



2018 IMPACT

THANK YOU FOR MAKING 2018 A MILESTONE YEAR

Each year, we choose World Water Day (22 March) to publish our impact report. This year marks eight years of partnership with WaterAid and I'm delighted to announce the achievement of a significant milestone.

In 2018, your partnership enabled us to generate an incredible £1,012,216 of net profit. This trading profit plus £25,033 raised through fundraising activity brings the total to £1,037,249, enough to bring clean water to 69,150 people around the world.

In total we've passed £4,053,207 to WaterAid since 2011 (as of 22nd March 2019), enough to bring clean water to 270,214 people to change their lives for good.

I'm also delighted to confirm that Belu has continued to achieve the British Standard Institution's Independent Carbon Neutrality Standard, PAS 2060, confirming our commitment to minimise our impact on our planet.

Our third highlight of 2018 is 100% growth of the Belu Filter Initiative which makes it a significant contributor to this year's results.

As always, our intent with this report is to bring our approach to business to life through results, impact data and stories. This year's report demonstrates that if you have the right values, business model and a superb set of collaborators, you don't have to be big to make a substantial positive difference.

To our supply chain partners, collaborating organisations, every Belu wholesaler and outlet that's evidenced they care about value and ethics beyond price for your customers, this is your Belu water story.

Karen Lynch, CEO, Belu

NOTHING BUT 1 MILLION £

In 2018, we generated £1,012,216 net profit for WaterAid bringing our total passed to WaterAid to £4,053,207 (as at 31 March 2019).



Photo credit: WaterAid / Joey Lawrence

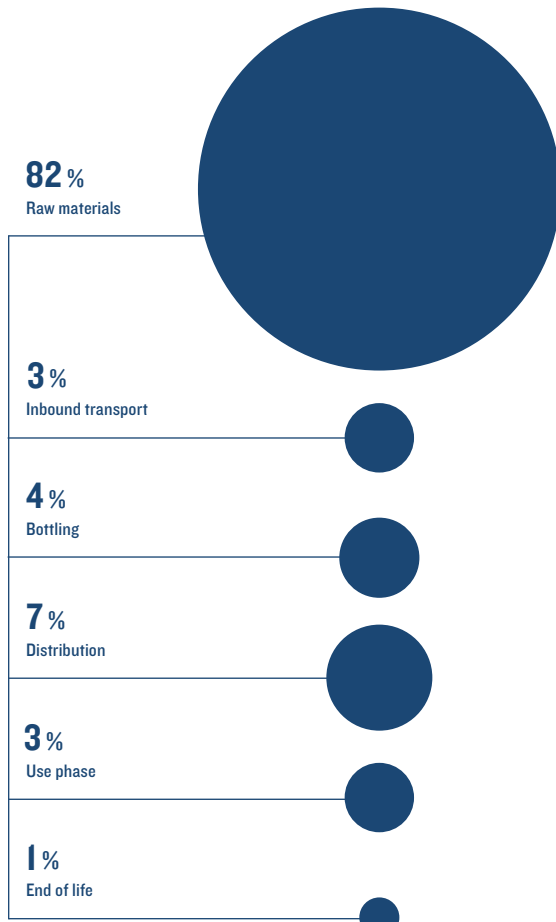
IN 2018, BELU BROUGHT CLEAN WATER TO 69,150 PEOPLE, BRINGING THE TOTAL SINCE 2011 TO 270,214 PEOPLE, CHANGING THEIR LIVES FOR GOOD.

OUR VALUES LED APPROACH TO BUSINESS

Our mission is to inspire all businesses that through business we can do more than make money, we can help solve some of the world's problems at the same time. Our values define our approach to how we run the business, driving our decision-making and customer proposition.

BELU IS THE ONLY WATER BRAND CERTIFIED CARBON NEUTRAL TO PAS 2060 STANDARD

By completing a detailed carbon footprint analysis, we understand where our carbon emissions are generated, deliver reduction plans, then offset emissions we haven't been able to remove from our footprint. This enables us to achieve PAS 2060, the only independent standard of carbon neutrality in the UK, awarded by the British Standards Institution. Our carbon footprint is independently measured and reported in detail by global experts Anthesis.



BALANCING OUR IMPACT

At Belu we think environment-first, always. We seek to balance our impact on the planet, ensuring a sustainable business model whilst maximising our social impact. This approach has been the driver to innovation such as Ethical Glass, a Belu led initiative with supply chain partners to significantly reduce the carbon emissions of UK-made glass through redesigning and lightweighting bottles. Likewise, since 2012, our plastic bottle range has been made with at least 50% recycled plastic, leading the UK bottled water market.

Every year we work hard to measure and minimise our carbon footprint, whilst standing firmly behind the concepts of closed-loop and circular economy, reducing single-use where possible and maximising recycled materials.

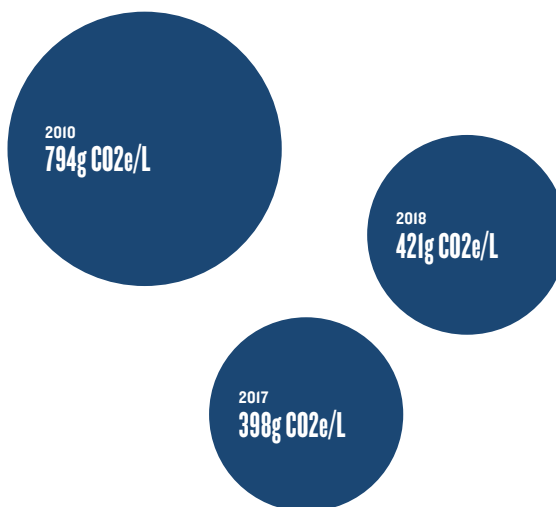
OUR OVERALL CARBON EMISSIONS

The overall carbon footprint for all our products, office and people movements in 2018 totalled 6,023 tonnes of CO₂e (carbon dioxide equivalent), a 5.4% increase on last year's total of 5,712 tonnes of CO₂e. An expected increase for a growing business delivering +25% growth in net profit in the year.

Net profit
+25%

Total CO₂e
+5%

However, our average carbon emissions per litre increased for the first time since 2010, by 6% in 2018 to 421g CO₂e per litre (CO₂e/L), despite each of our individual product lines achieving a decrease.



Belu Ethical Glass mould



89KG OF CO₂E/LITRE PER LIFE TRANSFORMED

This year for the first time we calculated our carbon emissions per life transformed through clean water, decent toilets and good hygiene — this was 89kg of CO₂e per life transformed, slightly heavier than the weight of an average British man.

2018 PRODUCT TYPE EMISSIONS

Product Format	CO ₂ e/L in 2018	Variance to prior year
Clear Glass	638	-2%
Green Glass	653	-3%
Recycled PET	134	-14%
19L Cooler	100	-2%

In 2018, we continued to reduce our carbon emissions per litre across our mineral water bottle types, largely due to maintaining higher vehicle loading levels and fuel efficiency than industry standard figures.

Our average footprint per litre increased overall as the rate of growth in sales of glass lines exceeded those of recycled PET bottles for the first time, highlighting one of the unintended consequences of a drive in the market to reduce plastic consumption by switching to glass.

In 2019 we will continue to pursue our ambition to increase the recycled content of all Belu plastic bottles to closer to 100%. Progress has been impossible this year due to a lack of recycled plastic available in the UK market.

From 2019, as our filtration and refillable water bottle business grows, we will report on their carbon emissions as they become an increasing part of our overall business. And of course, Belu mineral water remains definitely not for export.

BELU. DEFINITELY NOT FOR EXPORT.

GOOD FOR CUSTOMERS AND PARTNERS

We're here to help the UK's hotels, bars, restaurants and caterers to achieve the right water service solution overall for their business and remove single-use bottles where it's viable. Our range comprises of natural British Mineral Water, Filtration Systems and Refillable Bottles.



CASE STUDY: OUR PARTNERSHIP WITH THE SUSTAINABLE RESTAURANT ASSOCIATION

2018 was the year in which the environmental discussion on plastics began to appear on the agenda of almost every meeting we had. Belu continues to help the hospitality industry to progress in offering a sustainable water service. Our partnership with The Sustainable Restaurant Association (SRA) launched an 'Unwrapping Plastic' Guide to the industry, and the relaunch of our Sustainable Water Toolkit. Our formal response, as detailed in the Water Toolkit, is to remove or minimise single-use packaging where possible. This has been the driver behind increasing our filtration and refillables offering.



CASE STUDY: LIME WOOD HOTEL

Where bottled water is not generating revenue, this is the first area where we encourage the removal of single-use. We worked with long-term partner Lime Wood Hotel and their Herb House Spa team to engage spa members in positive behavioural change by removing complimentary bottled water. Filtration systems are now installed across the spa, complemented with a co-branded Belu Refillable for each spa visitor.

This resulted in a saving of 106,680 single-use plastic bottles a year whilst Herb House Spa continue to make a social impact with this initiative, transforming 2,110 lives with clean water through our partnership with WaterAid.



BRITISH MINERAL WATER

Natural mineral water sourced in Churchstoke, Powys. It doesn't make sense to import bottled water from other countries when we have pure natural water sources in the UK.



ETHICAL GLASS

Our clear ethical glass mineral water bottles made with lightweight recycled glass, are also 100% recyclable. Available in 330ml and 750ml. Clear glass formats also available in 500ml and 1 Litre.



BOTTLES MADE FROM BOTTLES

Our plastic bottles are made with at least 50% recycled plastic, leading the UK bottled water market since 2012. Available in 500ml screw cap, 500ml and 750ml sports cap.



BELU FILTER INITIATIVE

Belu supplies free filtration systems to hotels and restaurants in return for a voluntary £1 contribution added to each table's bill which we pass to our partner WaterAid.



BELU REFILLABLE

Made in the UK keeping carbon footprint to a minimum. Co-branded designs with your company logo also available.



BELU 18.9L COOLER

An alternative to individual single-use bottles where plumbed filtration is not an option. Each bottle can be used over 30 times.



CASE STUDY: DELICIOUSLY ELLA

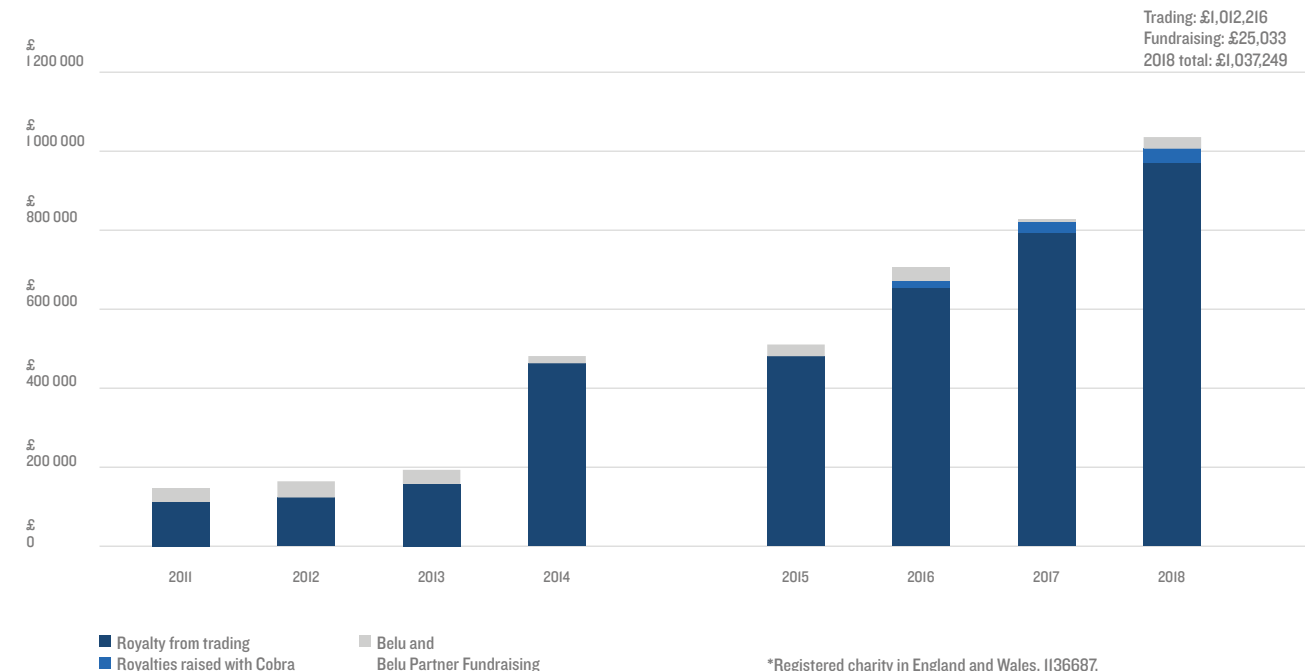
The Belu Filter Initiative provides an opportunity for collaboration and to make something good happen. When Deliciously Ella decided to remove single-use plastic water bottles from their Weighhouse Street deli in London, they joined the Belu Filter Initiative to do good for both people and planet. Customers visiting the deli can help themselves to unlimited filtered still and sparkling water in return for a suggested contribution. In 2018, the contributions raised by the deli are the equivalent to transforming 323 lives worldwide with clean water.

ETHICAL, TRANSPARENT AND NOT AFRAID TO BE DIFFERENT

Belu trades as a limited company with profit shares owned by The Belu Foundation* which entitles it to receive all Belu's profits.

The Trustees of The Belu Foundation agreed to enter into a partnership model with Belu Water Limited and WaterAid whereby all profits of Belu Water Limited are passed directly to WaterAid. In addition, the trustees also agreed to grant any monies The Belu Foundation receives by way of donations directly to WaterAid. As at 22nd March 2019, Belu has passed £4,053,207 to WaterAid since 2011.

OUR 2018 FINANCIAL RESULTS



WE ALL TAKE ACCOUNTABILITY

We are a purposefully lean team, making smart use of collaborations to minimise our footprint and maximise our positive impact. We proudly support the funding of roles in other organisations where it makes sense for us to operate this way.

- Belu is a London Living Wage employer.
- 100% of us make use of flexible and remote working.
- 49% work part-time.
- 71% of our team is female.
- 50% of our Board is female.
- Pay ratio, highest to lowest paid employee is 3:1.

Belu supports 32 Full-Time Equivalent roles	Jobs**
Belu Head Office	7
Partner Production and Distribution	20
Partner Marketing and Sales	3
WaterAid employees and other	2
Total	32

Financial data and **Full-time equivalent (FTE) jobs based on January-December 2018.

FTE jobs are those directly supported by Belu. Figures are calculated and checked with suppliers that collectively account for 95% of Belu expenditure.

INVESTING NOT SPENDING

Knowing that £15 can transform one person's life long-term with clean water means that we view all spending as investment decisions that we make through this lens*. Being frugal encourages us to be resourceful and creative, finding solutions to make good things happen with small sums of money, optimising the amounts of gross profit we can convert to net profit, to invest in WaterAid.

*Impact calculation based on cost of £15 to help provide one person with safe water. Source: WASHCOST and WaterAid Report 2014.

100% PROFITS TO WATERAID

Belu has partnered with WaterAid since 2011. WaterAid is an international not-for-profit, determined to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation. Our partnership helps to provide these three essential human rights, enabling people to change their lives for good. I in 9 people in the world don't have clean water close to home, and I in 3 people live without a decent toilet.



"Belu is leading the way for social enterprises to have increasing global impact through good business and innovation. The collaboration between WaterAid and Belu is truly unique – just imagine the impact we can have together by 2030 to help achieve Global Goal 6."

Tim Wainwright, CEO, WaterAid UK

SABINE'S WATER STORY



"When you see how the profits from your business are transforming lives, it changes your view on the purpose of business forever."

Karen Lynch, CEO Belu

It was eye-opening to understand the complex nature of aligning communities, government, finance, and development organisations to ensure sustainable water and sanitation solutions are successfully implemented when we met Sabine in Beanamamy, Madagascar in 2017. Her story shows what a difference a year can make now that her community has clean water and toilets.



Photo credit: WaterAid / Ernest Randriarimalala

"There is a very positive change in our village since the arrival of running water. Now I've realised how dirty the water we used to drink before was. We knew it was dirty, but at this time we didn't have a choice. I don't want to even touch the river water now, the quality and taste of the water from the river is really bad. The one we have now is so clean and fresh. Say a big thank you to Karen and the rest of the team. We will never forget them."

Sabine, 56, shows the difference in water quality between the river and the newly installed tap.

ENTREPRENEURIAL WITH HIGH STANDARDS

Evidencing our high standards is an essential part of being a credible and confident brand. Being a certified social enterprise and member of Social Enterprise UK is something we are very proud of. It's why we carry the Buy Social logo on all our bottled mineral water products. Additionally, Belu is the holder of the Queens Award for Enterprise: Sustainable Development.

In 2018 Belu was also awarded Supplier of the Year by The Sustainable Restaurant Association, and the PWC Building Public Trust for Impact in Social Enterprise Award.



FORWARD OUTLOOK

2018 reminded us all yet again to expect the unexpected and remain true to our values. We remain firmly committed to:

- Doing the right thing for your business.
- Making progress in reducing our carbon footprint.
- Continuing to help make clean water, decent toilets and good hygiene normal for everyone, everywhere.

THANK YOU TO ALL OUR CUSTOMERS AND PARTNERS FOR YOUR SUPPORT.

The report is printed on Oxygen recycled paper stock. belu.org

