

B Lab Statement on Nutricia Limited (trading as Danone UK) ("Danone UK"), Nutricia Ireland (trading as Danone Ireland) ("Danone Ireland") and Harrogate Spring Water 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."

Danone UK, Danone Ireland and Harrogate Spring Water are 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 <u>here</u>.

#### Summary of Company

Danone UK, Danone Ireland, and Harrogate Spring Water are a subsidiary of Danone, a leading global food company with the mission of bringing health through food to as many people as possible. Danone builds on health-focused and fast-growing categories in three businesses: Essential Dairy & Plant-based products, Waters, and Specialized Nutrition.

Danone UK and Danone Ireland are a wholesale business unit, which means they market Danone's water brands of Volvic and Evian (both Certified B Corps), but the subsidiary does not directly control the product manufacturing process.

Danone UK distributes the following Danone water brands:

- evian® natural mineral water & evian Sparkling™ carbonated natural mineral water,
- Volvic® natural mineral water,
- evian® natural mineral water & evian Sparkling™ carbonated natural mineral water,
- Volvic® natural mineral water.

Danone UK directly control the product manufacturing process of the Harrogate brand and distribute the following brands:

- Harrogate Spring Water ® still & sparkling,

Harrogate Spring Water is responsible for the extraction, bottling, distribution, and sale of Harrogate water.



As subsidiaries of Danone, Danone UK, Danone Ireland, and Harrogate Spring Water embrace the <u>One Planet. One Health</u> vision is based on the belief that the health of the people and the health of the planet are interconnected and therefore seeks to protect and nourish both.

#### Danone UK, Danone Ireland, and Harrogate Spring Water Practices

## Water Access

Danone owns or leases the land in the immediate proximity of the water sources for each Danone water brand sold by Danone UK, Danone Ireland, and Harrogate Spring Water. The source of evian natural mineral water comes from the heart of the French Alps, a unique geological site in the world. Its catchment area is recognized as a wetland by the RAMSAR convention and a protected site. Volvic natural mineral water comes from Auvergne, a region in France known for its volcanic geology with the Chaine des Puys-Limagne Fault tectonic arena inscribed on UNESCO's Natural World Heritage list. Harrogate Spring Water is abstracted from an underground aquifer below the Harrogate Pinewoods. Their source draws from the protected surrounding catchment area, comprising Sites of Importance for Nature Conservation and the Birk Crag Nature Reserve.

Companies dedicated to the natural mineral & springwater activity in France are required by law to pay specific taxes based on the volume sold, to access the water resource. Under French regulations, the proceedings of these taxes go to French customs and the local municipalities. All Danone natural mineral water sites in France fully comply with this requirement.

All water extractions in England are required to have an abstraction license granted by the Environment Agency. This means that Harrogate Spring Water is subject to a fee based on its specific regional charging area to cover the costs of managing water resources (including pollution prevention and fisheries). Companies working in the natural mineral and spring water activity in France are required by law to pay specific taxes based on the volume sold, to access the water resource. Pursuant to French regulations, the proceedings of these taxes go to the local municipalities and to French customs. evian® and Volvic® natural mineral water's bottling sites fully comply with this requirement."

The following agencies regulate access to water and the companies' water extraction practices:

- evian and Volvic (France): <u>Agences régionales de la Santé (ARS)</u> and <u>Direction</u>
  <u>Départementale des Territoires (DDT)</u>,
- Harrogate Spring Water (England): <u>Environment Agency</u>.

Danone UK, Danone Ireland, and Harrogate Spring Water have reported they are not engaged in any lobbying or policy advocacy for cheaper water prices nor easier water access. The subsidiaries follow <a href="Danone Policy on Advocacy">Danone Policy on Advocacy</a>. The company also reported there are no stakeholder concerns regarding its water access that still need to be addressed.



## Sustainable Usage

Sustainable water management is Danone Waters UK & Ireland's priority, that's why the company commissions hydrogeological studies, which are used to inform the regulatory body which sets the permitted withdrawal rates and amounts. This ensures the water rates used by Danone do not impair the sustainability of the water resource over time. Withdrawal rates are monitored and adjusted by hydrological experts and controlled by the State, according to applicable local regulatory frameworks, to ensure that water levels are not permitted to go below minimum thresholds to ensure sustainability over time.

evian natural mineral water is sourced 51.5% from naturally occurring springs and the rest from boreholes of natural springs. 100% of Volvic® natural mineral water volume comes from the same aquifer. Harrogate Spring Water is sourced from boreholes of natural springs situated in a protected catchment area, comprising <u>Sites of Importance for Nature Conservation and the Birk Crag Nature Reserve</u>.

Danone water brands use Danone's proprietary SPRING (Sustainable Protection and Resource ManagING) evaluation method, which is designed to manage water resources. On their most recent SPRING rankings, Volvic's facilities scored 97% and Evian's facilities scored 95%, earning them both the "Excellent" topmost ranking.

There are some examples of how each of the bottled water brands avoids water waste in their operations:

- The Volvic bottling facility has set up a pilot system for treating and recycling wastewater.
  Since 2017, the facility has invested to modernize its production lines, which enabled it to reduce its water consumption by 13% over the period 2017-2022,
- Harrogate Spring Water keeps a weekly record of rainfall and monitors other data as per its abstraction license conditions to ensure surface water levels are kept replenished.

Danone also has community-based efforts focused on promoting the long-term quality and viability of the Danone water sources and the biodiversity and overall environmental health of the surrounding areas. In each region, public-private partnerships are promoting sustainable development:

• Volvic is involved in the "environmental Committee for the Protection of the Volvic Impluvium (CEPIV)", a public-private partnership co-created by Societe des Eaux de Volvic in 2006 with 4 local communities of the catchment area. Its mission is to implement actions with all territory stakeholders that reconcile local development and the protection of the catchment area and its biodiversity. For example, the company collaborates with organizations that support local farmers with technical assistance for sustainable agricultural practices. In addition, Volvic is working on biodiversity projects



with NGO Beeodiversity to research and protect bees, and with the French League for the Protection of Birds (French LPO) to protect the threatened Red Kite bird species.

- To help preserve evian's source and promote sustainable agricultural practices in the Évian-les-Bains area, Danone co-founded the <u>Association for the Protection of the evian mineral Water Impluvium</u> (APIEME) with 13 other municipalities over 30 years ago. Since then, it has been working hand-in-hand with the local community to make sure evian's source has a healthy sustainable future. Working with APIEME stakeholders, Danone developed the Terragr'eau methanizer, which converts organic farm waste into natural biogas for the community and generates an average of 500MWh of clean energy per year.
- Harrogate Spring Water works closely with the Environment Agency to protect the source and catchment as well as working on initiatives to highlight the recyclability of Harrogate Spring Water products to ensure they stay in the circular economy and are made into new bottles, again and again. As part of their commitment to the environment, Harrogate Spring Water will plant around 1,500 new trees in publicly accessible areas across Harrogate district over the next 2 years (2025 and 2026) with a trusted tree planting initiative.

# Waste management

Product packaging for evian, Volvic, and Harrogate Spring Water is comprised of a combination of virgin plastic and recycled plastic (rPET), glass, recycled glass, and aluminum cans across the various formats.

Danone UK, Danone Ireland, and Harrogate Spring Water are committed to continually improving the sustainability performance of their packaging. Through the company's environmental management system, Danone UK, Danone Ireland, and Harrogate Spring Water have set targets to deliver low-carbon circular packaging including by reducing virgin fossil-based packaging, increasing the amount of recycled plastic in its products, continuing to improve the recyclability of its products and supporting the development of effective collection systems.

In 2018, evian committed to making all of its plastic bottles from 100% rPET by 2025, a move to accelerate the brand's 'circular approach' to its plastic usage, where plastic is kept within the economy and out of nature. This commitment has been extended to also cover the Volvic brand. Both brands reported progress towards this goal and in 2023, the average amount of rPET in water bottles (excluding lids and labels) distributed by Nutricia Limited, Nutricia Ireland, and Harrogate Spring Waters in the UK & Ireland was 47%. Harrogate Spring Water brand has, on average, 51% of rPET across this brand portfolio.

In addition, water brands have continued to lightweight their packaging, reducing the total amount of plastic used. For example, between 2019 and 2022 the weight of the evian 1.5l bottle was reduced by 8%, and Volvic was reduced by 11%.



Danone Waters UK & Ireland reported that 100% of the plastic bottled waters (excluding lid and label) sold by them are recyclable. In collaboration with Keep Britain Tidy Harrogate launched their award-winning recycling initiative, 'The Incredible Shrinking Bottle', encouraging consumers to recycle their bottles on the go. Rather than simply disposing of bottles in street bins, 'The Incredible Shrinking Bottle' campaign encourages consumers to 'twist it, cap it, recycle it', making bottles small enough to carry to a recycling point or take home in a bag or pocket for recycling, using the established nationwide kerbside collection system. Please find more information here on Harrogate Spring Water webpage.

Danone UK, Danone Ireland, and Harrogate Spring Water have demonstrated their pledge to circularity through innovative partnerships. For example, in 2023, evian launched their first-ever refill water system for The Championships, Wimbledon. Players were provided with their own reusable bottles that were refilled with evian natural mineral water, on-court and at designated player areas. Additionally, in 2024 the company piloted a refill solution in the event.

Harrogate Spring Water has introduced an innovative closed-loop recycling system in partnership with Ascot. All Harrogate Spring PET bottles used at Ascot are collected in dedicated bins around the site, reprocessed, and made into new bottles. Since 2019 over 3.16 tons of PET plastic have been recycled at Ascot Racecourse, an annual week-long event, which is equivalent to approximately 166,000 bottles.

#### Company Management comments:

"Carbon reduction has been a focus for our water brands for many years. We are committed first and foremost to decarbonizing our business, transforming our full value chain in line with our 1.5C, SBTi verified, carbon reduction target by 2030. Our goal is to reduce our global GHG emissions by an average of 35% across all scopes by 2030 from a 2020 baseline. We have focused on reducing emissions from our water brands through the use of renewable energy at bottling sites, optimising transport, and packaging improvements and innovations.

Our evian and Volvic Plain bottling sites run on 100% renewable energy, generated from hydropower and biogas. Thanks to the continued use of renewable energy, we have made 10ktons reduction in CO2 emissions since 2017. Our Harrogate bottling site also uses 100% renewable electricity. 82% of evian and 78% of Volvic bottles distributed in the UK now leave the bottling sites in France via train, which provides a significantly lower carbon footprint than road transport. Harrogate Spring Water sources 99% of its raw materials within 108 miles and its folk lift trucks (FLT's) have moved to electric which has resulted in a reduction in carbon emissions of more than 35 tonnes,



We are committed to achieving 100% recycled plastic (rPET) in our evian and Volvic plastic bottles by 2025. Currently, we are at 47% average rPET across all 3 water brands distributed in the UK (excluding lids and labels). Since 2021 Harrogate has; removed over 90 tonnes of packaging, reducing carbon emissions by more than 360 tonnes and reduced plastic shrink wrap weight by more than 43 tonne, reducing carbon emission by more than 110 tonnes."

## **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 certification process, or
- 2. Breach of the core values articulated in our <u>Declaration of Interdependence</u> within the B Corp Community.