

B Lab Statement on Danone Waters Germany'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."

Danone Waters Germany 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 Company

Danone Waters Germany is a subsidiary of Group Danone, a multinational company with the mission of bringing health through food to as many people as possible.

Danone Waters Germany is a wholesale business unit of Group Danone, which means it markets Danone's bottled water brands in its area of operations, but the subsidiary does not directly control the product manufacturing process.

Danone Waters Germany sells two brands of bottled water products:

- Volvic®
- NATURWALD QUELLE (locally chosen by Volvic®)
- Evian®

Danone Waters Germany Practices

Water Access

Danone owns or leases the land in the immediate proximity of the water sources for each brand sold by Danone Waters Germany. Danone has owned the land surrounding the Volvic and evian water sources for extended periods of time. Volvic natural mineral water comes from Auvergne, a region of France known for its volcanic geology, and the source of evian's water is in the heart of the French Alps - both landscapes act as a natural filter for the mineral water. The source of the NATURWALD QUELLE natural mineral water lies in Hunsrück-Hochwald National Park, situated between Saarland and Rhineland-Palatinate in the midst of a densely wooded low



mountain range. According to the Federal Agency for Nature Conservation, the Hunsrück is a "hotspot region for biological diversity" and the Hunsrück-Hochwald National Park is a so-called "development national park", which means that nature is given free rein here and allowed to develop naturally.

Companies dedicated to the natural mineral water activity in France are required by law to pay specific taxes based on the volume sold, in order to access the water resource. Pursuant to French regulations, the proceedings of these taxes go to French customs and to the local municipalities. All Danone natural mineral water sites in France fully comply with this requirement. In Germany, natural mineral water can be obtained only from springs for which the competent authority has issued a use permit. Danone Waters Germany pays a volume-based fee to its co-manufacturer, a part of which is paid to the government as per the Rhineland-Palatinate state water fee law, for preserving natural resources.

Danone Waters Germany does not engage in lobbying or policy advocacy activities related to cheaper water prices or reducing regulations relating to water access. The company is part of different industry associations, like the Verband Deutscher Mineralbrunnen (VDM; Association of German Mineral Springs) and Wirtschaftsvereinigung Alkoholfreie Getränke (WAFG; Trade association non-alcoholic beverages)

Sustainable Usage

Through its internal management practices and the regulatory structure in place where the water sources are located, Danone Waters Germany is able to demonstrate that the company's extraction of water does not impair the sustainability of the water resource over time. In order to ensure the company's water extraction rates are environmentally sustainable, the company commissions hydrogeological studies, which are used to inform the regulatory body which sets the permitted extraction rates and amounts. The brands employ two different water extraction methods for their water sources: 100% of Volvic and NATURALWALD QUELLE's water comes from several boreholes of natural springs, while evian's water is sourced 57% from naturally-occurring springs and the rest from boreholes of natural springs.

With regards to NATURWALD QUELLE, all activities in the National Park are strictly regulated and controlled by the National Park authorities. There is an official process carried out by the authorities that precisely regulates and documents the extraction of groundwater through water permits based on hydrogeological assessments. NATURWALD QUELLE extracts at a maximum the amount of mineral water that the authorities allow through the water permit.



Danone Waters Germany's brands utilize Danone's proprietary SPRING (Sustainable Protection and Resource ManagING) tool, which is designed to optimally manage the water resource. On their most recent rankings, Volvic's facilities are classified as "Standard" performance and evian's facilities earned the "Excellent" topmost ranking.

In addition to managing the sustainability of the water extraction practices, Danone also has a number of community-based efforts focused on promoting the long term quality and viability of the brands' water sources and the biodiversity and overall environmental health of the surrounding areas. In each region, there are public-private partnerships promoting sustainable development. For example, in the Volvic catchment area, the company collaborates with organizations that support local farmers with technical assistance for sustainable agricultural practices. Another example, to protect the evian® watershed, the company joined forces with a group of farmers and local authorities, developing a biogas facility called Terragr'eau, which uses farm waste to produce a fertilizer and an average of 500MWh of biogas per year.

Waste Management

In terms of product packaging for the company's two larger brands Volvic® and evian®,, the company uses a combination of virgin plastic and recycled plastic (rPET) across the various bottle formats. Currently, the average amount of recycled input material across the company's products is more than 98% rPET since the majority of the company's bottle formats are made from 100% rPET. The rPET content of the 1L evian bottle in the company portfolio fluctuates between 0% and 100%. For this specific bottle format, the company plans to maintain the rPET content at an average of 50% for 2022 and has a commitment to transition to 100% rPET by 2025 at the latest. For the local brand NATURWALD QUELLE (locally chosen by Volvic®), the chosen packaging is returnable glass bottles, which are only sold regionally in the area close to the source in the Hunsrück-Hochwald National Park.

A local 2019 study conducted by Gesellschaft für Verpackungsmarktforschung (roughly translated, "Association for Packaging Market Research") reported that 98.7% of PET deposit bottles (both refillable and non-refillable) are returned to the trade via the deposit return scheme.

Other Management Comments

Access to safe drinking water

There are two major initiatives through which Volvic® provides access to safe drinking water to people in need in developing countries.



1) "1 Liter for 1 Liter" via Danone Communities

Danone Communities is a Venture Capital fund investing in Social Businesses, empowering innovative social entrepreneurs to achieve sustainable social impact, by investing in social businesses, providing capital, technical and managerial expertise, as well as networking. Since 2020, Volvic®, through Danone Communities, has supported the provision of clean drinking water to people in countries such as Cambodia, India, Haiti, Mexico, Bangladesh, Nigeria, Rwanda, Uganda, Kenya and Senegal. That equates to 1.2 billion liters of clean drinking water benefiting 9M people in need, which means that every liter of Volvic® bought helps provide one liter of safe drinking water to another person.

2) UNICEF partnership

Volvic® has also been supporting UNICEF since 2005, building and renovating 431 water points in Niger and Ethiopia, and equipping 206 schools and health centers with sanitary facilities. So far 492,990 people have benefited from this collaboration.

Volvic® also supports water access through the UNICEF WASH (Water, Sanitation and Hygiene) program in Madagascar since 2019. There, every second child has no access to clean water and there is no basic sanitation for 83% of the population. With Volvic®'s support, UNICEF's program helps children and their families to gain access to safe water and clean hygiene practices. Children in particular benefit from this aid because they grow up healthier and have more time to play and go to school.

Enhancing watershed and wetlands preservation around the world

Since 2008, Volvic® Germany has been working closely with the German UNESCO Commission to improve water quality in German biosphere reserves as part of the Man and the Biosphere (MAB) program. So far, 24 projects have been implemented to protect this vital resource for people and nature and to preserve nature through sustainable management.