

B Lab Statement on Aqua d'Or Mineral Water 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."

Aqua d'Or Mineral Water A/S 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

Aqua d'Or Mineral Water A/S located in Denmark is a subsidiary of Danone Group, a multinational company with the mission of bringing health through food to as many people as possible. Aqua d'Or is the largest Natural Mineral Water company in Denmark and its headquarters are based in Brande, Denmark. Their mission is to provide healthier hydration habits through water-based proposals innovatively and sustainably.

The company is responsible for the extraction, bottling, distribution, and sale of water-related products. In its last fiscal year 2023, the company earned 100% of its annual revenue from the sale of plain still water, sparkling water, vitamin water, and flavored waters.

Aqua d'Or Mineral Water A/S has the following brands of plain still water, sparkling water, vitamin water, and flavored waters:

- Aqua d'Or
- Denice

Aqua d'Or Mineral Water's Industry Practices

Water Access

The water withdrawn comes from two boreholes located next to a region called <u>Harrild Natur Område</u>, an area protected by the European Union's Nature Directives and Natura 2000 and <a href="bytem="by



volume and nominal flow rate permitted through the water license submission process. The last hydrogeological study was conducted in 2007 when Aqua d'Or's license was initially approved. Water licenses in Denmark are typically granted for 15 years. In 2022, Aqua d'Or's license was renewed.

The company has owned the land where their water sources are located since around 2005 and while there are taxes for land ownership (based on the use of the land), there are no direct taxes on water extraction. Aqua d'Or Mineral Water A/S shared that in Denmark there is common access to water for all required by law and administrated by local authorities. The company pays a fee for wastewater treatment (per m3). The quantity of wastewater is a % of water extracted. The following agencies play a role in regulating access to water and the company's water extraction practices:

- The Danish Ministry of Environment,
- Danish Environmental Protection Agency,
- Ikast-Brande Municipality,
- The Danish Veterinary and Food Administration.

Denmark is a low-risk country for <u>water scarcity</u>. Communities do not face issues accessing clean drinking water as it is provided throughout the country by the government. Nevertheless, Aqua d'Or company supports various municipalities regarding the supply of drinking water in emergencies, such as contamination cases. In such cases, the company has provided drinking water to local residents free of charge.

In terms of improving water quality, the company conducts water quality analyses that are above and beyond what is required by the Danish Executive Order on Natural Mineral Water, Spring Water and Packaged Drinking Water. Some examples of that are the fact that the company screens for 600 pesticides every year (the law requires 50 pesticides to be conducted once every 3 years) and screens for microbiology four times a year (the law requires only once a year). The company shares all the required analyses with the local government, the food authority, and the water source monitoring agency.

Aqua d'Or Mineral Water A/S 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.

The company shared that they are a member of <u>the Danish Brewers' Association</u> which gathers the majority of brewery and beverage companies in Denmark. This industry union advocates for water licenses, food safety, and waste management topics.



Sustainable Usage

Aqua d'Or Mineral Water A/S is committed to respecting the limit of water extraction established on its water license. Both of its boreholes (Aqua d'Or and Denice) are equipped with a water level sensor which measures the level on a 15-minute basis. The company shared that long-term monitoring of the water resources shows good stability of the water level in the aquifer over the years which is a good indicator that the water extracted is in line with the water recharge. The company is obligated to report its yearly water usage to local authorities.

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 2009 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 that can be considered: not compliant, partially, or fully answered. This answer gives the number of points adjusted by a weighting system. According to the scoring, sites are classed 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. The current level for Aqua d'Or is Standard level, according to an assessment conducted in 2021.

Waste Management

Among the company's product portfolio, on average, there is at least 70% recycled PET (rPET) in their packaging. The bottles are designed for circularity, meaning they are <u>recyclable in the local recycling system</u>. The company has been using bottles made of 100% rPET (does not include the lid and label) in all of the Aqua d'Or branded bottles since 2021. The company has been converting 894 tons from virgin PET to recycled PET since 2018. The company receives the materials for recycling from a supplier that mainly obtains PET from the German Market.

The industry union of which the company is part also supports the running of the national return deposit scheme for plastic bottles. In Denmark, a deposit return system was put in place in 2002. This scheme is an initiative coming from the Ministry of Environment and Food with the main goal of creating and maintaining a circular business model. Denmark's deposit and return system is regulated politically by a statutory order under the Environmental Protection Act. The Statutory Order on Deposits defines such things as the beverages and packaging on which producers must place a deposit mark; who must accept the empty bottles and cans returned by consumers; and how Dansk Retursystem must manage the system. Aqua d'Or applies a Danish deposit label to all its products sold in the Danish market and contributes to the operating costs of the deposit system by paying membership costs associated with this scheme. A similar scheme is in place in some export markets of Aqua d'Or (e.g., Sweden and Norway).



B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through <u>B Lab's Public Complaint</u> <u>Process</u>. Grounds for complaint include:

- 1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's <u>certification process</u>
- 2. Breaches of the B Corp Community's core values as expressed in our <u>Declaration of Interdependence</u>