B Lab Statement on Danone Waters China's B Corp Certification
B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for bottled water companies:

"Bottled water companies are eligible for B Corp Certification with additional review by the Standards Advisory Council and, at minimum, incremental disclosure on their public B Corp profile regarding material sensitive issues in the industry."

Danone Waters China (DWC) is required to disclose a summary of its practices in the areas of Sustainable Usage, Water Access, and Waste as a part of its B Corp Certification. For more information on the review process, please refer to B Lab's statement on the bottled water industry and B Corp Certification here.

Summary of Company
Danone Waters China (DWC) is a subsidiary of Group Danone, a multinational company with the mission of bringing health through food to as many people as possible.

DWC is headquartered in Guangzhou, Guangdong, China and its mission is to bring sustainable healthy hydration to Chinese consumers. It only runs a beverage business (i.e. vitamin infused water) and its major beverage brand is Mizone.

DWC employs around 5000 people and operates 8 factories (6 self-owned factories: Zhongshan, Chongqing, Qionglai, Wuhan, Xi'an, Fengrun and 2 contracted factories: Nanjing and Shanghai)

As a subsidiary of Danone, DWC embraces the One Planet. One Health vision that is based on the belief that the health of the people and the health of the planet are interconnected and therefore seeks to protect and nourish both. It is a call to action for all consumers and everyone who has a stake in food to join the food revolution: a movement aimed at nurturing the adoption of healthier, more sustainable eating and drinking habits.

DWC's Industry Practices
Water Access

All of DWC's products are manufactured utilising water from the state owned municipal supply and they pay a volume based fee for the same. This volume based fee varies by the municipality for DWC's units.

While in some of the manufacturing units DWC has agreements or contracts with the local municipal water supply state-own companies, in others such agreements are not requested by local authorities and DWC just needs to pay for the water as per their usage.

All DWC plants are located in industrial parks with other industrial sites and no residences are allowed. There have been no stakeholder concerns related to DWC's usage of the municipal water. If there were to be a shortage of water supply, the government would ensure priority water supply for residences and limit the water supply for industrial usage.

Sustainable Usage

As DWC uses municipal water, there are no limits as such on the water they can use and are billed for the same by the government.

The company has implemented numerous water efficiency measures that have resulted in a reduction of water intensity by 64% in 2020 compared to a 2004 baseline by improving the efficiency of the filtration system, bottling system and cleaning system. In DWC's Wuhan and Xi'an plants, the company has achieved complete reusage of the wastewater by utilising the wastewater for landscaping and cooling towers in the factory and to support the local municipality for watering plants and road cleaning.

Waste Management

In China, there are regulatory constraints on the utilisation of rPET for food-contact packing owing to safety concerns. While the regulations are evolving and rPET suppliers can be approved on a case to case basis by the government to supply rPET for food-contact packaging for the local market, at present no such rPET supplier is approved by the government. Consequently, DWC's bottles use 100% virgin PET.

In the absence of regulations for rPET for food-contact packaging, DWC is focusing their efforts on advocacy & education, research & innovation and investment in suppliers and recycling infrastructure, to enhance the uptake of rPET for food-contact packaging and to explore other sources of PET. The company has so far spent approximately 40 million RMB on initiatives aimed at reducing the impacts of waste from plastic bottles. Some of these efforts are detailed below:

Advocacy

DWC has a dedicated team to follow and monitor any changes in the legislation around plastic. This team also advocates for and has the mission to support the development of a regulation allowing the use of rPET for food grade packaging, while engaging with its local stakeholders.

- DWC is a key member of SFCM (Joint Working Force of Sustainable Food Contact Material) whose aim is to promote the study of using recycled material as FCM. It is joined by research institutes, academia, other consumer goods companies and the recycling industry including rPET manufacturers. Within the SFCM, DWC is the team leader of the rPET working team and a member of the public engagement working team. As part of the SFCM, DWC is actively working with other brands, experts and rPET manufactures to accelerate the rPET case by case approval process
- Being a committee member of CBIA (China Beverage Industrial Association), DWC has been advocating for rPET including Food Grade rPET since early 2019.
- Through participation in associations, DWC gathers data and information on collection and recycling infrastructure and operations, in order to improve waste sorting.
- DWC is working with potential suppliers of rPET in order to improve rPET quality to meet food grade material standards, for which they have invested 300K RMB on quality test for rPET from 3 different suppliers

Recyclability of Bottles and Bottle Recycling Infrastructure

DWC is conducting R&D on innovative packaging materials from a sustainability standpoint.

- DWC has invested efforts and funds in managing post-consumer waste. DWC started to change Mizone bottle labels from PVC to PET in 2020, so that the entire bottle is recyclable now in 2021.
- In 2020, DWC partnered with S-bags, a company focused on municipal environment protection recognized by the local authority, to distribute 800 bags that were 100% made from recycled PET Mizone bottles to facilitate recyclable waste collection at home. S-bags is responsible for collecting the recyclable waste and distributing them to recycling facilities, while the bags can be redistributed to households.
- Additionally, in 2021 DWC and S-bags set up 15 plastic bottle collection machines in Shanghai to promote on-the-go empty PET bottles collection and circularity in the city.

Research & Innovation

- Since March 2021, DWC has launched a low-carbon packaging technology camp with Impact Hub Shanghai to attract and enable start- ups in this field.

Awareness & Education

- DWC hosted an external awareness-raising One Planet.One Health event in November 2020 in Shanghai. In this event, DWC announced Mizone's 2025 One Planet

Commitment that includes targets pertaining to achievement of TUV Zero Waste to Landfill Management System Certification for their size self-owned factories, carbon neutrality of a factory by 2022 and carbon reduction of the full product cycle.

- Following this OPOH event in November 2020, DWC announced its support to college students on green lifestyle on the Earth Day of 2021. From June to August 2021, 15 student teams from 15 universities including Tsinghua University, Fudan University, Tongji University, Wuhan University and Chongqing University carried out 39 Green activities, including plogging, riding activities related to waste collection, flea markets, old clothes and second-hand books recycling, electronic goods recycling, sewage water treatment plant visit, etc. with wide themes and diverse forms.