



B Lab Statement on Aguas Danone de Argentina’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 Danone de Argentina 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

Aguas Danone de Argentina (ADA) is a subsidiary of Group Danone, a multinational company with the mission of bringing health through food to as many people as possible.

ADA is headquartered in Buenos Aires, Argentina and its mission is to improve healthier hydration habits through water based proposals in an innovative and sustainable way. ADA operates two bottling plants in Argentina: one in Las Heras, Mendoza and one in Chascomús, Buenos Aires. Its major mineral water brand is Villavicencio and its major beverage brand is Levité.

Aguas Danone de Argentina’s Industry Practices

Water Access

ADA accesses water through two different sources: natural springs in Las Heras (Mendoza) and watershed reserves in Chascomús (Buenos Aires). In both sites (Mendoza and Buenos Aires), there are regulations regarding the use and extraction of water. ADA complies with current legislation in both sites in terms of taxes and fees for access to water.

In Las Heras Mendoza, ADA pays to the Irrigation Department of Mendoza, a tax based on volume sold in the market. Villavicencio (the site of Las Heras) is currently an official Natural Protected Area declared by the Government of Mendoza, Argentina, and ADA had owned the land prior to this designation, while subsequently promoting this declaration. 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

For ADA's other bottling plant in Chascomús, water is extracted through boreholes with permission given by local authorities. In Chascomús, ADA 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. Furthermore, ADA has processes to ensure that their extraction does not exceed the limits defined in the permit.

Sustainable Usage

Through its internal management practices, Aguas Danone de Argentina 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 has the permits granted by the local authority that include hydrogeological studies carried out by external consultants and professional geologists. Besides flowmeters on each spring and borehole, ADA also has a hydrogeological data repository that integrates all existing information about each source, allowing the continuous or frequent monitoring of critical parameters in water management (water level and quality). Further, in Las Heras, Mendoza, ADA collects the natural spring water as it flows out from its natural rate, thereby not diminishing the water table.

Like other Danone Waters business units, ADA utilizes Danone's proprietary SPRING (Sustainable Protection and Resource ManagING) tool, which is designed to optimally manage the water resource. On their most recent rankings, ADA's plants are classified as "Standard" performance and have goals to achieve the "Excellent" ranking for both plants by 2021.

Waste Management

Across its brands, ADA uses a combination of virgin plastic and recycled plastic (rPET) across the various bottle formats. Currently, the average amount of recycled input material across ADA's portfolio is more than 20% rPET with Villavicencio's bottles using 50% recycled PET.

Company Management Comments on Waste Management

Aside from utilizing recycled input materials, in 2012 ADA and its strategic partners launched an inclusive recycling project creating public private alliances, promoting waste sorting at source,



differentiated waste collection and recognizing the role that waste pickers play in the waste management. Through this project, ADA 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. ADA currently works with 27 cooperatives in the provinces of Buenos Aires, Santa Fe, Córdoba, Rio Negro, Chubut and Mendoza, empowering more than 3,000 urban collectors. In August 2019 ADA opened a new segregation and recycling plant together with the Municipality of Guaymallén, in Mendoza. Taking into account the situation of COVID-19, ADA created 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. ADA redirected funds 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.