



B Lab Statement on Sirmagrup İçecek San. ve Tic. A.Ş.'s ("Danone Waters Türkiye") 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."

Sirmagrup İçecek San. ve Tic. A.Ş. ("Danone Waters Türkiye") is required to disclose a summary of its practices in the areas of Water Access, Sustainable Usage, and Waste Management 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

Sirmagrup İçecek San. ve Tic. A.Ş. ("Danone Waters Türkiye") is a subsidiary of Danone SA, a company with the mission of bringing health through food to as many people as possible.

Danone Waters Türkiye is headquartered in Istanbul, Türkiye and is responsible for the processing, bottling, distribution, and sale of Sırma, Hayat, Akmina brands - natural mineral water, natural spring water, flavored beverage and juice containing beverage categories.

Danone Waters Türkiye operates five bottling plants in various regions of Türkiye:

- Aydın bottling plant, Aegean region
- Bursa bottling plant, Marmara region
- Hendek bottling plant, Marmara region
- Pozantı bottling plant, Mediterranean region
- Sapanca bottling plant, Marmara region

As a subsidiary of Danone SA, Sirmagrup İçecek San. ve Tic. A.Ş. ("Danone Waters Türkiye") embraces the One Planet One Health vision that is based on the belief that the health of people and 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.



Danone Waters Türkiye's Industry Practices

Water Access

Danone Waters Türkiye does not own the natural springs nor the boreholes from which it sources water; these sources are under the ownership of local governments. In total, the company has 77 different water discharge points, in which 75 are springs and 2 are borehole type. As per the legal regulations, the pricing of natural spring water is set by the local authorities. Consequently, each municipality defines the base price for natural spring waters in its area and presents them through an open bidding process. The closing price is reflected in the contract. On average, such contracts shall be renewed every 3-5 to 10 years. The municipality transfers a portion of the rent fee to the area where the sources are.

For natural mineral water, a long-term business license is obtained, valid for 10 to 30 years. Prices imposed by the governor in reference to the national regulations. Annual fee is paid according to Ton-price times amount of water usage in a year. Prices can be revised as per the governor's discretion. Since the decree issued by the Ministry of Energy in 2021, flow meters were installed at the front of the tanks where water from sources is stored at the bottling sites. The figures on these meters are recorded by the authorities at the beginning and end of each year. Subsequently, the amount to be paid is declared.

Danone Waters Türkiye has identified its key stakeholders and their water-related challenges. These stakeholders include local and national authorities, NGOs, villagers, and farmers sharing the same watersheds with the company. Danone Waters Türkiye maintains close oversight of these stakeholders and strives to foster open dialogue to comprehend their needs and effectively address them.

Danone Waters Türkiye partners with the agrotech company Doktor on a three-year program to reduce freshwater consumption annually by 156,000 Tons liters in agriculture across their watersheds. This initiative aims to train farmers and integrate advanced sensors for optimized irrigation, promoting sustainable agriculture, conserving biodiversity, boosting yields, and preserving freshwater resources. Ultimately, this effort benefits the communities by supporting water access. Crops such as apricot and peach in scope, used in company's beverages and dairy formulations, also contribute to reducing the company's overall water footprint across the entire value chain.



As a member of SUDER, the Bottled Water Association of Türkiye, Sırmagrup İçecek San. ve Tic. A.Ş. actively supports the industry's mission to provide high-quality water accessible to all in Türkiye.

Sırmagrup İçecek San. ve Tic. A.Ş. has reported they are not engaged in any lobbying or policy advocacy for cheaper water prices nor easier water access. The company also reported there are no stakeholder concerns regarding its water access that remain unresolved or unaddressed.

Sustainable Usage

Danone Waters Türkiye operates in compliance with the regulations, uses internal water resource management tools and evidence by hydrogeological studies conducted in collaboration with academic experts from two prestigious universities in Türkiye (Boğaziçi University and Istanbul Technical University). Completed in June 2024, those recent studies demonstrate that the company's water usage across its 75 springs is sustainable over time. They also confirm that Danone Waters Türkiye's water consumption is minimal in comparison to the natural recharge rate of the springs, thereby ensuring the long-term sustainability of water balance.

In Türkiye, the process for obtaining water resource licenses is highly rigorous and involves multiple authorities. The water resource usage license is issued by the governorship, while the plant production license is granted by the Ministry of Health. These licenses set a usage limit expressed in liters per second, determined by a monitoring program that aims to restrict the exploitation of the spring to 70% of its full potential, ensuring that at least 30% of the water is returned to the natural environment. Local authorities are responsible for enforcing the limitations set by the Ministry of Health through the water contract.

95 % of the company's springs are self-flowing, meaning they do not require pumping. Water flows naturally from deep underground or from a confined aquifer, reaching the ground level and flowing directly from the source to the factory inlet.

In 2024, Danone published an [updated water policy document](#), focusing on preserving and restoring water resources for current and future generations. This policy is built on three pillars: preserving water resources and the natural environment, driving water circularity in and around production sites, and providing safe drinking water to vulnerable people and communities. Sırmagrup İçecek San. ve Tic. A.Ş. has committed to implementing this water policy in Türkiye.

The factories also use Danone's internal SPRING assessment tool to manage the resources. The Sustainable Protection and Resource Managing (SPRING) tool was developed in 2013 in collaboration with RAMSAR and IUCN. It guides and assesses performance and progress on global water management for production sites of Danone. It covers site elements such as boreholes, factories, plant staff, and its surrounding ecosystems like groundwater systems, natural



areas, communities, and stakeholders. For each question, there is an objective evaluated against a measurable indicator. This answer gives the number of points adjusted by a weighting system. According to the scoring, sites are classified into three levels: basic, standard, or excellence. The assessment covers 6 areas (54 criteria): knowing the local ecosystem and stakeholders, managing compliance with regulations and monitoring, protecting the watershed, empowering people, engaging local stakeholders, and sharing knowledge and research. In 2022, two facilities (Pozantı, Hendek) of Danone Waters Türkiye. were ranked as standard and three (Aydın, Bursa, Sapanca) as basic.

In 2023, Danone worked on an augmented version of the program – Spring 2030 – which includes a more holistic approach to water (from watersheds to wastewater) and its impacts on all stakeholders. This new version of the program is currently being rolled out across all of Danone’s manufacturing sites. The company’s goal is to reach at least basic status for all sites in Türkiye by 2025.

Due to the high number of springs to manage, flow controls are conducted at the factories’ entrances. For boreholes, measurements are performed in-situ via sensors: flowmeter and water level. Additionally, the two boreholes communicate with the water tanks located at the factories, ensuring that only the necessary amount of water is extracted.

According to this direction, our water usage reduction strategy follows the 4 R principles- reduce, reuse, recycle, and reclaim, emphasizing that each step must be implemented before moving to the next to ensure efficiency and manage complexity and costs. The company has achieved a 20% reduction in water consumption (in liters) between 2015 and 2024 YTD (October 2024).”

	Waters
2015	0.528
Today	0.423
Achievement %	-20%

Waste Management

More than half of the packaging volume for Danone Waters Türkiyecommes from reusable jugs, also known as Home and Office Delivery (HOD) business. This service provides high-quality water at affordable prices, with jugs reused an average of 40 times before being recycled at the end of their lifecycle. Approximately one-third of the company's volume comes from PET bottles,



while the rest comes from the glass portfolio. Danone Waters Türkiye offers a range of solutions, promoting the use of circular alternatives whenever possible.

Plastic Pollution Prevention Initiative (İPG) was established in November 2019 by Global Compact Türkiye, TÜSİAD, and SKD Türkiye to tackle plastic pollution in Türkiye. Danone Waters Türkiye is a signatory alongside 34 other companies from various sectors, committed to reducing plastic usage in its portfolio. Through initiatives like weight reduction, material elimination and replacement, Danone Waters Türkiye successfully reduced 2045 tons of plastic between 2021 and 2023.

Danone Waters Türkiye has been a strong advocate for the approval of mechanical PET recycling in Türkiye. Currently, the mechanical recycling method, which is more cost and energy-efficient compared to chemical recycling, is not permitted for food contact applications in Türkiye mainly due to the country's inadequate waste management infrastructure. There are only a few local suppliers capable of providing rPET produced by the approved chemical depolymerization method. In 2020, Sirmagrup İçecek San. ve Tic. A.Ş. launched Türkiye's first recycled PET containing water bottle, made with 50% recycled material produced through chemical depolymerization, for one SKU. Due to the country's economic turmoil, this practice could not be expanded to the entire portfolio.

At the national level, the company has put significant efforts to address plastic waste and promote circularity. Since 2019, Danone Waters Türkiye has been a pivotal partner in advancing Türkiye's Deposit Refund System (DRS) initiative. As a founding member of both an industry alliance and sector working group, Danone Waters Türkiye has significantly contributed to this effort by dedicating staff time and expertise to developing standards and providing funding for global consultancy to implement the most efficient DRS model in the country. The company's experts have actively participated in numerous meetings and workshops organized by the Turkish Environmental Agency (TÜÇA), the body responsible for DRS implementation in Türkiye. They have shared best practices from other Danone markets and advocated for the adoption of an effective DRS model. These collaborative efforts have resulted in the government's recent announcement to implement a DRS model pilot starting as of January 1, 2025.

Danone Waters Türkiye also shares an ambition to reduce 30% of virgin fossil based packaging by 2030 in Türkiye, accelerating reuse and recycled materials in line with the global [Danone Impact Journey](#) targets. Danone Waters Türkiye views the DRS as a strategic enabler of mechanical recycling, as it will make clean, cost-effective recycled PET accessible, supporting the principles of the Circular Economy, facilitating bottle-to-bottle recycling and leveraging the pilot results to support upcoming legislation on food grade r-pet derived from mechanical recycling. Therefore, the company has strategically redirected its efforts to find a sustainable solution to address plastic waste through DRS implementation and mechanical recycling approval in the country. Following



the expected approval legislation, Danone Waters Türkiye targets to achieve 20% rPET content across its portfolio by 2026, a significant milestone with fast-paced adoption, given the rPET context in Türkiye.

Through its dedicated efforts, Danone Waters Türkiye has played a crucial role in promoting sustainable practices and advancing recycling initiatives in Türkiye.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the [certification process](#), or
2. Breach of the core values articulated in our [Declaration of Interdependence](#) within the B Corp Community.