

B Lab Statement on Corporación Hijos de Rivera'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."

Corporación Hijos de Rivera 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

Corporación Hijos de Rivera is a family-owned, internationalized Brewery Group, specializing in the production, commercialization, and distribution of beverages, with 100% national and independent capital, which maintains its headquarters in Galicia. The company sells the following products: beer, wines, water, summer wine, vermouth, juice, mosto, licors and cider The company is responsible for the water extraction, bottling, distribution, and sale of bottled water. In its last fiscal year, the company earned 8,5% of its annual turnover from the sale of water. The company also sells sparkling water (Magma Cabreiroá and Magma Cabreirá con Gas) and Fontarel Zero Sodio (for heart diseases). The percentage of company's annual revenue coming form this is more or less 0,1% of company's revenue.

Corporación Hijos de Rivera has the following brands of [water/ sparkling water/vitamin water]:

- Cabreiroá,
- Aqua de Cuevas,
- Fontarel.
- AUARA
- Magma Cabreiroá
- Magma Cabreirá con Gas
- Fontarel Zero Sodio

Corporación Hijos de Rivera's Industry Practices

Water Access



The company explores water from wells and springs. In terms of compensation for the water rights, Corporación Hijos de Rivera reported the following practices to each one of its water brands:

- Cabreiroá is exempt from the canon for bottled water from wells declared in Industry.
 Cabreiroá only pays for the consumption of industrial water from Municipal or our wells declared in Industry to Augas de Galicia, belonging to Xunta de Galicia.
 Aguas de Cabreiroá actively collaborates with the local community and cooperates with the people of Cabreiroá by carrying out specific repairs in its drinking water network, cleaning water tanks, and participating in the chlorination of its own supply network or even in local festivals.
- Aqua de Cuevas the company pays the Tax on Environmental Effects of Water Use (<u>Impuesto sobre las Afecciones Ambientales del Uso del Agua</u>) to the Principality of Asturias, that aims to encourage the rational and efficient use of water.
- Fontarel the company's water extraction is overseen by the General Directorate of Industry, Energy and Mines. This agency carries out periodic verifications of the meters to verify the flow and, in the event that consumption is less than authorized, payment of any fee is not required. Currently, work is being done on the development of a Fontarel initiative jointly with the community. This is a collaboration for the recovery of rinsing water that can be reused for irrigation of nearby land or donated to the neighborhood community.

The regulatory agencies that play a role in regulating access to water and the company's water extraction practices are:

- Augas de Galicia, the entity in charge of water management in the Autonomous Community of Galicia, whose main objective is to guarantee the supply of drinking water to the population and the sustainable management of water resources in the region,
- Duero Hydrographic Confederation, an organization responsible for the management and protection of water resources in the hydrographic basin of the Duero River and its tributaries, to guarantee the balance and sustainability of ecosystems.
- Directorate General for Energy, Mining and Reactivation of the Principality of Asturias
- Department of Mines and Industry of Granada, Junta de Andalucía.

Corporación Hijos de Rivera 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

Corporación Hijos de Rivera reported that follows all local and national legislation and regulations related to water extraction. The company conducts hydrogeological studies of all the water sources



exploited, which help it to know the availability of the resource and establish exploitation guidelines to ensure sustainable and sustained use over time. Corporación Hijos de Rivera has exploitation licenses for each of the springs, mineral water declarations, and authorizations for exploitation rights.

In addition, the company's commitment to sustainable development and circularity has led it to calculate the water footprint for the brewery and springs in 2022, further promoting responsible water management throughout its value chain to ensure the long-term availability of healthy, quality water for everyone. The water footprint calculation has been carried out by applying the Water Footprint Network methodology and taking 2021 as the reference period and has been verified by an independent verification entity, Cetaqua (Centro Tecnológico del Agua) See details in en Memoria de sostenibilidad (page 63, Nuestra huella hídrica) y Declaración ambiental.

Waste Management

In terms of product packaging, Corporación Hijos de Rivera uses different types of input material: glass and recycled plastic, returnable glass and aluminium. The percentage of water sold in aluminium is 0,24% of the whole volume of water sold

In 2022, Corporación Hijos de Rivera achieved the milestone that all PET formats of the Cabreiroá, Agua de Cuevas, and Fontarel and AUARA brands are made 100% from recycled PET.

The company shared that each year it implements improvements in its packaging design with the aim of reducing the amount of waste that originates after the consumption of its products and facilitating their recovery and recycling. For example, in 2002 the Company Lightened their packaging by reducing the glass consumption in more than 6,000 tons, PET in more than 50 and cardboard in more than 260 tonnes. The company aims to expand those improvements to other plants. Additionally, In 2022, the company has taken another step by developing the "No pack" format, consisting of a group of 6 cans joined by glue points, reducing the packaging and carbon footprint by 40%...