



## **B Lab Statement on Sanpellegrino S.p.A.'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."*

Sanpellegrino S.p.A. 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 the Company**

Sanpellegrino S.p.A is an Italian company that works in the bottled water and non-alcoholic beverages industry. The company is based on three principles: the promotion of correct hydration for people's health, the development of the communities in which it operates, and the sustainability of our planet.

The company is responsible for water extraction, bottling, distribution, and sale. In the last fiscal year, 72% of its annual revenue was derived from the sale of bottled water.

Sanpellegrino has the following mineral water brands:

- Sanpellegrino mineral water
- Acqua Panna mineral water
- Levissima mineral water

### **Sanpellegrino S.p.A.'s Industry Practices**

#### Water Access

The company does not own the water sources as, according to Italian legislation, companies are only allowed to acquire the mining license for the extraction. In some cases, Sanpellegrino S.p.A owns the land where the sources are located.

The company extracts water in Lombardy, Tuscany, and Veneto regions:

- The S.Pellegrino mineral water sources are located in San Pellegrino Terme, at the foothills of the Alps in the Brembana Valley.
- The source of Acqua Panna is located in Scarperia and San Piero in the Mugello reserve,



- Levissima water is sourced from the water basin close to the alpine group of the Dosdè-Piazzì at the edge of the Stelvio National Park in Valtellina.

The company uses two extraction methods in all plants: wells and springs.

For each one of these areas, Sanpellegrino has the rights and authorizations to extract mineral water and also use water for industrial purposes. The concessions are for the company's exclusive use. However, by law, in case of need, Sanpellegrino S.p.A is required to make its mineral water available to the local community.

Sanpellegrino S.p.A has reported they are not engaged in any lobbying or policy advocacy for cheaper water prices nor easier water access. As a subsidiary of Nestlé, the company follows [Nestlé's global approach to advocacy](#), in which the main purpose is "to find common ground and act collaboratively with stakeholders." Additionally, the company has reported there are no stakeholder concerns regarding its water access that remain unresolved.

### Sustainable Usage

Sanpellegrino S.p.A follows all local and national legislation and regulations related to groundwater extraction in the country. All the company's mining concession and exploration licenses are subjected to an Environmental Impact Assessment submitted to public authorities.

In order to ensure the company's water extraction rates will not significantly affect the water table or water access for others, Sanpellegrino S.p.A extracts water within the limit established by the local authorities. The company also continuously monitors its extraction operations through data analysis, based on the ongoing hydrogeological and hydrological studies conducted in the regions.

The company obtained the Alliance for Water Stewardship (AWS) certification for S.Pellegrino Terme and Scaperia plants. [AWS standards](#) consider five outcomes: good water governance; sustainable water balance; good water quality status; important water-related areas; and safe water, sanitation, and hygiene for all (wash).

### Waste

In terms of product packaging, Sanpellegrino S.p.A uses different types of input material: aluminum, glass, plastic (PET), recycled plastic (rPET), cardboard and other plastic (PE, RPE, etc.). The company has a packaging strategy based on input materials reduction and, therefore, intends to implement a circular economy model. As of 2022, the company had a weighted average of 26,79% of recycled input across all of its portfolio.



Regarding its plastic bottles, the company has an overall average of 15% rPET. In 2021, Sanpellegrino S.p.A. was the first company to launch a 100% R-PET bottle in Italy via its brand Levissima.

For 2025, the Group's goal for the use of rPET is to achieve at least 50% of rPET in each of its plastic bottles composition. On this same year, Sanpellegrino S.p.A. is committed to making all its packaging recyclable or reusable. The company believes that achieving this circularity objective is a collective effort between the company and suppliers, recyclers, institutions, and consumers in order to actively contribute to the development of a recycling chain capable of feeding an actual recycled PET market. The company is a founding member of Coripet, a consortium set up by recyclers and the main mineral water bottling companies to fulfill their responsibility to manage the end-of-life of their packaging. This consortium also promotes the bottle to bottle recycling method.

From the production and bottling side, the processes of all the group's plants aim for the reduction of their environmental impacts, pursuing efficiency in every phase of the process. This is aligned with NEMS - Nestlé Environmental Management System, which complies with international standards ISO 14001.

#### Company management comments:

All brands within Sanpellegrino S.p.A are aligned with [Nestlé's global commitments](#) related to helping to protect water resources, which include improving water efficiency in operations, advocating for effective water policies and stewardship, and engaging with stakeholder and suppliers.

In addition to protecting water resources, as a Group we have a Water Regeneration commitment. We have started collaborations with the realities of the territories where our production sites are present to carry out projects that contribute in a concrete way to regenerating the hydrological cycles of these areas. The goal is to bring a positive impact by making available additional quantities of water in the communities through interventions that increase its quantity, quality, or accessibility, to meet the needs of the territory. The quantities of water that the Group is committed to regenerating each year are equivalent to those we use in our bottling processes. The goal is to achieve this commitment by 2025.

Moreover, the Group has always developed close relationships with the communities in which it operates: in addition to creating value through business activities, it often supports projects that have positive social and environmental impacts. For this reason, Sanpellegrino periodically carries out external questionnaires as part of the Community Relation Process (a tool for engaging internal stakeholders and the community, to identify expectations, opportunities and projects for the area) and the results are analyzed have always been very positive. The effectiveness of the relationship with the community is assessed through the Local Acceptability Index (LAI), an index



that indicates the opinion expressed by the local community on Sanpellegrino considering three areas: water management, impact on the environment and socio-economic development.

Lastly, Sanpellegrino Group is aimed to promoting a circular economy and correct recycling because we believe that a new resource can be born from waste and that more plastic (and in general materials) we recycle, less we should produce. In fact, the Group has an ambition to promote the circularity of bottles by achieving a minimum collection rate of 90% of what is released for consumption (by 2030).