concepts such as climate adaptation, energy efficiency, and circular water management into staff training, manuals, and operational guidelines.
ii. Offer continuous professional development (CPD) programs and capacity-building workshops on ESG integration, sustainability reporting, and climate risk management.
iii. Encourage research, innovation, and partnerships with academic institutions and development organizations to improve the sector's sustainability performance.
iv. Promote peer learning and knowledge exchange across IRUWASA to strengthen institutional readiness and share best practices.

17.6 Minimizing IRUWASA's Environmental Footprint

i. Implement programs to reduce energy consumption, optimize water treatment processes, and improve overall resource efficiency.
ii. Strengthen wastewater management, sludge reuse, and solid waste disposal systems to minimize environmental pollution.
iii. Monitor and report the Authority's carbon footprint (Scope 1 and Scope 2 emissions) and establish reduction targets aligned with national climate strategies.
iv. Adopt green procurement practices and expand the use of renewable energy solutions (e.g., solar, biogas) in daily operations.
v. Promote digitization and paperless systems to reduce material waste and enhance operational efficiency.

17.7 Engaging Stakeholders and Building Public Trust

i. Strengthen community engagement and customer communication through regular stakeholder forums, feedback systems, and joint planning initiatives.
ii. Foster collaboration with the Rufiji Basin Water Board, LGAs, EWURA, and NGO's to address shared sustainability challenges such as water scarcity, environmental pollution and degradation etc.
iii. Promote public awareness campaigns on water conservation, hygiene, and environmental stewardship.
iv. Enhance transparency through timely publication of sustainability reports, performance updates, and service improvement plans.
v. Position IRUWASA as trusted public institutions that contribute to equitable development and community well-being.

17.8 Aligning with National and Global Development Goals

i. Contribute to the achievement of Tanzania's Development Vision 2050, the National Five-Year Development Plan (FYDP III), and the Sustainable Development Goals (SDGs)—particularly: SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Action), and SDG 16 (Peace, Justice, and Strong Institutions).
ii. Align operations with the African Union Agenda 2063, emphasizing environmental sustainability, social inclusion, and responsible governance.
iii. Strengthen the visibility of Tanzanian, IRUWASA as regional leaders in sustainable water and sanitation service delivery through innovation and partnership.

These strategic sustainability priorities form the foundation for the IRUWASA s' policies (Chapter 7), performance metrics (Chapter 9), and implementation roadmap (Chapter 11), ensuring a coherent, integrated, and forward-looking approach to sustainability within the Tanzanian water and sanitation sector.

18.0 LINKAGES TO IRUWASA STRATEGIC/BUSINESS PLAN

IRUWASA Sustainability Framework is fully aligned with the Authority's Strategic Plan, ensuring that sustainability principles are integrated into the vision, mission, and operational priorities of the organization. This alignment ensures that sustainability is not treated as an isolated initiative but as a core enabler of effective service delivery, operational efficiency, and long-term resilience.

Through this integration, IRUWASA is able to:-

i. Embed sustainability objectives and indicators into its strategic and annual plans.
ii. Align operational activities with national priorities such as the National Water Policy of 2002 version 2025, the Water Sector Development Programme (WSDP III), and the National Climate Change Response Strategy, and
iii. Strengthen institutional capacity to address emerging challenges related to climate change, resource scarcity, customer inclusiveness, and environmental protection.

The Sustainability Framework enables IRUWASA to continuously align their strategic priorities with evolving ESG risks, stakeholder expectations, and international disclosure standards (IFRS S1 and IFRS S2). This ensures that IRUWASA Strategic Plan remains adaptive, evidence-based, and forward-looking, thereby enhancing both the Authority's performance and its contribution to Tanzania's sustainable development agenda.

By linking sustainability to the core business model of water and sanitation service provision, IRUWASA can better deliver on its mandate while promoting inclusive, ethical, and climate-resilient growth in the communities served.

19.0 CONTRIBUTION TO SDGs, NATIONAL VISION 2050, AND CLIMATE ACTION

IRUWASA Sustainability Framework aligns closely with Tanzania's national development aspirations and global sustainability commitments. By embedding Environmental, Social, and Governance (ESG) principles into core water and sanitation operations, IRUWASA contribute meaningfully to achieving the Sustainable Development Goals (SDGs), the Tanzania Development Vision 2050, and national efforts toward climate change mitigation and adaptation.

Through sustainable management of water resources, equitable service provision, and environmental stewardship, IRUWASA play a vital role in promoting climate-resilient growth, social inclusion, and responsible governance at both local and national levels.

19.1 Contribution to the Sustainable Development Goals (SDGs)

The sustainability priorities and actions of IRUWASA directly advance several SDGs, as outlined below:-

SDG	**Relevant** IRUWASA **Contributions**
SDG 6 – Clean Water and Sanitation	Expansion of access to safe, affordable, and reliable water and sanitation services for all, promotion of water-use efficiency and conservation and reduction of non-revenue water.
SDG 7 – Affordable and Clean Energy	Adoption of renewable energy (solar, biogas) and energy-efficient technologies in water production and distribution.
SDG 8 – Decent Work and Economic Growth	Creation of decent employment opportunities in the water and sanitation sector, fostering a safe and inclusive work environment.
SDG 11 – Sustainable Cities and Communities	Supporting sustainable urbanization through resilient water and sanitation infrastructure and improved environmental health outcomes.

SDG 12 – Responsible Consumption and Production	Promoting efficient use of natural resources, green procurement, and responsible waste and chemical management.
SDG 13 – Climate Action	Strengthening resilience and adaptive capacity to climate-related impacts, implementing water security and drought management measures and integrating IFRS S2-aligned climate disclosures.
SDG 5 – Gender Equality	Promoting gender-balanced leadership, equitable access to services, and inclusive community engagement.
SDG 16 – Peace, Justice, and Strong Institutions	Upholding integrity, transparency, and accountability in governance, resource management, and service delivery.
SDG 17 – Partnerships for the Goals	Collaborating with government agencies, the Rufiji Basin Water Board, NGOs, development partners, and communities to accelerate sustainable water and sanitation development.

19.2 Alignment with Tanzania Development Vision 2050

IRUWASA Sustainability Framework directly supports the key pillars of the Tanzania Development Vision 2050, which envisions a high-quality livelihood, good governance, and a competitive economy built on sustainability and equity.

i. High Quality of Life:
ii. IRUWASA improve public health, hygiene, and environmental quality by ensuring safe water, adequate sanitation, and sustainable resource use particularly in underserved communities.
iii. Good Governance and Rule of Law:
iv. Sustainability practices reinforce accountability, transparency, and community participation in decision-making processes, ensuring that service delivery remains inclusive and ethical.
v. Strong and Competitive Economy:
vi. By increasing operational efficiency, reducing losses, and promoting innovation in water management, IRUWASA contribute to economic growth and resilience while enhancing investor and donor confidence in the sector.

19.3 Support to National Climate Change Commitments

IRUWASA actively support the implementation of Tanzania's National Climate Change Response Strategy (2021–2026) and the country's Nationally Determined Contributions (NDCs) under the Paris Agreement by:-

i. Implementing climate adaptation and mitigation measures including watershed protection and resilient infrastructure planning.
ii. Integrating climate-related risk assessments and disclosures in line with IFRS S2 to strengthen sector transparency and preparedness.
iii. Adopting low-carbon technologies and renewable energy sources to reduce emissions such as pumping, treatment, and distribution operations.
iv. Promoting community-based adaptation initiatives, such as water conservation awareness and catchment rehabilitation programs.
v. Collaborating with the Ministry of Water, EWURA, NEMC, and development partners to enhance institutional capacity for climate-resilient water management, and
vi. Monitoring and reporting progress through IRUWASA Sustainability Framework's ESG indicators and annual sustainability disclosures.

Through this alignment, IRUWASA reinforce its critical role in supporting Tanzania's transition toward a sustainable, water secure and climate resilient future ensuring that water and sanitation services continue to contribute to national prosperity, public health, and environmental protection.

20.0 SUSTAINABILITY COMMITMENTS

20.1 ENVIRONMENTAL

IRUWASA is committed to managing their environmental footprint and promoting responsible environmental stewardship across all aspects of water production, distribution, wastewater treatment, and administrative operations.

As public utilities entrusted with protecting vital water resources, IRUWASA recognize the urgent need to respond to climate change, conserve natural ecosystems, and support Tanzania's transition to a green, low-carbon, and climate-resilient economy.

This policy supports compliance with IRUWASA Sustainability Implementation Guidelines, IFRS S2 (Climate-related Disclosures), and relevant national environmental laws and policies, including the National Environmental Management Act, the National Climate Change Response Strategy (2021–2026), and the National Water Policy of 2002 version 2025.

20.1.1 Objectives

IRUWASA environmental commitment aims to:-

i. Minimize the environmental impact of operations, service delivery, and infrastructure development.
ii. Promote awareness and accountability for environmental sustainability among staff, customers, and communities.
iii. Integrate environmental and climate-resilience considerations into planning, procurement, and project implementation.
iv. Ensure compliance with national and international environmental standards, including IFRS S2, SDG 6, SDG 13, and EWURA's environmental requirements.
v. Support sustainable water resource management and pollution prevention to safeguard public health and ecosystems.

20.1.2 Key Commitments

IRUWASA commits to the following actions under Environmental Policy:-

a) Energy Efficiency and Resource Optimization

i. Reduce energy consumption through efficient pump operations and use of variable speed drives and other energy reducing initiatives.
ii. Encourage responsible energy use and conservation behaviour among staff.
iii. Adopt renewable energy solutions such as solar power and biogas systems to supplement energy needs in water production, wastewater treatment plants and offices.
iv. Implement smart technologies to monitor and optimize energy and water use across facilities.

b) Waste Reduction, Pollution Control, and Management

i. Implement proper waste segregation, reuse, and recycling practices in all operational and administrative areas.
ii. Ensure safe disposal of sludge, solid waste, and treatment by-products in compliance with NEMC and Ministry of Water regulations.
iii. Reduce single-use plastics and unnecessary paper consumption through digitalization of administrative processes.
iv. Monitor effluent quality and enforce strict compliance with discharge standards to minimize water pollution.

c) Sustainable Procurement

i. Prioritize suppliers and contractors that adhere to environmental and ethical standards, including the use of energy-efficient and eco-friendly products.
ii. Integrate sustainability criteria into procurement policies, contracts, and vendor evaluations.
iii. Promote local sourcing of environmentally responsible materials and services where feasible.

d) Green Infrastructure and Water Efficiency

i. Integrate environmental and climate-resilience considerations in the design, construction, and rehabilitation of water supply and sanitation infrastructure.
ii. Ensure responsible water use, leakage control, and maintenance of plumbing systems in all facilities.
iii. Promote nature-based solutions such as wetland restoration, tree planting, and catchment protection to enhance water resource sustainability.
iv. Adopt sustainable drainage systems (SuDS) to mitigate flooding and improve groundwater recharge.

e) Climate Risk Awareness and Preparedness

i. Build staff and community awareness on climate change risks, including droughts, floods, and water scarcity.
ii. Integrate climate-risk assessments into IRUWASA strategic and investment planning.
iii. Report IRUWASA's climate-related risks and performance in accordance with IFRS S2 and national disclosure frameworks.
iv. Monitor and disclose Scope 1 and 2 greenhouse gas (GHG) emissions, and where applicable, Scope 3 emissions, from operations and supply chains.
v. Collaborate with the Rufiji Basin Water Board, LGAs, and development partners on climate adaptation and resilience-building programs.

20.1.3 Implementation and Monitoring

a. Environmental performance will be monitored using key indicators outlined in Chapter 9, such as:-
   i. Energy consumption per cubic meter of water produced or supplied.
   ii. Percentage reduction in non-revenue water (NRW).
   iii. Volume of wastewater safely treated and reused.
   iv. Quantity of waste properly segregated and recycled and
   v. Proportion of renewable energy used in operations.

b. Progress on environmental targets will be reviewed quarterly by the Sustainability Steering Committee (SSC) and reported annually through IRUWASA Sustainability Report to the Board of Directors, EWURA, and other relevant authorities.

c. Environmental data will be integrated into the corporate performance monitoring system, ensuring that results inform management decisions, budgeting, and continuous improvement processes.

20.1.4 Staff and Stakeholder Engagement

a. Environmental sustainability principles will be incorporated into staff induction programs, training curricula, and professional development plans to strengthen awareness and ownership across all levels of the organization.
b. IRUWASA will collaborate with key stakeholders including the Ministry of Water, EWURA, the Rufiji Basin Water Board, Local Government Authorities, and community groups to promote responsible environmental practices in water and sanitation service delivery.
c. Awareness campaigns and environmental events (e.g., World Water Day, World Environment Day, and Clean-Up and Tree-Planting Weeks) will be conducted annually to reinforce the Authority's environmental agenda and encourage collective action among employees, customers, and community members.

d. IRUWASA will continuously encourage public participation and behavioural change through education programs on water conservation, pollution prevention, and catchment protection.

20.2 SOCIAL RESPONSIBILITY

IRUWASA is committed to advancing inclusive development, employee well-being, and community engagement in all aspects of its operations. As public utilities, IRUWASA recognize that social responsibility is essential to delivering equitable, safe, and sustainable water and sanitation services while fostering trust among stakeholders and empowering their workforce.

20.2.1 Policy Objectives

The Social Responsibility aims to:

a. Promote a fair, safe, inclusive, and empowering work environment within IRUWASA.
b. Strengthen the capacity, motivation, and ethical conduct of staff in delivering high-quality water and sanitation services.
c. Uphold human rights, non-discrimination, and equal opportunity principles in all IRUWASA activities and community engagements.
d. Enhance IRUWASA's role in creating social value, stakeholder trust, and positive community impact.

20.2.2. Key Commitments

a) Gender Equality and Diversity

i. Promote equal employment and advancement opportunities for all staff, regardless of gender, age, disability, ethnicity, or background.
ii. Implement and enforce policies to prevent discrimination, harassment, and gender-based violence in the workplace.
iii. Support gender-responsive planning in service delivery, ensuring women, youth, and marginalized groups are included in decision-making processes.
iv. Encourage female participation in leadership, technical, and field-based roles traditionally underrepresented in the sector.

b) Staff Development and Well-being

i. Provide continuous capacity building, mentorship, and professional development opportunities to enhance employee performance and motivation.
ii. Ensure a safe and supportive work environment, including occupational health and safety (OSHA) measures, protective gear, and psychosocial support.
iii. Promote work-life balance through flexible scheduling, wellness programs, and recreational initiatives.
iv. Implement mechanisms to recognize outstanding staff performance and innovation in sustainability practices.

c) Professional Empowerment and Capacity Building

i. Invest in technical and leadership training for IRUWASA staff, focusing on sustainability, risk management, digital systems, and customer service excellence.
ii. Support training partnerships with academic institutions, vocational colleges, and development partners to build local expertise in water and sanitation management.
iii. Provide internship, apprenticeship, and scholarship opportunities to youth and students pursuing water, sanitation, and environmental sciences.

d) Community Engagement and Public Awareness

i. Facilitate community dialogues and sensitization campaigns on water conservation, sanitation, hygiene (WASH), and environmental sustainability.
ii. Encourage staff volunteerism and community outreach initiatives such as clean-up campaigns, tree planting, and awareness days (e.g. World Water Day, World Toilet Day)
iii. Collaborate with civil society organizations, NGOs, and local authorities to implement joint programs addressing access to clean water, public health, and gender equality.
iv. Use customer feedback platforms and grievance mechanisms to strengthen accountability and responsiveness to public concerns.
v. Encourage peer learning and experience-sharing among IRUWASA to promote continuous improvement across the sector.

e) Protection of Human Rights and Labour Standards

i. Comply fully with Tanzania's labour laws, ILO conventions, and the Public Service Standing Orders on fair employment practices and workers' rights.
ii. Prohibit child labour, forced labour, and any form of exploitation in IRUWASA operations and supply chains.
iii. Maintain transparent and accessible grievance and whistle-blowing mechanisms to ensure staff and community concerns are addressed promptly and fairly.
iv. Promote decent work principles, ensuring fair wages, safe working conditions, and respect for employee dignity.

20.2.3 Implementation and Oversight

i. The Sustainability Steering Committee (SSC) will monitor progress on social commitments, advise on policy improvements, and report outcomes to Executive Management and the Board of Directors.
ii. Key social performance indicators such as gender representation, training hours per employee, safety incident rates, and community outreach metrics will be tracked and reported.
iii. Periodic staff and community feedback assessments will be conducted to evaluate policy effectiveness and inform continuous improvement.

20.3 GOVERNANCE AND ETHICS

IRUWASA are committed to upholding strong governance, ethical conduct, and institutional integrity in the management of public resources and delivery of essential water and sanitation services.

As public entities, IRUWASA recognize that good governance and ethical leadership are the foundation of transparency, accountability, and stakeholder trust, ensuring effective service delivery and compliance with national laws and regulatory frameworks.

This policy is aligned with the Public Finance Act (2024), Public Procurement Act 2021, EWURA regulatory guidelines, Public Service Code of Ethics and Conduct, and the principles of IFRS S1 and IFRS S2 relating to transparent governance disclosures.

20.3.1 Key Commitments

a) Institutional Governance

i. Maintain a well-defined governance structure, including a functional Board of Directors, Board Committees, and Executive Management Team with clear mandates, roles, and reporting lines.
ii. Ensure Board independence, gender diversity, and regular evaluation of performance and effectiveness.
iii. Disclose the governance framework, including Board composition, committee mandates, and oversight roles, in the annual sustainability report and other statutory publications.
iv. Ensure compliance with EWURA's corporate governance guidelines and the Ministry of Water's performance agreements;
v. Foster a culture of ethical decision-making and collective accountability throughout the institution.

b) Ethical Conduct and Professional Integrity

i. Uphold the values of integrity, transparency, accountability, impartiality, and professionalism in all operations and interactions.
ii. Adhere to the Public Service Code of Ethics and other relevant sectoral ethics frameworks.
iii. Promote a culture of ethics and integrity through regular staff training, dialogues, and awareness campaigns.
iv. Apply the Code of Conduct uniformly to Board members, management, employees, contractors, and service providers.
v. Ensure that all decisions and actions reflect the principles of public interest, fairness, and honesty.

c) Conflict of Interest Management

i. Establish systems to identify, disclose, and manage conflicts of interest in decision-making, procurement, and contract management.
ii. Require annual declarations of interest by Board members, senior management, and members of evaluation committees.
iii. Maintain a Conflict-of-Interest Register that is reviewed periodically by the Internal Audit Committees.
iv. Ensure that conflict of interest violations is addressed through transparent disciplinary and corrective measures.

d) Anti-Corruption and Whistle-blower Protection

i. Adopt and enforce a zero-tolerance policy toward corruption, bribery, fraud, abuse of office, and misuse of public funds.
ii. Maintain confidential reporting mechanisms (whistle-blower hotlines, suggestion boxes, digital portals) accessible to staff, suppliers, and the public.
iii. Guarantee protection for whistle-blowers who report wrongdoing in good faith, in line with the Whistle-blower and Witness Protection Act.
iv. Investigate all ethical violations promptly, fairly, and independently, with corrective actions taken and documented.
v. Promote integrity pacts in procurement and project management to deter unethical behaviour.

e) Transparency and Public Accountability

i. Ensure that financial statements, performance reports, and sustainability disclosures are prepared and published in accordance with applicable laws, EWURA guidelines, and international best practices.

ii. Provide open access to information for stakeholders, customers, and the general public through reports, websites, and customer forums.
iii. Establish and maintain effective feedback, grievance, and complaints-handling systems to enhance responsiveness.
iv. Align IRUWASA governance practices with global good governance frameworks, including the OECD Principles of Corporate Governance and the African Peer Review Mechanism (APRM) standards.
v. Conduct annual public accountability sessions to share performance results and collect stakeholder input on service and governance improvements.

f) Oversight and Enforcement

i. The Board of Directors, through its Audit Committee, provides strategic oversight and ensures effective implementation of this Governance and Ethics Policy.
ii. The Managing Director and Management Team are responsible for enforcing governance and ethics principles across all Directorates, Units and Zones.
iii. The Internal Audit Unit conducts regular audits and compliance reviews to assess adherence to governance, risk management, and ethical standards.
iv. The Sustainability Steering Committee (SSC) reviews ethical performance and ensures governance-related disclosures align with sustainability reporting standards.

g) Monitoring and Reporting

i. Key governance performance indicators (e.g., number of ethics training sessions, reported ethical breaches, resolution timelines, Board diversity ratios) will be tracked and reported under Chapter 9 of this Framework.
ii. All ethical violation cases, corrective actions, and governance improvements will be documented and publicly disclosed in the annual sustainability report, reinforcing IRUWASA's commitment to transparency and good governance.
iii. Periodic Board and Management performance evaluations will be conducted to ensure continuous improvement in institutional governance and leadership accountability.

21.0 ANTI-CORRUPTION AND COMPLIANCE

IRUWASA is committed to maintaining the highest standards of integrity, transparency, and accountability in all aspects of their operations.

As custodians of public resources and providers of essential services, IRUWASA recognize that corruption, fraud, and non-compliance undermine service delivery, public confidence, and sustainable development.

This policy aligns with the Public Finance Act (2024), Public Procurement Act (2023), Public Service Code of Ethics and Conduct, Prevention and Combating of Corruption Bureau (PCCB) Act, EWURA Governance Guidelines, and international good governance standards.

a) Prevention of Corruption and Bribery

i. Implement strict internal controls over procurement, recruitment, contract management, financial transactions, and service delivery processes.
ii. Prohibit the solicitation, acceptance, or offering of bribes, facilitation payments, kickbacks, or any other form of improper benefit.
iii. Ensure segregation of duties, authorization hierarchies, and internal audit reviews to minimize opportunities for corruption.
iv. Conduct periodic corruption risk assessments in high-exposure areas such as procurement, customer billing, and asset management.

v. Promote staff integrity pledges and incorporate ethical behaviour criteria in performance appraisals.

b) Compliance with Legal and Regulatory Requirements

i. Ensure all IRUWASA operations, transactions, and reporting obligations fully comply with Tanzanian laws, EWURA regulations, Ministry of Water directives, and relevant international standards;
ii. Provide regular compliance and ethics training to staff, management, and Board members to promote awareness and adherence;
iii. Maintain up-to-date registers of legal, regulatory, and contractual obligations, including reporting timelines and statutory requirements;
iv. Ensure prompt and accurate submission of regulatory and financial reports to EWURA, PCCB, and other relevant oversight institutions;
v. Establish a Compliance Function or Focal Officer responsible for monitoring adherence to laws, regulations, and internal policies.

c) Whistle-blower Protection and Reporting Mechanisms

i. Establish secure, confidential, and accessible reporting channels (e.g., suggestion boxes, dedicated hotlines, online forms) for staff, customers, and contractors to report suspected corruption, fraud, or misconduct;
ii. Guarantee protection of whistleblowers from retaliation or victimization in accordance with the Whistleblower and Witness Protection Act;
iii. Investigate all reports promptly, independently, and fairly, ensuring due process and confidentiality;
iv. Provide feedback to whistleblowers or complainants, where appropriate, regarding the outcomes of investigations;
v. Promote awareness of whistleblower rights and reporting mechanisms through staff training, posters, and digital platforms.

d) Due Diligence and Risk Management

i. Conduct risk-based assessments of corruption and compliance risks, especially in procurement, financial management, and external partnerships;
ii. Screen all vendors, contractors, consultants, and strategic partners for integrity, ethical compliance, and conflicts of interest prior to engagement;
iii. Integrate anti-corruption clauses and declarations into all contracts, Memoranda of Understanding (MoUs), and partnership agreements;
iv. Periodically review and update the IRUWASA risk register to incorporate corruption and compliance-related risks;
v. Collaborate with oversight institutions (e.g., PCCB, CAG, EWURA) to strengthen risk mitigation and monitoring systems.

e) Enforcement and Sanctions

i. Apply disciplinary and corrective measures to any staff member, manager, or Board member found guilty of corruption, fraud, or ethical misconduct.
ii. Report serious violations to relevant authorities, including the Prevention and Combating of Corruption Bureau (PCCB), Controller and Auditor General (CAG), or Attorney General’s Office, as appropriate.
iii. Ensure all investigations are conducted transparently and that results are documented and communicated to relevant oversight bodies;
iv. Publish summary outcomes of concluded investigations in the annual sustainability or governance report, consistent with confidentiality and transparency standards;
v. Continuously review internal control systems and policies to close identified loopholes and strengthen accountability mechanisms.

Through this policy, IRUWASA reaffirm their zero-tolerance approach to corruption and unethical conduct, ensuring that every decision and transaction contributes to public trust, service integrity, and sustainable development in Tanzania’s water and sanitation sector.

22.0 RISK MANAGEMENT AND RESILIENCE

22.1 ESG Risk Identification and Mitigation

Effective management of Environmental, Social, and Governance (ESG) risks is critical to the ability of Iringa Water Supply and Sanitation Authorities (IRUWASA) to achieve their strategic objectives, maintain service reliability, uphold public trust, and contribute to Tanzania’s sustainable development agenda.

ESG risks can have significant operational, financial, and reputational impacts affecting water resource sustainability, customer satisfaction, regulatory compliance, and institutional integrity.

This section outlines IRUWASA approach to identifying, assessing and mitigating ESG-related risks in line with the IRUWASA Sustainability Implementation Guidelines, IFRS S1 and IFRS S2, the National Risk Management Framework (2023), and EWURA regulatory requirements.

i. Definition of ESG Risks

a. **Environmental Risks**: Risks arising from environmental degradation, unsustainable water abstraction, pollution, poor waste and sludge management, excessive energy consumption, or vulnerability to climate-related events such as droughts, floods, and storms.
b. **Social Risks**: Risks related to occupational health and safety, labour disputes, gender inequality, low staff morale, poor customer relations, community dissatisfaction, or reputational harm due to inadequate social engagement.
c. **Governance Risks**: Risks arising from weak internal controls, corruption, unethical behaviour, non-compliance with legal and regulatory obligations, or failures in accountability, transparency, and stakeholder responsiveness.

ii. ESG Risk Identification Process

IRUWASA apply a structured and participatory approach to ESG risk identification to ensure that key risks are recognized, owned, and effectively managed across all Directorates, Units and Zonal areas.

a. Risk Mapping Workshops – Conducted across Directorates, Units and Zones to identify ESG risks associated with water production, distribution, wastewater treatment, procurement, finance, and human resources.
b. Stakeholder Consultations – Used to identify emerging environmental or social concerns raised by customers, regulators (EWURA, NEMC), the Rufiji Basin Water Board, or communities.
c. ESG Risk Checklists – Developed for IRUWASA-specific operations to ensure all critical ESG dimensions (e.g., energy, water losses, safety, ethics) are consistently assessed.
d. Regulatory and Standards Review – Identification of risks arising from non-compliance with IFRS S1/S2, EWURA guidelines, Ministry of Water policies, OTR policies and other relevant laws.

iii. Risk Assessment and Categorization

All identified ESG risks are assessed using the IRUWASA’s Enterprise Risk Management (ERM) framework based on:-

a. Likelihood of occurrence – probability of the risk materializing;
b. Impact severity – extent of potential damage to operations, finances, service delivery, or reputation;

c. Control effectiveness – strength of existing mitigation measures and internal controls.

Each risk is assigned a rating (High, Medium, or Low) and documented in the ESG Risk Register, with ownership and mitigation responsibilities clearly allocated to specific Directorates, Units and Zones.

iii. Risk Mitigation Measures

IRUWASA employ preventive and corrective strategies to address ESG risks, as summarized below:

Risk Type	Mitigation Strategies
Environmental	Implement climate adaptation and water resource protection programs; improve sludge and wastewater management; promote renewable energy use; reduce non-revenue water (NRW); and monitor energy and emissions efficiency.
Social	Strengthen occupational health and safety (OHS) measures; enforce gender and diversity policies; enhance staff motivation and training; improve customer feedback mechanisms; and engage communities in decision-making.
Governance	Enforce Codes of Conduct and anti-corruption policies; conduct regular internal audits; enhance compliance and transparency in procurement and financial management; and ensure timely reporting to EWURA and oversight authorities.

iv. ESG Risk Register

Each IRUWASA shall maintain an Institutional ESG Risk Register that:

a. Records all ESG risks, their likelihood, impact, owner, and mitigation status;
b. Is reviewed quarterly by the Sustainability Steering Committee (SSC) and Audit and Audit Committee;
c. Supports tracking of emerging risk trends and forms the basis for ESG performance reporting in the Annual Sustainability Report;
d. Links ESG risk management outcomes to IRUWASA's strategic objectives and Key Performance Indicators (KPIs).

v. Integration with Enterprise Risk Management (ERM)

All ESG risks are integrated into the IRUWASA's overall ERM system to ensure a coordinated and holistic approach to institutional risk oversight. Integration ensures:-

a. Comprehensive risk visibility for the Managing Director and Board of Directors.
b. Alignment of ESG risks with financial, operational, and strategic risks for unified mitigation planning.
c. Informed decision-making and resource allocation.
d. Improved accountability and transparency in risk reporting to EWURA, Ministry of Water, and other stakeholders.

vi. Continuous Improvement

IRUWASA is committed to fostering a culture of continuous improvement in ESG risk management by:-

a. Regularly updating risk identification and assessment tools in response to new environmental, regulatory, or social developments.
b. Benchmarking against sector best practices and learning from incidents within Tanzania and other utilities regionally.
c. Conducting post-incident analyses to capture lessons learned and strengthen future resilience.

d. Building staff capacity through periodic training and simulation exercises on ESG risk mitigation and reporting.

23.0 INTEGRATION WITH ENTERPRISE RISK MANAGEMENT

IRUWASA recognize that sustainability-related risks are not isolated issues, but are deeply interlinked with institutional performance, service reliability, financial viability, and strategic outcomes.

To ensure a coherent, organization-wide approach, IRUWASA integrate Environmental, Social, and Governance (ESG) risks into their broader Enterprise Risk Management (ERM) framework. This integration supports robust governance, organizational resilience, and compliance with IFRS S1, which requires entities to disclose how sustainability-related risks and opportunities are embedded within their overall risk management processes.

i. Purpose of Integration

The integration of ESG risks into IRUWASA ERM framework aims to:-

a. Ensure ESG risks are identified, assessed, and managed with the same rigor as operational, financial, legal, and technical risks.
b. Improve the Board of Director's and Management's visibility and oversight of emerging ESG-related threats and opportunities.
c. Enable cross-departmental coordination and learning in managing climate, social, and governance challenges.
d. Support IRUWASA strategic objectives, performance targets, and compliance with EWURA and national sustainability frameworks.
e. Enhance the credibility, completeness, and reliability of sustainability disclosures and performance reporting.

ii. Key Elements of ESG-ERM Integration

ERM Component	Integration with ESG
Risk Identification	ESG risks (e.g., water source depletion, customer dissatisfaction, employee safety, compliance breaches) are identified alongside traditional risks through risk workshops, stakeholder consultations, and audits.
Risk Assessment	ESG risks are assessed using the standard likelihood–impact matrix, and are evaluated based on severity, control effectiveness, and linkage to performance indicators.
Risk Ownership	Each ESG risk is assigned to a responsible Directorate or Unit, with coordination and oversight by the ESG Coordinator and the Sustainability Steering Committee (SSC).
Risk Mitigation	ESG risk controls are embedded in relevant policy frameworks such as environmental management, OHS, ethics, and anti-corruption and supported through targeted budget allocations.
Monitoring & Reporting	ESG risks are included in quarterly risk reports and reviewed by the SSC, Audit Committee, and Board of Directors. Disclosures are incorporated in the Annual Sustainability Report.

iii. Roles and Responsibilities

a. **Managing Director**
Provides strategic leadership in embedding ESG risk management across all governance and operational structures to ensures decisions reflect sustainability and resilience considerations.

b. **Internal Audit Unit**
Evaluates the adequacy and effectiveness of ESG risk controls and ensures that ESG risks are included in audit and compliance reviews.

c. **ESG Coordinator**
Coordinates ESG risk assessments, maintains the ESG Risk Register, and aligns ESG findings with the broader ERM system and reports quarterly to the SSC.

d. **Directorates/ Heads Units/Zonal Managers**
Identify and manage ESG risks within their functional areas (e.g., Technical, Finance, Customer Service, HR), implement mitigation measures, and report outcomes through the ERM framework.

e. **Sustainability Steering Committee (SSC)**
Consolidates risk information, validates mitigation actions, and ensures consistency between ESG risks and organizational priorities.

iv. Reporting and Disclosure

a. All ESG risks integrated into the ERM framework will be disclosed in line with IFRS S1, EWURA's reporting requirements, and IRUWASA Sustainability Framework.

b. Material ESG risks and mitigation strategies will be summarized in the Annual Sustainability Report, and reviewed by the Audit Committee before submission to the Board of Directors and EWURA.

c. Significant ESG risk incidents or emerging trends will be communicated to Management and relevant stakeholders for timely response and learning.

v. Strategic Benefits of Integration

a. **Enhanced resilience**
Enables IRUWASA to anticipate and respond proactively to long-term ESG risks such as climate change impacts, energy price volatility, or reputational concerns.

b. **Informed decision-making**
Ensures management and the Board have a comprehensive understanding of all material risks influencing service delivery and sustainability.

c. **Regulatory compliance**
Supports alignment with EWURA guidelines, Ministry of Water directives, OTR directives and international disclosure requirements.

d. **Operational efficiency**
Promotes integrated planning and resource allocation for both traditional and sustainability-related risks.

e. **Public trust and credibility**
Demonstrates IRUWASA's commitment to responsible risk management and transparent reporting.

vi. Continuous Alignment and Capacity Building

a. IRUWASA will conduct annual training sessions for risk officers, Directors, Heads of Units and Zonal Managers and SSC members on ESG risk integration and disclosure practices.
b. ESG risk management tools, templates, and registers will be periodically reviewed and updated to reflect changes in IFRS S1/ IFRS S2, national standards, and sector priorities.
c. Lessons learned from ESG incidents, audit findings, and peer reviews will be incorporated to strengthen both the ERM and Sustainability Frameworks.

d. Partnerships with EWURA, PCCB, and development partners will be leveraged to enhance capacity and improve ESG risk governance maturity.

24.0 CLIMATE-RELATED AND TRANSITION RISKS (IFRS S2)

Iringa Urban Water Supply and Sanitation Authorities (IRUWASA) recognize that climate change poses profound physical and transitional risks that directly affect their infrastructure, service continuity, financial sustainability, and community well-being.

As public utilities entrusted with ensuring reliable, affordable, and safe water and sanitation services, IRUWASA is particularly vulnerable to droughts, floods, energy fluctuations and shifts in environmental policy and stakeholder expectations.

In line with IFRS S2 (Climate-related Disclosures), the National Climate Change Response Strategy (2021–2026), and EWURA's regulatory reporting requirements, IRUWASA is committed to systematically identifying, managing, and disclosing climate-related risks and opportunities as part of their sustainability and enterprise risk management processes.

i. Types of Climate-Related Risks

Category	Description
Physical Risks	Risks arising from acute climate events (such as floods, storms, and droughts) and chronic climate shifts (such as reduced rainfall, rising temperatures, or declining groundwater levels) that can disrupt water abstraction, transmission, treatment, and sanitation systems.
Transition Risks	Risks linked to the transition toward a low-carbon, climate-resilient economy including policy and regulatory reforms (e.g. stricter environmental discharge standards, carbon pricing), rising energy costs, technological upgrades, or changing customer and community expectations regarding green operations.
Opportunity Dimension	Climate adaptation and mitigation efforts can also create opportunities for efficiency gains, renewable-energy use and access to climate finance through green projects, donor partnerships and carbon-credit initiatives.

ii. Climate Risk Identification and Assessment

IRUWASA will conduct regular climate-risk assessments to strengthen preparedness and resilience, using the following tools and methods:-

a. Climate-Risk Screening Checklists – Developed in line with IFRS S2, National Environmental Management Council (NEMC) guidance, and the Rufiji Basin Water Board standards to identify operational exposure to climate hazards.
b. Stakeholder and Staff Consultations – Involving engineers, environmental officers, customers, and community representatives to identify vulnerabilities and adaptive priorities.
c. Scenario-Based Assessments – Using national and regional climate scenarios (e.g. 1.5 °C, 2 °C, and 4 °C pathways) to assess potential service disruptions, water scarcity trends, and cost implications.
b. Integration into the ESG Risk Register – Ensuring climate-related risks are formally recorded, rated, and monitored within IRUWASA ESG and Enterprise Risk Management (ERM) system.

iii. Risk Mitigation and Adaptation Measures

Category	Description
Physical Risks	• Implement water-source protection and watershed management programs. • Design flood-resilient and climate-proof infrastructure (e.g. elevated pumping stations, reinforced embankments). • Promote rainwater harvesting and emergency water-supply planning. • Adopt energy-efficient and low-carbon technologies in treatment and distribution.
Transition Risks	• Comply with emerging environmental and energy regulations. • Adopt renewable-energy sources (solar, biogas) to reduce dependence on fossil fuels. • Integrate climate considerations into procurement and investment decisions. • Engage in sectoral dialogue on green financing and carbon-credit mechanisms.
Opportunity Dimension	• Leverage national and international climate-finance opportunities (e.g. Green Climate Fund, Adaptation Fund). • Develop community awareness programs on water conservation and climate resilience. • Enhance reputation and stakeholder trust through proactive climate disclosure and performance transparency.

iv. Governance and Integration

a. Climate-related risks are governed through IRUWASA's Board of Directors, Sustainability Steering Committee (SSC), and Managing Director, ensuring that adaptation and mitigation are embedded in strategic and operational decisions.
b. The ESG Coordinator, working with the Water Supply and Sanitation Management Directorate and Monotoring and Evaluation Unit, ensures that climate-risk data are collected, analysed, and integrated into planning, budgeting, and reporting.
c. Climate-related performance is reviewed quarterly and included in the ESG Risk Register and Annual Sustainability Report.
d. Internal Audit periodically reviews the effectiveness of climate-risk controls and compliance with IFRS S2 and national environmental policies.

25.0 SUSTAINABILITY PERFORMANCE METRICS AND TARGETS

25.1 Environmental Metrics (E.G., Energy, Waste, Emissions)

IRUWASA will use environmental performance metrics to monitor and manage its ecological footprint, comply with **IFRS S2 – Climate-related Disclosures**, and contribute to Tanzania's climate and environmental sustainability goals. These metrics allow the Authority to assess progress toward its environmental policy commitments (see Section 7.1) and inform data-driven decision-making for continuous improvement.

The environmental metrics focus on three primary areas: **energy consumption**, **waste management**, and **greenhouse gas (GHG) emissions**.

i. Energy Metrics

Indicator	Measurement Unit	Purpose	Target FY2031
Non-Revenue Water (NRW)	% of system input volume	Resource & financial efficiency	≤ 20% (utility-specific stretch set by baseline)
Specific energy use (production)	kWh/m³ produced	Pump/treatment efficiency	−5% vs. 2031
Metering coverage (customer)	% active connections metered	Commercial integrity	100%
Chemical handling compliance	% plants passing audits	Safety & environmental control	100% annually

ii. Wastewater, Sludge & Pollution Control

Indicator	Measurement Unit	Purpose	Target FY2031
Wastewater safely treated to standard	% of collected flow	Public health & compliance	≥ 90%
Effluent compliance rate	% samples within limits	Environmental compliance	≥ 85%
Sludge safely managed/reused	% of sludge output	Circularity & pollution control	≥ 70% (reuse or safe disposal)
Chemical handling compliance	% plants passing audits	Safety & environmental control	100% annually

iii. Energy & Renewables

Indicator	Measurement Unit	Purpose	Target FY2031
Total energy consumption	kWh (elec), litres (fuel)	Track demand and costs	Reducing trend
Renewable energy share	% of total energy	Low-carbon transition	≥ 10%
Energy audits completed	# plants/year	Continuous efficiency	100% of major plants on 5-yr cycle

iv. Emissions & Climate (IFRS S2)

Indicator	Measurement Unit	Purpose	Target FY2031
Scope 1 emissions (fuel)	tCO_2e	Direct emissions	−5% intensity vs. 2031
Scope 2 emissions (electricity)	tCO_2e	Indirect emissions	−5% intensity vs. 2031
Green House Gas (GHG) intensity	tCO_2e per m^3 billed	Decision-useful metric	−5% vs. 2031
Climate scenario analysis completed	Yes/No (annual)	Resilience planning	Yes, annually from FY2027

v. Data Collection and Validation

a. Quarterly collection by Directorates/Units champion in collaboration with the Technical/Operations consolidation by ESG Coordinator into the ESG Dashboard.
b. Annual internal validation by Internal Audit plant-level lab QA/QC for effluent.
c. Report in the Annual Sustainability Report and to EWURA as required.

25.2 Social Metrics (e.g., gender equity, staff training, well-being)

IRUWASA's social performance metrics provide a structured framework for assessing the Authority's contribution to inclusive access to safe water and sanitation services, employee well-being, and community development. These metrics reflect IRUWASA's commitment to ensuring that every household and institution within its service area benefits from reliable, affordable, and sustainable water and sanitation solutions. They are anchored in the IRUWASA's Social Responsibility and Human Resource Development Policy, aligned with Sustainable Development Goals (SDGs):

i. 3 (Good Health and Well-being),
ii. 5 (Gender Equality),
iii. 6 (Clean Water and Sanitation),
iv. 8 (Decent Work and Economic Growth), and
v. 11 (Sustainable Cities and Communities),

All these SDGs are integrated into the Authority's ESG disclosures in accordance with IFRS S1.

The selected indicators enable the Authority to evaluate the social impact of its operations on both staff and communities- covering aspects such as equitable service delivery, customer satisfaction, workplace safety, gender inclusion, and community outreach programs. By tracking these metrics, IRUWASA promotes a responsible, ethical, and inclusive institutional culture, ensuring that its operations enhance public health, social equity, and resilience while advancing Tanzania's commitment to universal water and sanitation access.

i. Social Inclusion Metrics

Indicator	Measurement Unit	Purpose	Target FY2031
Population served – water	% of service area	Universal access	+10 pp vs. 2031
Population served – sewer/sanitation	% of service area	Health & SDG 6	+6 pp vs. 2031
Water quality compliance	% samples meeting standard	Safety & trust	≥ 90%
Average response time (bursts/repairs)	Hours	Service quality	Within 24HRS
Affordability index	% House Holds bill	Equity	Maintain within national guidance

ii. Gender, Diversity & Inclusion

Indicator	Measurement Unit	Purpose	Target FY2031
Women in total workforce	%	Inclusion	≥ 10%
Women in technical roles	% of technical staff	Gender balance in STEM	≥ 3%
Women in management/Board	%	Leadership inclusion	≥ 20%

iii. Staff Development & Well-Being

Indicator	Measurement Unit	Purpose	Target FY2031
Training hours per employee	Hours/emp/yr	Capacity & motivation	≥ 8
Staff trained on ESG & climate	#/year	Sustainability literacy	100% of supervisors; 60% all staff
Occupational Health and Safety (OHS) incidents (Total Recordable Incident Rate (TRIR))	Incidents/200k hours	Safety performance	−20% vs. 2031
personal protective equipment (PPE) compliance audits passed	% sites	Safety culture	≥ 90%

iv. Community Engagement & Grievances

Indicator	Measurement Unit	Purpose	Target FY2031
Stakeholder forums held	#/year	Participation & trust	≥ 2 per LGA/Ward cluster
Customer satisfaction score	% positive	Service legitimacy	≥ 70%
Grievance resolution time	Days (median)	Responsiveness	≤ 7 days
Hygiene/Water, Sanitation, and Hygiene (WASH) outreach sessions	#/year	Public health impact	+10% vs. 2031

v. Data Collection and Reporting

a. Data is collected quarterly by the departmental champion in collaboration with the **Corporate Services Directorate**, consolidation by ESG Coordinator into the ESG Dashboard.
b. Social indicators are reviewed by the **SSC** and disclosed in IRUWASA's annual **Sustainability Report**.
c. IRUWASA benchmarks its performance against historical data, peer institutions, and national targets for gender and employment equity.

25.3 Governance Metrics (e.g. transparency, gb diversity)

Strong governance is the foundation of IRUWASA's credibility, accountability, and operational effectiveness in delivering safe, reliable, and affordable water and sanitation services. Governance metrics enable the Authority to monitor the quality, integrity, and transparency of its leadership, decision-making, and control structures. These indicators align with the IFRS S1 governance pillar, the Public Finance Act (CAP 348), the Public Service Code of Ethics and Conduct, and IRUWASA Governance and Integrity Policy.

By consistently tracking and disclosing its governance performance, IRUWASA reinforces stakeholder confidence and demonstrates its commitment to ethical leadership, compliance, and inclusive decision-making. This approach ensures that the Authority remains transparent and accountable to its customers, regulators (such as EWURA and MoW), and the communities it serves, while promoting integrity and sound stewardship of public resources.

i. Board & Leadership

Indicator	Measurement Unit	Purpose	Target FY2031
Independent directors	%	Oversight strength	≥ 100%
Board/committee attendance	%	Effectiveness	≥ 100%
Annual Board performance review	Yes/No	Accountability	Yes, annually

ii. Transparency & Disclosure

Indicator	Measurement Unit	Purpose	Target FY2031
Timeliness of annual reports	Days from year-end	Compliance & trust	≤ 120 days
Sustainability reports published	#/year	ESG transparency	1 per year
Disclosure of organogram & committees	Yes/No	Openness	Yes

iii. Ethics, Compliance & Anti-Corruption

Indicator	Measurement Unit	Purpose	Target FY2031
Ethics/Conflict of Interest declarations filed	% eligible staff	Integrity baseline	100% annually
Whistleblower reports resolved	% per year	Speak-up trust	≥ 90% with feedback
Procurement compliance findings closed	% closed within 90 days	Control strength	≥ 95%
Internal audit corrective actions closed	% within 120 days	Governance discipline	≥ 90%

iv. ESG Governance Integration

Indicator	Measurement Unit	Purpose	Target FY2031
SSC functionality (meets, minutes, actions)	Yes/No	Active governance	Yes, quarterly
ESG integrated in performance reviews	Yes/No	Mainstreaming	Yes
ERM includes ESG risks	Yes/No	Holistic risk view	Yes (annual update)

v. Monitoring and Assurance

a. Governance data is collected biannually by the **Legal, Governance, and** Governing Board **(GB) Secretariat** assisted by respective champions, and coordinated by the **ESG Coordinator**;
b. Internal Audit validates selected governance metrics as part of IRUWASA's risk-based audit plan;
c. Results are reported to the Board, included in the **Sustainability Report**, and used for strategic reviews.

26.0 IRUWASA KEY PERFORMANCE INDICATORS (KPI)

IRUWASA's Key Performance Indicators (KPIs) provide an integrated framework for tracking the Authority's performance across Environmental, Social, and Governance (ESG) dimensions. These KPIs are aligned with IRUWASA's strategic objectives, service delivery commitments, and international sustainability standards such as IFRS S1 and IFRS S2. They function as a management tool for continuous performance monitoring, reporting, and improvement.

Through these indicators, IRUWASA can systematically measure its progress in embedding sustainability into its core operations including resource efficiency, water conservation, customer satisfaction, and governance integrity. The KPIs also help the Authority to demonstrate accountability and leadership within the water and sanitation sector, showcasing its commitment to delivering sustainable, inclusive, and resilient services to the communities it serves.

The following KPIs translate IRUWASA's sustainability goals into measurable outcomes, guiding performance tracking and accountability across environmental, social, and governance areas.

a) Environmental (Operations/Climate)

1) NRW (%)
2) kWh/m³ produced & billed
3) Renewable energy shares (%)
4) Effluent compliance rate (%)
5) Scope 1 & scope 2 tCO_2e; GHG intensity (tCO_2e/m^3)

b) Social (Access/People/Community)

1) Water & sanitation coverage (% population served)
2) Water quality compliance (%)
3) Customer satisfaction (%) & grievance median days
4) Gender representation (workforce/technical/leadership)
5) OHS TRIR; training hours per employee

c) Governance (Integrity/Transparency)

1) On-time publication of reports (Yes/No; days)
2) Audit corrective-action closure rate (%)
3) Whistleblower resolution rate (%)

4) SSC functionality (Yes/No) & ESG-in-ERM (Yes/No)

27.0 SUSTAINABILITY DISCLOSURE AND REPORTING

27.1 IFRS S1 and IFRS S2 Reporting Requirements

IRUWASA commit to align sustainability disclosures with IFRS S1 and IFRS S2 (ISSB). These standards provide a global baseline for transparent, comparable, and decision-useful sustainability information for regulators, customers, partners, and the public.

As public utilities, IRUWASA's adoption of IFRS S1/S2 strengthens credibility, accountability, and positions the sector as a national model for high-quality ESG reporting.

i. Overview of IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out the core content and guiding principles for disclosing sustainability-related risks and opportunities that could affect an entity's cash flows, access to finance, or enterprise value.

Key reporting components under IFRS S1:

a. **Governance**: The governance processes, controls, and procedures used to monitor and manage sustainability-related risks and opportunities.
b. **Strategy**: How identified sustainability risks and opportunities affect the entity's business model, strategy, and financial planning.
c. **Risk Management**: How the entity identifies, assesses, prioritizes, and manages sustainability-related risks and opportunities.
d. **Metrics and Targets**: Performance indicators and targets used to measure, monitor, and manage sustainability-related matters.

IRUWASA Implementation Focus:

a. Disclose how sustainability is governed at Board/Committee/Management levels (SSC terms, roles).
b. Describe ESG impacts on long-term service strategy, coverage expansion, NRW reduction, energy mix.
c. Report on ESG risk processes and material issues from the ESG Risk Register.
d. Present environmental, social, governance metrics and annual progress vs. targets.

ii. Overview of IFRS S2 – Climate-related Disclosures

IFRS S2 builds upon the TCFD recommendations and provides specific guidance for climate-related disclosures, including both physical and transition risks.

Key disclosure themes under IFRS S2:

a. Governance of climate-related risks and opportunities
b. Impact of climate risks on service model, infrastructure, and investment plans.
c. Climate risk management approach
d. Climate-related metrics and targets (e.g. GHG emissions, carbon reduction goals, scenario analysis)

IRUWASA Implementation Focus:

a. Identify and disclose physical (droughts, floods) and transition (policy, energy price, technology) climate risks (see §8.3).
b. Monitor and report Scope 1 & 2 emissions; consider Scope 3 where material.
c. Integrate climate risk into ERM and capex planning.
d. Disclose progress toward energy/GHG reduction and resilience targets.

iii. Application Principles and Disclosure Expectations

IRUWASA's disclosures under IFRS S1 and IFRS S2 shall adhere to the following principles:

Principle	Application at IRUWASA
Completeness	Disclose all material ESG risks, impacts, controls across production, distribution, wastewater.
Consistency	Align time-series across reporting periods and with financial/operational reports.
Comparability	Use standard indicators (Chapter 9) to benchmark across IRUWASA and over time.
Connectivity	Link ESG to strategy, tariffs, ERM, investment plans.
Verifiability	Maintain evidence trails; subject data to internal checks and (when applicable) external assurance.

iv. Internal Readiness and Capacity Building

To enable effective reporting:

a. IRUWASA shall train key staff on IFRS S1 and IFRS S2 requirements;
b. Digitalize ESG data via an **ESG Dashboard** integrated with **SCADA/LIMS/ERP/CIS**.

v. Reporting Schedule

a. IRUWASA will publish an **Annual Sustainability Report**, including IFRS S1 and IFRS S2 aligned disclosures, beginning in **FY 2027**;
b. Interim updates may be provided through mid-year reviews or stakeholder briefings;
c. Reporting frequency and structure will follow the IRUWASA Sustainability Implementation Guideline.

27.2 Frequency and Format of Reporting

IRUWASA recognizes that transparent and timely sustainability reporting is vital for enhancing accountability, stakeholder trust, and continuous service improvement. To achieve this, IRUWASA has adopted a structured reporting schedule and standardized disclosure formats consistent with the **IRUWASA Sustainability Implementation Guidelines** and the disclosure requirements of **IFRS S1 and IFRS S2**.

These reporting arrangements ensure that IRUWASA communicates its environmental, social, and governance performance clearly to regulators (such as EWURA and the Ministry of Water), customers, and communities. They also help the Authority demonstrate compliance, transparency, and alignment with both national sustainability objectives and global reporting standards.

i. Reporting Frequency

Report Type	Frequency	Responsible Unit	Purpose
Annual Sustainability Report	Annually (by Q2)	ESG Coordinator & Planning and Corporate Affairs Department	Provide a comprehensive overview of IRUWASA's ESG performance, key risks, opportunities, and alignment with national and global sustainability standards (IFRS S1 & IFRS S2).
Mid-Year Sustainability Progress Brief	Bi-annually (Q3)	ESG Coordinator	Present progress updates on priority ESG indicators, including Non-Revenue Water (NRW), energy use, gender balance, and stakeholder engagement milestones.
Board ESG Performance Dashboard	Quarterly	Managing Director & ESG Coordinator	Update IRUWASA Board and Management on ESG risks, targets, and compliance with EWURA reporting and sustainability requirements.
Sustainability Disclosure Template	Annually (annexed to Annual Report) **	ESG Coordinator	Present standardized ESG disclosures in line with IFRS S1 and IFRS S2, and integrate with the Authority's Annual Performance and Financial Reports submitted to EWURA and MoW.

ii. Reporting Formats

IRUWASA has adopted a dual-format sustainability reporting approach, combining narrative disclosures with quantitative metrics to enhance clarity, comparability and accessibility for regulators, customers, and community stakeholders.

Format	Description
Narrative Reporting	Describes IRUWASA's ESG strategy, governance arrangements, policies, materiality assessment and implementation progress in delivering sustainable water and sanitation services.
Tabular / Indicator Format	Presents quantitative ESG performance data (e.g., NRW levels, energy use, gender ratios, safety incidents, and customer satisfaction indicators) in structured tables for performance tracking and benchmarking.
IFRS S1/S2-Aligned Templates	Utilizes standardized disclosure templates that align IRUWASA's reporting with International Sustainability Standards Board (ISSB) requirements.
Infographics and Dashboards	Provide visual summaries of ESG progress, operational efficiency, and risk management performance for easy interpretation by both technical and non-technical stakeholders.
Annexes and Supporting Documents	Include IRUWASA's ESG Risk Register, Materiality Matrix, Sustainability Policy Statements, and related reporting Templates (Annex 14 series).

iii. Language and Accessibility

a. All official sustainability reports will be prepared in English, with summarized versions translated into Swahili to ensure wider accessibility among communities and local stakeholders.
b. Reports will be digitally accessible through the IRUWASA website, with downloadable data sheets and dashboards for public, regulatory, and professional reference.

27.3 ESG Assurance and Independent Review

To enhance the credibility, reliability, and transparency of its sustainability disclosures, IRUWASA is committed to subjecting its ESG information to rigorous internal reviews and, where applicable, independent external assurance. This commitment aligns with global expectations under IFRS S1 and IFRS S2, as well as the IRUWASA reporting requirements, and reinforces IRUWASA's leadership in promoting high-quality, decision-useful sustainability reporting across the water and sanitation sector in Tanzania.

i. Purpose of ESG Assurance

a. Validate the accuracy, completeness, and consistency of disclosed ESG information.
b. Strengthen stakeholder trust and confidence in IRUWASA's sustainability performance and governance.
c. Support continuous improvement in ESG data management and internal controls;
d. Demonstrate compliance with IRUWASA Sustainability Implementation Guidelines and international best practices.

ii. Types of ESG Assurance Mechanisms

Type	Description
Internal Assurance	Conducted by IRUWASA's Internal Audit Unit as part of the annual audit plan. It evaluates ESG processes, data integrity, and compliance with internal policies and reporting standards.
Independent (External) Assurance	Performed by accredited third-party assurance providers to independently verify key ESG disclosures, following recognized standards such as ISSA 5000 or ISAE 3000 (Revised).

iii. Scope of ESG Assurance

IRUWASA's ESG assurance program focuses on verifying the reliability and accuracy of key sustainability elements including:-

a. Materiality assessment process and accuracy of material topic disclosures.
b. Governance and ESG risk management structures.
c. Environmental performance metrics such as Non-Revenue Water (NRW), energy consumption, and waste management.
d. Social indicators – such as employee training, diversity, occupational safety, and community engagement.
e. Governance performance, including ethics, transparency, and compliance metrics.
f. Compliance with IFRS S1 and IFRS S2 disclosure requirements.
g. Integrity of data presented in the Annual Sustainability Report and KPIs.

iv. Internal Review Procedures

a. The Internal Audit Unit include ESG indicators in its risk-based annual audit plan.
b. ESG-related controls are tested for design and operational effectiveness.
c. Findings and improvement recommendations are reported to the Audit Committee of the Board.
d. Identified ESG-related risks are recorded in the institutional risk register and monitored for mitigation.

v. External Assurance Engagements

a. IRUWASA plans to initiate independent external assurance of its Sustainability Report by FY 2031, in line with sector readiness and resource capacity.
b. The scope, methodology, and assurance opinion will be publicly disclosed in the Annual Sustainability Report.
c. Where feasible, IRUWASA will collaborate with EWURA, and other institutions to ensure standardized assurance practices across the sector.

28.0 IMPLEMENTATION ROADMAP (2026–2031)

28.1 Short-term actions (2026–2027)

The short-term implementation phase focuses on establishing a strong foundation for IRUWASA's Sustainability Framework by formalizing governance structures, developing key policies and tools, and initiating ESG data collection and awareness activities.

The primary goal is to ensure early compliance with IRUWASA's Sustainability Guidelines, as well as the IFRS S1 and IFRS S2 disclosure requirements, while demonstrating IRUWASA's leadership in integrating sustainability principles into the water and sanitation sector by FY 2027.

A summarized Implementation Roadmap is provided in Appendix 14.8.

i. Governance and Institutional Setup

Action	Timeline	Responsible Directorates/Unit
Preparation of IRUWASA Environmental Sustainability Policy and Framework and approval of documents	Q1&Q2 2025/26	Office of the Managing Director
Establish and operationalize the Sustainability Steering Committee (SSC)	Q3 2025/26	Office of the Managing Director
Appoint ESG Coordinator and designate ESG Champions across key Directorates and Units	Q3 2025/26	Human Resources & Administration
Develop and approve Terms of Reference (ToRs) for ESG-related roles and committees	Q4 2025/26	Legal Service

ii. Capacity Building and Awareness

Action	Timeline	Responsible Directorates/Unit
Conduct training sessions on IFRS S1 and S2, ESG reporting, water stewardship, and climate risk management	Q3 2026/27	HR & Training Directorate
Host stakeholder awareness workshop on IRUWASA's Sustainability Framework (involving MoW, EWURA, community leaders, and local government)	Q3 2026/27	Managing Director & ESG Coordinator
Develop and distribute internal ESG awareness materials (posters, toolkits, circulars)	Q3 2026/27	Communications Unit & ESG Coordinator

iii. Policy Development and Integration

Action	Timeline	Responsible Unit
Finalize and adopt IRUWASA's Environmental, Social and Governance	Q1&Q2 2025/26	Office of the Managing Director
Integrate ESG targets and KPIs into Directorate/Units work plans, performance contracts and annual budgets	Q3 2025/26	Monitoring and Evaluation Unit Finance and Accounts Unit
Align procurement processes with green procurement principles (e.g., energy-efficient pumps, low-emission vehicles)	Q3 2025/26	Procurement Management Unit

iv. Data Systems and Performance Metrics

Action	Timeline	Responsible Unit
Initiate ESG data collection based on approved metrics (e.g., NRW %, energy use, safety incidents, gender ratio)	Q2 2026/27	ESG Coordinator & Directorate/Units Champions
Develop IRUWASA's Sustainability Dashboard and performance monitoring templates	Q3–Q4 2026/27	ICT Unit & ESG Coordinator
Pilot the IFRS S1/S2-Aligned Disclosure Template for internal sustainability reporting	Q4 2026/27	SSC & ESG Coordinator

v. Reporting and Compliance

Action	Timeline	Responsible Unit
Prepare and publish IRUWASA's first annual Sustainability Report (pilot edition)	Q2 2028/29	SSC & ESG Coordinator
Submit progress updates to the Board of Directors, EWURA, Ministry of Water and OTR	Q2 2028/29	Managing Director
Assess readiness for external ESG assurance by FY end June, 2029	Q3 2028/29	Internal Audit & ESG Coordinator

vi. Monitoring and Evaluation

Action	Timeline	Responsible Unit
Conduct baseline assessment of ESG risks and opportunities across IRUWASA operations	Q2 2026/27	SSC & Monitoring and Evaluation Unit
Establish reporting schedules, KPIs, and feedback mechanisms for ESG monitoring	Q4 2026/27	ESG Coordinator
Review and refine material topics and stakeholder engagement plans annually	Q4 2026/27	SSC & ESG Coordinator

28.2 Medium-Term Actions (2028–2029)

The medium-term phase of IRUWASA's Sustainability Implementation Roadmap builds upon the foundations established during 2025–2027. By this stage, IRUWASA's governance, systems, and ESG data mechanisms will be operational. The focus now shifts to institutional consolidation, performance tracking, sectoral collaboration and external assurance readiness.

The aim is to demonstrate measurable progress toward ESG targets aligned with IFRS S1 and S2, EWURA requirements, and the National Water Sector Development Strategy.

i. Strengthen ESG Governance and Integration

Action	Timeline	Responsible Unit
Conduct mid-term performance review of the Sustainability Steering Committee (SSC)	Q1 2028/29	Managing Director & SSC
Update ESG roles and responsibilities in performance contracts	Q2 2028/29	ESG Coordinator
Integrate ESG Key Performance Indicators (KPIs) into IRUWASA corporate performance scorecard	Q1–Q2 2028/29	Monitoring & Evaluation Unit

ii. Enhance Reporting and Disclosure Practices

Action	Timeline	Responsible Unit
Publish IRUWASA's second and third Annual Sustainability Reports (covering FY2026 & FY2027)	Q2 2028/29	ESG Coordinator & SSC
Expand disclosures to include climate risk scenario analysis, resilience modelling, and ESG-linked strategy updates	Q3 2028/29	Strategy & ESG Coordinator
Improve accuracy and comparability of ESG data through updated digital templates and automated reporting tools	Q1–Q4 2028/29	ICT & ESG Coordinator

iii. Prepare for External ESG Assurance

Action	Timeline	Responsible Unit
Conduct ESG data quality audit and pre-assurance gap assessment	Q2 2029/30	Internal Audit & ESG Coordinator
Finalize Terms of Reference (ToR) and engage an independent ESG assurance provider (registered with IRUWASA)	Q3 2029/30	Finance, Procurement & SSC
Undergo IRUWASA's first external ESG assurance for the FY2027 Sustainability Report	Q4 2029/30	ESG Coordinator & External Auditor

iv. Capacity Building and ESG Leadership Development

Action	Timeline	Responsible Unit
Host regional stakeholder forums on ESG and climate-resilient water management (with MoW, EWURA, and IRUWASA)	Q2–Q3 2028/29	Managing Director, Training Department & Communication Unit
Deliver targeted ESG and sustainability training for Board Members, Senior Management, and departmental heads	Q1–Q4 2028/29	HR & ESG Coordinator
Develop and publish IRUWASA Sustainability Case Studies and Best Practice Toolkit	Q4 2028/29	Research & Planning Department

28.3 Long-Term Actions (2030/31)

The long-term phase of IRUWASA's Sustainability Implementation Roadmap focuses on institutional maturity, national influence, and global alignment. By this stage, IRUWASA will have fully embedded sustainability into its governance, planning, and operational culture.

The emphasis will be on positioning the Authority as a sectoral leader in sustainable water and sanitation management, contributing to national development goals, Agenda 2063, and SDGs 6, 7, and 13.

i. Institutionalization of ESG Culture and Leadership

Action	Timeline	Responsible Unit
Conduct end-of-cycle evaluation of IRUWASA's Sustainability Framework performance	Q1 2030/31	Monitoring & Evaluation Unit
Institutionalize ESG principles as a permanent theme in IRUWASA's corporate strategy and governance charter	Q2 2030/31	Strategy & Planning Department
Strengthen cross-sector partnerships with MoW, EWURA, and other utilities to share lessons and align on sectoral ESG priorities	Q3 2030/31	Managing Director & SSC

ii. Review and Future Planning

Action	Timeline	Responsible Unit
Conduct an independent impact evaluation of IRUWASA's Sustainability Framework (2026–2031)	Q3 2030/31	External Evaluator
Develop the Sustainability Framework 2032–2037, incorporating stakeholder feedback, climate trends, and national policy directions	Q4 2030/31	Strategy, ESG & Stakeholder Engagement Units
Prepare and publish the final progress report to the Board, EWURA, and MoW, showcasing achievements as a national case study.	Q4 2030/31	Managing Director & ESG Coordinator

iii. Outcomes

These long-term actions will enable the Authority to:-

28.4 Cement its position as a model sustainable utility in Tanzania.

a. Influence national water sector sustainability policies.
b. Strengthen public confidence through transparency and ethical governance, and
c. Align fully with global ESG disclosure norms and IFRS S1/S2 sustainability reporting principles.

29.0 CAPACITY BUILDING AND RESOURCE NEEDS

Effective implementation of IRUWASA's Sustainability Framework requires deliberate investment in human capacity, institutional systems, and financial resources.

This section outlines the capacity development priorities and resource mobilization strategies needed to operationalize ESG integration, enhance compliance with IFRS S1 and S2, and strengthen IRUWASA's leadership in sustainable water and sanitation management.

These efforts directly support SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 9 (Climate Action).

i. Capacity Building Priorities (2026–2031)

Focus Area	Capacity Needs
Governance and Oversight	Training for Board Members and Senior Management on ESG governance, accountability, and strategic oversight in alignment with EWURA and Ministry of Water guidelines.
Technical Knowledge	Continuous training for staff and ESG Champions on IFRS S1 and S2, SDGs (especially SDG 6, 7, and 13), climate risk management, and sustainability assurance practices.
Data Management	Building staff capacity in ESG data collection, performance tracking, digital reporting tools, and sustainability dashboard development for regulatory and public disclosure.
Internal Audit and Assurance	Strengthening internal capacity for ESG auditing, verification, and readiness for external sustainability assurance.
Policy and Framework Development	Developing technical skills in sustainability policy formulation, materiality assessments, and alignment with national and international frameworks.
Stakeholder Engagement	Enhancing communication, facilitation, and advocacy skills to foster inclusive stakeholder participation, community awareness, and partnership building.

ii. Capacity Development Modalities

a. Workshops and Seminars: Conducted annually in collaboration with the Ministry of Water, EWURA, IRUWASA, and development partners to enhance ESG knowledge and sectoral integration.
b. On-the-Job Training: Coaching of departmental ESG focal points through real-time sustainability reporting, data collection, and policy implementation exercises.
c. Professional Certifications: Encourage key staff to pursue recognized sustainability certifications (e.g., Professional Diploma in Sustainability Reporting offered by NBAA, GRI, ISSB-based courses, SASB, CSAP, or Certified ESG Practitioner).
b. E-Learning Platforms: Develop IRUWASA-hosted digital learning modules on sustainability reporting, climate adaptation, and water stewardship accessible to all staff.
c. Technical Exchanges: Participate in regional knowledge-sharing programs with other water Authorities and international water utilities on ESG best practices and innovation.

iii. Institutional Strengthening Needs

Area	Requirements
ICT Infrastructure	Establish integrated ESG data systems, digital dashboards, disclosure platforms, and cloud-based reporting tools for real-time performance tracking.
Human Resources	Designate a dedicated ESG Unit/Officer and strengthen ESG competencies within the Internal Audit, Planning, and Communications functions.
Guidelines and Tools	Develop standardized templates, checklists, and reporting toolkits tailored to the IRUWASA's operational and regulatory context.
Research and Innovation	Establish an ESG knowledge hub or "Sustainability Learning Corner" within IRUWASA to drive research, innovation, and continuous learning in sustainable utility management.

iv. Resource Mobilization Strategy

To sustain ESG implementation and capacity-building initiatives, IRUWASA will adopt the following strategies:

a. Internal Allocation: Mainstream ESG priorities within the annual planning and budgeting process (2026–2031) to ensure dedicated funding for sustainability programs.
b. Government Collaboration: Align with national climate resilience, water, and environmental sustainability strategies to access potential funding and technical support through the Ministry of Water, PO-RALG, or National Environmental Trust Fund (NETF).
c. Development Partnerships: Engage with development partners (e.g. AfDB, World Bank, USAID, GIZ, UNICEF and Korean EXIM Bank) for technical assistance, training, and co-financing of ESG innovation projects.

v. Monitoring and Sustainability of Capacity Investments

a. Integrate capacity development indicators into IRUWASA's Monitoring & Evaluation (M&E) Framework (see Chapter 12).
b. Conduct periodic institutional capacity assessments (2026 and 2031) to identify emerging gaps, training needs and improvements in sustainability maturity.
c. Maintain a Sustainability Learning Log and a register of trained ESG focal points across departments for succession planning and knowledge continuity.

IRUWASA's commitment to continuous capacity building and institutional strengthening is fundamental to achieving credible reporting, effective governance, and transformational sustainability leadership in Tanzania's water and sanitation sector. These investments will ensure that IRUWASA not only complies with regulatory requirements but also sets the benchmark for sustainable utility operations nationwide.

30.0 MONITORING, EVALUATION, AND CONTINUOUS IMPROVEMENT

30.1 Monitoring and Evaluation Framework

A robust Monitoring and Evaluation (M&E) Framework is essential to track the effectiveness, efficiency, and impact of IRUWASA's Sustainability Framework implementation.

This framework establishes a structured approach for measuring progress, ensuring compliance with IFRS S1 and IFRS S2, and driving continuous improvement in Environmental, Social, and Governance (ESG) performance across all IRUWASA operations.

It also supports regulatory reporting to EWURA and the Ministry of Water, while promoting transparency and accountability to customers, staff, and the communities served.

i. Objectives of the M&E Framework

a. Track implementation of ESG activities and progress against the Sustainability Roadmap (2026–2031).
b. Evaluate performance against established Key Performance Indicators (KPIs) and targets.
b. Identify barriers, risks, and emerging gaps in sustainability implementation and reporting.
c. Inform management decisions, strategic planning, and resource allocation based on evidence.
d. Promote accountability, transparency, and integrity across IRUWASA Directorates /Units.
e. Ensure alignment with EWURA performance reporting requirements, IFRS S1/S2 standards, and national sustainability priorities under FYDP III and the National Water Sector Development Strategy.

ii. M&E Implementation Approach

The M&E framework will adopt a results-based management approach, linking inputs, activities, outputs, and outcomes. Key features include:

a. Quarterly Monitoring Reports compiled by the ESG Coordinator and submitted to the Managing Director.
b. Annual Sustainability Performance Review integrated into IRUWASA's Annual Performance Report to EWURA.
c. Mid-term (2028/29) and end-of-cycle (2030/31) evaluations to measure long-term ESG impact and institutional maturity.
d. Participatory data collection, involving departmental ESG Champions and the M&E Unit to ensure accuracy and ownership.

31.0 FEEDBACK MECHANISMS AND LEARNING LOOPS

To promote continuous learning, adaptive management, and inclusive stakeholder engagement, IRUWASA will establish structured feedback mechanisms and learning loops within its Sustainability Framework.

These mechanisms will ensure that lessons learned from implementation, data analysis, and stakeholder feedback are integrated into future planning and decision-making processes.

This approach helps IRUWASA remain responsive, innovative, and accountable in its pursuit of sustainable service delivery.

i. Purpose of Feedback Mechanisms and Learning Loops

a. Capture real-time insights and field-level lessons on ESG implementation challenges and innovations (e.g., community engagement, water efficiency, safety).
b. Facilitate two-way communication between IRUWASA management, staff, customers, and external stakeholders such as EWURA, LGAs, and community groups.
c. Enable data-driven refinement of sustainability policies, KPIs, and operational targets.
d. Reinforce a culture of transparency, collaboration, and institutional learning across all levels of IRUWASA.
b. Support ongoing compliance with IFRS S1/S2, EWURA sustainability requirements, and IRUWASA's internal Governance and Ethics Framework.

ii. Feedback and Learning Tools

Tool / Mechanism	Purpose	Frequency
Quarterly ESG Review Meetings	Discuss progress, challenges, and corrective actions among ESG Champions and department heads.	Quarterly
Stakeholder Feedback Forums	Engage customers, community representatives, and regulators in ESG performance review.	Bi-annually
Digital Feedback Platform	Collect anonymous feedback from employees and stakeholders to improve sustainability processes.	Continuous
Learning Workshops & Reflection Sessions	Share lessons learned and best practices internally.	Semi-annually
Annual ESG Learning Report	Document key lessons, innovations, and capacity-building achievements.	Annually
Tool / Mechanism	Purpose	Frequency

iii. Expected Outcomes

By embedding structured feedback and learning loops, IRUWASA will:-

a. Strengthen its evidence-based decision-making capacity.
b. Enhance stakeholder confidence and accountability.
c. Foster a dynamic, learning-oriented organizational culture, and
d. Ensure the Sustainability Framework remains relevant and adaptive to changing social, environmental, and governance conditions.

32.0 REVIEW AND UPDATE CYCLE

To ensure that IRUWASA's Sustainability Framework remains relevant, effective, and responsive to evolving national and international developments, a formal review and update cycle has been established.

This mechanism ensures continuous refinement of strategies, policies, indicators, and disclosures based on implementation experience, stakeholder feedback, regulatory changes, and updates to international standards—particularly IFRS S1 and IFRS S2.

It also aligns the framework with EWURA's performance reporting requirements, national sustainability priorities, and the National Water Sector Development Strategy (NWSDP 2025–2035).

i. Objectives of the Review and Update Cycle

a. Maintain alignment with updated sustainability reporting standards, EWURA guidelines, and national ESG regulations.
b. Integrate lessons learned from M&E, internal audit, and ESG assurance activities.
c. Respond proactively to emerging sustainability risks, innovations, and sectoral trends (e.g., climate adaptation technologies, circular economy practices).
d. Enhance the operational efficiency and governance effectiveness of ESG implementation across all water Authorities Directorates and Units.
e. Institutionalize a culture of continuous improvement, transparency, and adaptive management.

ii. Review Schedule

Review Type	Frequency	Responsible Unit
Internal Annual Review	Annually (Q1, 2026/27)	ESG Coordinator & Sustainability Steering Committee (SSC)
Mid-Term Framework Review	Mid-2028/29	Internal Audit & Managing Director
Final Impact Evaluation	End-2031	Independent Evaluator & SSC
Ad-Hoc Updates	As needed	Triggered by regulatory, strategic, or operational changes (e.g., EWURA directives, new IFRS updates)

iii. Scope of Review

Each review cycle will assess the following dimensions:-

a. Relevance of IRUWASA's sustainability priorities and their alignment with the Authority's Corporate Strategic Plan and national policy frameworks.
b. Effectiveness of governance, risk management, and policy mechanisms in supporting ESG objectives.
c. Quality, accuracy, and applicability of ESG metrics, baselines, and performance targets.
d. Adequacy of stakeholder engagement mechanisms and communication strategies with communities, regulators, and development partners.
e. Compliance with the latest IFRS S1 and IFRS S2 requirements and related ISSB guidance.
f. Integration with national development frameworks—including FYDP III, Vision 2050, National Climate Change Strategy, and Ministry of Water performance monitoring frameworks.

iv. Update Process

a. Initiation: Triggered by scheduled reviews or emerging strategic, operational, or regulatory needs;
b. Data Collection: Draws from M&E reports, ESG assurance findings, staff and stakeholder feedback, and international sustainability updates.
b. Review Meetings: Conducted by the SSC, supported by cross-functional ESG task teams (Technical, Finance, HR, ICT, and Operations).
c. Drafting Revisions: Preparation of proposed updates to sustainability policies, metrics, or disclosure templates.
d. Validation and Approval: Reviewed by Executive Management and approved by the IRUWASA Board of Directors.
e. Communication: Disseminated through internal circulars, staff sensitization sessions, community stakeholder forums, and updates on the IRUWASA website.

v. Version Control and Documentation

a. Each version of the IRUWASA Sustainability Framework will carry a unique revision number, date, and authorizing signature.
b. A version history log will be maintained in the annexes to track all substantive changes.
c. Archived versions will be retained for institutional memory, external audit, and compliance reference.
d. Changes affecting KPIs, policies, or templates will be cross-referenced with related sections of the Annual Sustainability Report for transparency.

33.0 IRUWASA MATERIALITY ASSESSMENT REPORT

i. Introduction

This Materiality Assessment Report provides a comprehensive summary of how the Iringa Urban Water Supply and Sanitation Authority (IRUWASA) identified, prioritized, and validated its key sustainability topics in line with its Sustainability Implementation Framework, EWURA Guidelines, and the IFRS S1 requirements.

The assessment ensures that IRUWASA's sustainability approach focuses on the most relevant environmental, social, and governance (ESG) issues that affect its service delivery, institutional performance, and stakeholder relationships.

ii. Objectives of the Materiality Assessment

a. Identify ESG issues that could reasonably influence stakeholder perceptions and IRUWASA's ability to deliver reliable, sustainable water and sanitation services.
b. Prioritize topics based on their impact on people, the environment, and institutional outcomes.
c. Inform the development of ESG strategy, disclosures, and risk management frameworks.
d. Support compliance with the materiality provisions of IFRS S1 and national water sector sustainability standards.

iii. Methodology

The assessment followed a structured four-step process:-

Step	Description
1. Issue Identification	Reviewed internal strategic plans, national water policies (e.g., NWSDP 2025–2035, Vision 2050), and global ESG frameworks to identify sustainability themes relevant to IRUWASA's mandate.
2. Stakeholder Engagement	Conducted workshops and surveys involving Board Members, management, staff, EWURA, Ministry of Water, community representatives, and development partners.
3. Prioritization Matrix	Scored each topic based on its impact on IRUWASA's operations and importance to stakeholders, producing a two-dimensional materiality grid.
4. Validation	The Sustainability Steering Committee (SSC) and Managing Director validated the final list of material topics for inclusion in the IRUWASA Sustainability Framework.

iv. Material Sustainability Topics Identified

Thematic Area	Material Topics
Environmental	Non-Revenue Water (NRW) reduction, water resource conservation, energy efficiency, climate resilience, and waste management.

Social	Employee well-being, gender equity and inclusion, occupational health and safety, community engagement, and customer satisfaction.
Governance	Transparency and accountability, regulatory compliance (EWURA and MoW), anti-corruption, stakeholder reporting, and ESG data integrity.

v. IRUWASA Materiality Matrix

High Impact & High Importance
• Non-Revenue Water (NRW) Reduction
• Energy and Resource Efficiency
• Climate Change Resilience and Adaptation
• Customer Service and Affordability
• Transparency, Ethics, and Anti-Corruption
• Wastewater and Sludge Management
Moderate Impact or Importance
• Occupational Health, Safety, and Gender Equality
• Community Education and Water Conservation Awareness
• Sustainable Procurement and Local Supplier Development
• Digitalization and Data Management

vi. Implications for IRUWASA Strategy and Reporting

a. ESG disclosures will focus primarily on high-impact, high-importance topics within the matrix.
b. Policies, KPIs, and annual budgets will be aligned to these material sustainability themes.
c. IRUWASA will review and update its material topics annually to reflect emerging issues, regulatory updates, and stakeholder priorities.

vii. Review and Update Plan

IRUWASA will update its Materiality Assessment every three years, or sooner if:-

a. There are significant shifts in stakeholder expectations, climate-related risks, or regulatory frameworks;
b. New technologies, risks, or opportunities emerge that alter IRUWASA's sustainability profile or operational impact.

By undertaking this structured assessment, IRUWASA ensures its sustainability journey is evidence-based, responsive, and impactful, directly supporting Tanzania's national water, climate, and development goals.

34.0 IRUWASA SUSTAINABILITY ASSESSMENT STATEMENT

i. Purpose of the Statement

This Sustainability Assessment Statement presents IRUWASA's current level of maturity, achievements, and improvement areas in integrating ESG principles into its governance, operations, and community engagement.

It serves as a self-assessment and accountability tool to measure IRUWASA's alignment with IFRS S1 and S2 requirements, EWURA's sustainability reporting expectations, and IRUWASA Sustainability Framework.

ii. Assessment Methodology

IRUWASA conducted a structured Sustainability Self-Assessment using a five-pillar diagnostic tool, assessing both capacity and performance.

Pillar	Description
Leadership and Governance	Evaluates Board oversight, ethics, and integration of sustainability into strategic decision-making.
Environmental Management	Measures efficiency in water resource use, energy conservation, and environmental compliance.
Social Responsibility and Inclusion	Assesses gender equality, staff welfare, community engagement, and customer relations.
Sustainability Reporting and Assurance	Reviews reporting quality, data accuracy, and readiness for internal/external ESG assurance.
Stakeholder Engagement and Advocacy	Evaluates stakeholder participation, feedback mechanisms, and partnership effectiveness.

Each pillar is rated on a maturity scale from 1 (Emerging) to 5 (Leading Practice) using:

a. Documentary and policy evidence.
b. Interviews with management and ESG Champions.
c. Operational performance data.
d. Benchmarking with other utilities and regional peers.

35.0 IRUWASA SUSTAINABILITY POSITIONING STATEMENT

i. Introduction

The Iringa Urban Water Supply and Sanitation Authority (IRUWASA) position itself as a national leader in sustainable utility management and a regional reference point for climate-resilient water governance.

This Sustainability Positioning Statement articulates IRUWASA's value proposition, benchmarked progress, and alignment with IFRS S1/S2, IRUWASA's sustainability guidelines, and Tanzania's Vision 2050.

ii. IRUWASA's Sustainability Vision and Value Proposition

IRUWASA envisions a resilient, inclusive, and resource-efficient water utility that delivers equitable services while safeguarding environmental and social well-being.

Its sustainability value proposition rests on four pillars:

a. Service Leadership: Delivering reliable, affordable, and climate-resilient water and sanitation services in line with SDG 6 and national targets.
b. Capacity Builder: Developing ESG competencies among staff and partners through continuous training, mentoring, and institutional learning.
c. Institutional Model: Embedding ESG principles in internal governance, risk management, procurement, and reporting systems.
d. Policy Contributor: Supporting national sustainability dialogue by sharing practical insights and sectoral experiences with MoW, EWURA, and other utilities.

iii. Strategic Partnerships and International Collaboration

IRUWASA actively collaborates with: -

a. EWURA, OTR and the Ministry of Water – for regulatory compliance, policy alignment, and performance monitoring;
b. Other water Authorities/ Government Institutions including CAG – for ESG reporting and assurance capacity building.
c. Development Partners (AfDB, World Bank, GIZ, UNICEF, USAID) – for technical and financial support.
d. Regional Water Utilities and Research Institutions – for shared learning and innovation on sustainability practices.

iv. Opportunities for Strengthening Position

Opportunity Area	Action
Water Stewardship and Climate Resilience	Develop a IRUWASA Climate Resilience and Green Infrastructure Plan.
Digital ESG Reporting	Implement an integrated ESG dashboard for real-time sustainability performance monitoring.
Regional Leadership	Host an annual Tanzania Water Sustainability Forum to share sectoral innovations.
Research and Innovation	Establish a Water and Sustainability Knowledge Hub for ESG research, training, and data sharing.

v. Conclusion

Through its sustained commitment to ESG integration, transparency, and innovation, IRUWASA is positioning itself as a model public utility in Tanzania.

By aligning with IFRS S1 and S2, complying with EWURA standards, and investing in capacity, governance, and partnerships, IRUWASA demonstrates that sustainability and service excellence are mutually reinforcing.

This positioning ensures that IRUWASA not only delivers clean and safe water but also contributes meaningfully to national development, climate resilience, and the global sustainability agenda.

36.0 GLOSSARY OF KEY TERMS

Term	Definition
Assurance	An independent verification process that provides confidence in the accuracy, completeness, and reliability of IRUWASA's sustainability and ESG information, such as data on Non-Revenue Water (NRW), energy consumption, and emissions.
Climate-related Risk	Risks posed by climate change that affect IRUWASA's ability to deliver services—such as physical risks (e.g. droughts, floods damaging infrastructure) and transition risks (e.g. policy shifts, technology changes, or tariffs linked to carbon reduction).
Double Materiality	The principle that IRUWASA should report sustainability issues based on their impact on IRUWASA's enterprise value (e.g. operational costs, revenue) and their wider impact on society and the environment, such as water scarcity or pollution.
Enterprise Value	The total value of IRUWASA, considering both its financial position and its ability to generate long-term service delivery capacity while managing sustainability-related risks and opportunities.
Environmental, Social, and Governance (ESG)	The three central dimensions used to measure IRUWASA's overall sustainability performance—environmental protection (e.g., resource use, emissions), social responsibility (e.g. staff welfare, community engagement), and governance integrity (e.g. compliance, transparency).
GHG Emissions (Scope 1, 2, 3)	Greenhouse gas emissions categorized as: Scope 1 – direct emissions from IRUWASA -owned assets (e.g. generators, vehicles); Scope 2 – indirect emissions from purchased electricity; Scope 3 – all other indirect emissions, such as supplier-related or customer-use emissions.
IFRS S1	The International Financial Reporting Standard issued by the ISSB setting general requirements for sustainability-related disclosures. It ensures IRUWASA provides transparent information on its sustainability-related risks and opportunities.
IFRS S2	The ISSB's standard on Climate-related Disclosures, requiring IRUWASA to report on its climate governance, strategy, risk management, metrics, and targets, consistent with the TCFD framework.
Impact Materiality	Sustainability topics that have significant effects on people, the environment, or the economy, such as water access, waste disposal, and health outcomes in IRUWASA's service areas.
Integrated Thinking	The process of considering how IRUWASA's financial, operational, and sustainability factors are interrelated—linking water resource management, staff performance, and governance to long-term value creation.
Key Performance Indicators (KPIs)	Quantitative or qualitative measures used by IRUWASA to track sustainability performance, such as NRW percentage, energy use per cubic meter, customer satisfaction index, or gender balance in the workforce.
Materiality Assessment	A systematic process used by IRUWASA to determine the most relevant sustainability topics that reflect significant operational impacts or influence stakeholder decision-making (e.g., water efficiency, service affordability).
Stakeholder Engagement	The process through which IRUWASA involves employees, customers, regulators (EWURA, MoW), development partners, and communities in shaping its sustainability priorities and reporting practices.
Physical Risks	Climate-related risks affecting infrastructure and operations—such as extreme rainfall, droughts, or rising temperatures that disrupt supply, damage pipelines, or affect water quality.
Stakeholders	Individuals or groups affected by or influencing IRUWASA's operations, including customers, employees, suppliers, local authorities, EWURA, the Ministry of Water, and communities.

Term	Definition
Sustainability	The balanced pursuit of environmental, social, and economic goals to ensure IRUWASA meets present water and sanitation needs without compromising future generations' access to these essential services.
Sustainability Framework	IRUWASA's structured document that outlines how sustainability is embedded across governance, strategy, operations, risk management, performance measurement, and reporting.
Sustainability Governance	The structures, roles, and processes that define how IRUWASA's Board, management, and ESG Coordinator oversee sustainability performance and accountability.
Sustainability-related Financial Information	Information that helps users of IRUWASA's reports understand how sustainability risks and opportunities (e.g. water scarcity, energy costs) affect IRUWASA's financial and service delivery outlook.
Sustainable Development Goals (SDGs)	The 17 global goals adopted by the UN, especially SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 13 (Climate Action), and SDG 5 (Gender Equality)—all directly relevant to IRUWASA's mission.
TCFD (Task Force on Climate-related Financial Disclosures)	A global framework that guides IRUWASA in disclosing how climate-related risks and opportunities affect its operations, strategy, and governance.
Transition Risks	Risks arising from the shift to a low-carbon economy, such as changes in environmental regulations, renewable energy adoption, or evolving water pricing and carbon policies.