

Summary of Company

Danone Waters Benelux is a subsidiary of Danone, a global, leading food company with the mission of bringing health through food to as many people as possible. Therefore, Danone is building on health focused and fast-growing categories in three businesses: Essential Dairy & Plant-based products, Waters and Specialized Nutrition.

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

Danone Waters Benelux sells three natural mineral water brands:

- evian® natural spring water
- Volvic® natural spring water
- Badoit® sparkling natural mineral water

Danone Waters Benelux Practices

Water Access

Danone owns or leases the land in the immediate proximity of the water sources for each brand sold by Danone Waters Benelux. The source of evian natural spring water comes out from the heart of the French Alps, a unique geological site in the world. Volvic natural spring water comes from Auvergne, a region in France known for its volcanic geology with the Chaîne des Puys-Limagne Fault, recognized as a UNESCO World Heritage Natural Site. Badoit natural sparkling water comes from the small town of Saint-Galmier, located in the Loire Region of Southern France, at the foot of Mount Forez. For all of these sources, the underground origins act as a natural filter for the natural waters, providing them with a unique mineral composition and natural purity, and sparkle for Badoit

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.

Sustainable Usage

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. Water extraction for use by Danone Waters Benelux does not impair the sustainability of the water resource over time. Extraction rates are monitored and adjusted by hydrological experts and according to the French

regulatory framework, to ensure that water levels are not permitted to go below minimum thresholds to ensure sustainability over time.

Danone Waters Benelux's brands use Danone's proprietary SPRING (Sustainable Protection and Resource ManagING) evaluation method, which is designed to optimally manage the water resource. On their most recent SPRING rankings, Volvic's facilities are classified as "Standard" performance, meaning it scores at 80%. Badoit and evian's facilities earned the "Excellent" topmost ranking.

Waste Management

Danone Waters Benelux sells three natural mineral water brands: evian, Volvic and Badoit. In terms of product packaging for these different brands, the company uses a combination of virgin plastic, recycled plastic (rPET) across the various bottle formats. Currently, the average amount of recycled input material for the whole portfolio of evian is 47% rPET.

Furthermore, in 2018, evian committed to make all of its plastic bottles from 100% rPET by 2025. The goal is to have 100% rPET across all formats by the end of 2022.

Fost Plus reports a recycling rate of 87,7% for PET bottle in Belgium and Petcore reports a recycling rate of 65% for PET bottle in The Netherlands

Company Management Comments on Waste Management

Danone Waters Benelux is committed to continually improving the sustainability performance of its packaging. This can be demonstrated by steps taken over the past few years to increase the company's use of recycled input materials for evian from 28,3% rPET in 2017 to 47% rPET in average for our whole range in 2019 and already 50% rPET in 2019 for 1L and 1,5L evian and to 100% rPET in 2020 for 33cl, 50cl and 75cl. In 2018, evian committed to make all of its plastic bottles from 100% rPET by 2025, a move that will see the natural mineral water brand adopt a 'circular approach' to its plastic usage, where plastic is kept within the economy and out of nature. Working in close relationship with the Ellen MacArthur Foundation to define this roadmap, packaging will evolve from potential waste to a valuable resource.

Other Management Comments

In addition to managing the sustainability of the water extraction practices, Danone also has a number of community-based efforts focused on preserving the long-term quality and uniqueness of the brands' water sources and the biodiversity and overall agricultural development of the surrounding areas. In each region, they are public-private partnerships whose missions are to implement actions that reconcile local development and the preservation of the catchment area and biodiversity. For example, on the Volvic catchment area, the company collaborates with organizations to provide scientific and technical support to local farmers to help them implement sustainable agricultural practices for crop and land management as well as shifting to organic

farming; another example, to protect the Evian watershed, the company partnered with a group of farmers and local authorities, developing a biogas facility called Terragr'eau, which uses farm waste to produce a fertilizer and more than 40,000 tonnes of biogas per year.