



## **Summary of Company**

Aguas Danone España (ADE) is a subsidiary of Danone S.A., a multinational company with the mission of bringing health through food to as many people as possible.

In addition to marketing bottled water products from the Danone Waters global portfolio, ADE operates three bottling plants in Spain: Sant Hilari Sacalm in Girona, Sigüenza in Guadalajara and Lanjarón in Granada.

ADE sells several brands of bottled water products:

- Font Vella®
- Lanjarón®
- Fonter®
- Imperial®
- Lanjarón Gas®
- Font Vella Levité®, Font Vella Té®, Font Vella Sensación®

## **Aguas Danone Practices**

### Water Access

ADE obtains its natural mineral water from multiple groundwater catchments. The majority of lands containing the water sources belong to the company, and in some cases there are catchments where the land belongs to private parties. Where the land is owned by other parties, ADE has been granted water rights through private agreements. For the properties that belong directly to ADE, the company has held these legacy resources for up to 65 years ago when the company's journey first began. For all water resources it utilizes, ADE has the responsibility for sustainable management and reports to the relevant water/mineral authorities.

The rates paid by the company to access and utilize water is dependent on the source. Where private agreements are in place, the terms of the agreement involve both fixed costs as well as variable costs associated with the volume of water extracted. For all water sources, ADE is also subjected to a government-assessed tax relating to the volume of water that undergoes commercial water quality treatment for the marketplace. Because of different water user types, and difference in how rates are calculated, it's difficult to draw a meaningful comparison of water rates across different user groups.

### Sustainable Usage



Through its internal management practices and the regulatory structure in place in Spain, ADE is able to demonstrate that the company's extraction of water does not impair the sustainability of the water resource over time. In order to ensure the company's water extraction rates are environmentally sustainable, the company commissions hydrogeological studies, which are used to inform the regulatory body which sets the permitted extraction rates and amounts. These findings also inform the company's water resource management practices internally. For example, the company measures and monitors several data points to measure the health of its water resources including actual extraction volumes, allowable extraction volumes (according to regulatory permit), and the natural aquifer recharge rates to avoid extracting volumes of water that may threaten the long term sustainability of the water resource.

Like other Danone Waters business units, ADE utilizes Danone's proprietary SPRING (Sustainable Protection and Resource ManagING) tool, which is designed to optimally manage the water resource. On their most recent rankings, ADE's three facilities are classified as "Excellent" which is the highest level of performance.

### Waste Management

Across its brands, ADE uses a combination of virgin plastic and recycled plastic (rPET) across the various bottle formats. Currently, the average amount of recycled input material across ADE's brand portfolio is 37% rPET. The company's Lanjarón brand portfolio has been converted to 100% rPET in 2022.

ADE is committed to continually improving the sustainability performance of its packaging. This can be demonstrated by steps taken over the past few years to increase the company's use of recycled input materials to current levels, with goals to continuously increase the minimum amount of recycled content across the product portfolio. Through the company's environmental management system, ADE has set targets to continue increasing the amount of recycled plastic in its products, while it also continues investing in other bio-based packaging technology through Danone Waters globally. By the end of 2026, the company aims to have 100% rPET across more than 90% of their product line and brands.

### Other Management Comments

In Spain around 80,7%\* litter is recycled, mostly thanks to home waste sorting systems. Yet there are no formal sorting systems in private places like hotels, companies, schools, shopping centers and transportation hubs. With the support of the Danone Ecosystem Fund, Aguas Danone and its local partners, Ecoembes and Fundació Trijinove, Renuева have created a waste collection system and sorting plant, coupled with a Circular Economy Recycling School



offering training in waste management with an emphasis on those who have disabilities or are socially excluded. In addition to boosting recycling rates of packages in away-from-home channels, Renueva creates jobs and opportunities, increases the amount of recycled plastic (rPET) in ADE's product packaging and helps the company to build a trustful relationship with its customers.