

B Lab Statement on Danone Belux 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 Belux 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 <u>here</u>.

Summary of the company

Danone Belux is a subsidiary of Danone, a leading global food company with the mission of bringing health through food to as many people as possible. Danone builds on health focused and fast-growing categories in three businesses: Essential Dairy & Plant-based products, Waters and Specialized Nutrition. As a wholesale business, Danone Benelux does not directly control the water manufacturing process, but only markets and sells Danone's water brands. In 2022, the water division represented 15% of Danone Belux sales.

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Danone Belux distributes in Belgium, Luxembourg and the Netherlands three Danone water brands produced in France:

- Volvic® natural mineral water
- evian® natural mineral water & evian Sparkling® carbonated natural mineral water
- Badoit® sparkling natural mineral water

As a subsidiary of Danone, Danone Belux embraces the One Planet. One Health vision that is based on the belief that the health of the people and the health of the planet are interconnected and therefore seeks to protect and nourish both. It is a call to action for all consumers and everyone who has a stake in food to join the food revolution: a movement aimed at nurturing the adoption of healthier, more sustainable eating and drinking habits.



Water Access

Danone owns or leases the land in the immediate proximity of the water sources for each Danone water brand sold by Danone Belux. With the exception of the Volvic site, the resources exploited by Danone for natural mineral water production are not shared with other uses. The Volvic natural mineral water watershed is also used to supply drinking water to the Syndicat Mixte des Utilisateurs en Eau de la Région Riomoise (SMUERR).

- The source of evian® natural mineral water comes from the heart of the French Alps, a
 unique geological site. Its catchment area is recognised as a wetland by RAMSAR
 convention and a protected site.
- Volvic® natural mineral water comes from Auvergne, a region in France known for its volcanic geology with the Chaine des Puys-Limagne Fault, recognized as a UNESCO World Heritage Natural Site.
- Badoit® sparkling natural mineral water emerges naturally sparkling at its source, near Saint-Galmier, a French commune located in the French department of Loire in the AuvergneRhône-Alpes region in France.

For these sources, the underground origins act as a natural filter for the natural waters, providing them with a unique mineral composition and natural purity.

Authorizations to exploit natural mineral water in France are granted by the Agence Régionale de Santé (ARS) under the public health code, and by the Direction Départementale du Territoire (DDT) under the environmental code.

Companies dedicated to the natural mineral & spring 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.

For evian® sparkling, more sparkles, CO2 is added to the natural mineral water before bottling.

Danone Belux has reported they are not engaged in any lobbying or policy advocacy for cheaper water prices nor restricting of water access.

Danone Belux is part of the FIEB/VIWF, which is the Belgian water and soft drinks industry association.

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 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 water levels do not go below minimum permitted thresholds, ensuring sustainability over time. evian® water is sourced 57% from naturally-flowing springs and the rest from boreholes of natural springs.

Danone water brands use Danone's proprietary SPRING (Sustainable Protection and Resource ManagING) evaluation method, which is designed to optimally manage the water resource. This tool, developed in 2009 in collaboration with RAMSAR and IUCN, has been recognized by some local governments as best practice and a standard for optimal resource management.

On their most recent SPRING rankings, Volvic's facilities scored 97% and evian's and Badoit facilities scored 95%, earning them both 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 Danone 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 addition to managing the water source sustainability, in 2006, Volvic® created a public-private partnership with the four municipalities of the catchment area and local stakeholders called the Environmental Committee for the Protection of the Impluvium of Volvic® (CEPIV). CEPIV's mission is to implement actions that reconcile local development and the preservation of the catchment area and biodiversity.

To help preserve evian's source and promote sustainable agricultural practices in the Évian-les-Bains area, Danone co-founded the Association for the Protection of the Evian natural mineral Water Impluvium (APIEME) with 13 other municipalities over 30 years ago. Since then, it has been working hand-in-hand with the local community to make sure evian's source has a healthy sustainable future. Working with APIEME stakeholders, Danone developed the Terragr'eau methanizer, which converts organic farm waste into natural biogas for the community and generates an average of 500MWh of clean energy per year.

Badoit brand works with the villages of the watershed area to protect water resources through a public-private partnership called La Bulle Verte, through which a regenerative agriculture program was deployed for local farmers.

Energy and water management

Measures are also taken to reduce energy and water usage in the production process. evian® and Volvic® production sites of natural mineral waters are using 100% renewable energy.



Faced with the impacts of climate change, Danone has made new commitments in 2023 to strengthen its action in preserving water resources and territories. By 2026, Danone is committed to saving 350 million liters of water at all Danone natural mineral water sites in France (evian®, Volvic®, Badoit®, La Salvetat). This objective will be achieved through the deployment of a wastewater treatment and reuse program (Reut) at the Volvic site, with the aim of treating and distributing wastewater to several water consumption points for cleaning installations.

In 2017 and 2022, Danone set energy energy and water ratio improvements for the French natural mineral water production sites :

- 13% on Energy ratios (kWh/ L bottled)
- 28% on Water ratios (L consumed / L bottled)

Waste Management

Danone Belux is committed to continually improving the sustainability performance of its packaging. Danone Belux has set targets to continue increasing the amount of recycled plastic in its products, while maintaining their recyclability.

In 2018, evian® committed to make all of its plastic bottles from 100% rPET by 2025, a move to accelerate the brand's 'circular approach' to its plastic usage, where plastic is kept within the economy and out of nature. This commitment is demonstrated by steps taken over the past years to increase the company's use of recycled input materials (rPET) for evian® from 28,3% in 2017, 47% rPET in average in 2019 to 52% in 2022.

Overall, product packaging for evian® and Volvic® is comprised of a combination of virgin and recycled plastic (rPET) across the various bottle formats.

- evian® natural mineral water: Average rPET rate: 55%. Min rPET rate: 30%, Max rPET rate: 100%.
- evian® Sparkling carbonated natural mineral water: N/A (metal can and glass bottles)
- Volvic® natural mineral water: Average rPET rate: 33%. Min rPET rate: 0%, Max rPET rate: 100%.
- Badoit® sparkling natural mineral water: 0% rPET

Recently, Badoit® switched to transparent PET bottles to improve the quality of recycled material that can then be reintegrated into new food grade packaging.