

B Lab Statement on LY COMPANY ITALIA- ACQUAINBRICK Srl Società Benefit'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."

LY COMPANY ITALIA- ACQUAINBRICK Srl Società Benefit is 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 here.

Summary of the Company

LY COMPANY ITALIA is a Bottled Water company that is part of the LY Company Group, a production center in the cardboard water sector under the Aqualy brand. the ownership of Ly Company Italia is 51% owned by Ly Company Group, 39% by private shareholders, and 10% by investors of Croud Founding. In its last fiscal year, the company earned 100 % of its annual turnover from selling water in cardboard.

LY COMPANY ITALIA- ACQUAINBRICK Srl Società Benefit's Industry Practices

Water Access

The company sources water from a utility provider, named Hera Acqua, and pays a volume-based fee for it. Hera draws water from various supply sources: surface water (streams, rivers, lakes), groundwater (mainly located in plains), and springs located in hills and mountains. The supplier has authorization from the local authorities to access the water in these regions. To know more about Hera's practices, please visit the following webpage.

LY COMPANY ITALIA- ACQUAINBRICK Srl Società Benefit has efforts focused on improving water access and quality for local communities: For each carton produced, the company donates a contribution to the NGO Pozos Sin Fronteras, which builds artesian wells in places in the world where there is no drinking water.

The company has reported it is not engaged in any lobbying or policy advocacy for cheaper water prices nor easier water access. Additionally, the company stated there are no stakeholder concerns regarding its water access that remain unresolved.



Sustainable Usage

The company sources water from a utility provider which has its own water management practices. Hera Acqua is involved in the AWS certification and so far, one of its water plants is AWS certified, which means the plant has achieved this certification's standards for the following topics: good water governance, sustainable water balance, good water quality status, important water-related areas and safe water, sanitation and hygiene for all (wash).

After buying the water from its supplier, the company conducts a purification process. The company also has its own practices for water efficiency such as reusing water. The company reported that neither itself nor its water supplier operate in areas that were designated by independent bodies as over-licensed and overexploited water sources

Waste

LY COMPANY ITALIA- ACQUAINBRICK Srl Società Benefit sells water packaged in recyclable cardboard cartons. The cardboard container is made up of approximately 77% of vegetable matter, 3% of aluminum, and the other 20% is made with High-density polyethylene (HDPE).

All input materials can be recycled and/or reused after a recovery process. Currently, the company's container ends up in a paper mill, where it is recovered both the 100% cellulose material and the plastic and aluminium that become objects of urban furniture. To learn more about the cardboard carton's recycling process, please access this <u>website</u>.

To know more about the company's packing practices assess the following webpages (<u>Acqua in brick, il cambiamento</u>)