



B Lab Statement on Aguas de Origen'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."

Aguas de Origen 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

Through assemblies held on June 30, 2022, and in accordance with the provisions of arts. 82 and following the General Corporations Law, Aguas Danone de Argentina SA ("ADA") and Aguas de Origen SA ("ADO") decided to carry out a merger spin-off process by virtue of which ADA transferred all of its business to ADO, dated effective corporate reorganization, on December 1, 2022. In view of the foregoing, since December 1, 2022, it is ADO that operates the entire business that ADA operated until that date.

ADO is a water company whose headquarters are based in Buenos Aires, Argentina. Its mission is to improve healthier hydration habits through water-based proposals in an innovative and sustainable way. Its major mineral water brand is Villavicencio and its major beverage brand is Levité.

The company is responsible for the water extraction, bottling, distribution, and sale. In its last fiscal year, the company earned 42.1% of its annual revenue from the sale of regular water, 52.5% from flavored water and 5.4% from sparkling water and

ADO owns the following brands of water:

- Villavicencio brand of regular and sparkling water.
- Villa del Sur
- Levité
- Ser
- Brío

Aguas de Origen's Industry Practices

Water Access

ADO operates two bottling plants in Argentina: one in the Mendoza province and another in the Buenos Aires province. Although Aguas Danone Argentina still owns the land of the Villavicencio



Natural Reserve in the Precordillera Mountains (Mendoza province), the management is jointly between Compañía Cervecerías Unidas (CCU) and Danone, and for all decisions they are aligned. All water sourced for Villavicencio is pure spring mineral water. The company has a protected areas management team with park rangers, biologists, and the ecosystem in the Natural Reserve. It also sources water from other regions of the country whose methods are described below.

Villavicencio is currently an official Natural Protected Area declared by the Government of Mendoza, Argentina, and ADA had owned the land prior to this designation. It was ADA that promoted this declaration. According to the management plan of the natural reserve, it is the first case in Mendoza province of a protected area located on private lands, with its management falling to state responsibility. The Natural Reserve's mission is to:

- (1) Protect natural ecosystems and species of flora and fauna
- (2) Preserve water resources, particularly the underground aquifers of natural mineral water, and wetlands.
- (3) Protect and deepen the knowledge of the archaeological and historical heritage of the region
- (4) Promote an environmental education program

ADA takes [Law 6045](#) as a reference to manage the reserve properly. The reserve is a combination of Categories IV and V, corresponding to “Managed Nature Reserve” and “Protected Landscape Reserve”, respectively. The objectives and characteristics that identify each of these categories are complementary and allow to appropriately reflect the characteristics of ADA's protected area, and reconciling the requirements of natural heritage protection and preservation of cultural heritage.

Category IV “Managed Nature Reserve” is based on Art. 32, which refers to “the protection of sites or specific habitats which are essential to maintain the existence or improve the status of individual species or wild varieties”, and “allow in these areas, activities and uses that are not harmful to the species or the protection of the environment in general”.

Category V, “Protected Landscape Reserve”, is based on Art. 33. It refers to the “preservation of natural areas in mountain environments, representing attractive panoramas” and “to maintain landscape quality through proper management practices”.

All these categories enable comprehensive environmental and resource protection, especially in the use of water resources in a sustainable way. Within the natural reserve, ADO only takes the natural spring water as it flows out from its natural rate, thereby not diminishing the water table.

Since 2000, the company has worked towards the conservation of the Reserve. Villavicencio's Natural Reserve has the following distinctions/milestones:

- 2009: The company was declared part of the [Fundación Refugio de Vida Silvestre](#)
- 2014: The company became a member of the [Comité Directivo de la Red Argentina de Reservas Naturales Privadas](#) (Steering Committee of the Argentine Network of Private Natural Reserves)
- 2015: Creation of the [Fundación Villavicencio](#)
- 2017
 - The [Natural Reserve of Villavicencio](#) was declared a [Ramsar sit](#),



- The company became a member of the [Nodo Cuyo de la Red de Restauración Ecológica de Argentina](#),
- The company implemented the Protocol MIREN,
- The company signed the Acuerdo [Nodo Cuyo](#) related to professional practices for students,
- 2015-2019: The company developed a [Program of Educational Visits](#) in the site. It involves the educational community, the local community, and institutions of social life such as municipalities, unions, neighborhood associations and national, provincial and municipal government institutions.
- 2020: The company became a member of the [Red de Santuarios Andinos](#).

In Mendoza, ADO pays the Irrigation Department of Mendoza, a tax based on the volume sold in the market. In addition to the Villavicencio brand, ADO also bottles and sources water from the Puelche Aquifer in Buenos Aires province. In Chascomús, ADO pays a monthly fee for access to water linked to the volume of water extraction which is calculated by the Water Authority. Besides this, ADA also pays license renewal fees periodically.

The following agencies play a role in regulating access to water and the company's water extraction practices: Irrigation Department of Mendoza and Autoridad del Agua of Buenos Aires.

ADO 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.

Sustainable Usage

To ensure the company's water extraction rates are environmentally sustainable, the company has permits granted by the local authority (Autoridad del Agua) that include hydrogeological studies carried out by external consultants and professional geologists. ADO has a hydrogeological data repository that represents the company's database as it integrates all existing information, allowing continuous monitoring of critical parameters in water management (water level and quality). ADO has processes to ensure that their extraction does not exceed the limits defined in the permit.

ADO has several hydrogeological studies and implements them with the aforementioned managing tools in order not to overexploit the aquifer and guarantee the natural water cycle. Thanks to this assessment, ADO guarantees that none of the water reserves will be depleted as a result of its extraction. An external consultant makes these studies; it is signed by a professional geologist, and recognized by the local authority

Waste Management

The company uses plastic (PET) and recycled plastic (rPET) to produce its bottles. To mitigate the concern about packaging waste management, ADO has been using recycled input materials in their bottles and finding solutions to collect bottled post-consumer through waste-pickers cooperatives. Despite the fact that in Argentina there are several problems with obtaining rPET, Villavicencio bottles continue to have a percentage of rPET and it is the company's ambition to continue building



this path. The company has on average 5% of rPET across its water packages. The new objective for 2030 is to reach 100% of rPET for Villavicencio, In addition to continuing to work on smart weighting improvements in its packaging, and always looking for sustainable alternatives.

Aside from the recycled input materials, ADO also launched in 2011 a [recycling project](#) creating public-private alliances, promoting waste sorting at source, differentiated waste collection, and recognizing the role that waste pickers play in waste management. Thanks to the project, ADO created a formal relationship with waste pickers cooperatives and supported them by providing training on work safety, logistics, sorting, soft and hardware investments, productivity consultancies, and distribution. We currently work with 57 cooperatives in the provinces of Buenos Aires, Santa Fe, Córdoba, Rio Negro, and Mendoza, supporting more than 6500 urban collectors.

In August 2019 ADO opened a new segregation and recycling plant together with the Municipality of Guaymallén, in Mendoza. Taking into account the situation of COVID, for several months urban collector could not work, so the company made an action plan seeking to support the containment of the situation of the waste pickers, and in turn, take care of the sustainability of recovery systems for their post-emergency reactivation. For its implementation, the company redirected funds from phase II of the Project to cover some needs of the cooperatives such as the purchase of personal protection elements, hygiene and cleaning elements, coverage of operational costs and logistics costs, etc.

In January 2021 ADO started the third phase of this project, once again with the contribution of funds from [Danone Ecosystem](#) and the incorporation of the [Inter-American Foundation](#) as an ally, in which the company plans to increase the impact and scope of the program by the end of 2023. In this new phase, the Villavicencio brand made a [public pledge](#) to recover 100% of the plastic equivalent (PET) of its bottles through this program by 2023.

In addition, in 2022, Villavicencio launched the first 100% recyclable and 100% bottle made from other bottles. Furthermore, the company tried to raise awareness among consumers about its recycling project, and the importance of separating at source and recycling, through the label on its Villavicencio products.