

IMPACT REPORT



LOVE STRUCK'TURE

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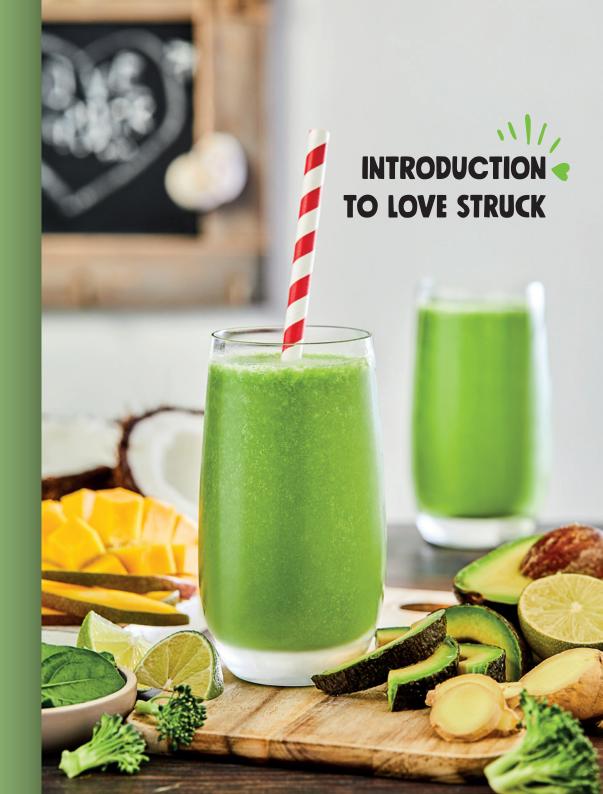
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FOOD FOR THOUGHT...

Welcome to our Impact Report, our first as a super-proud, vitamin-charged member of the B Corp community.

Getting our B Corp certification in November 2021 was a demonstration to the world of our commitment to do and be good via healthy, delicious food and drink which is: ethically sourced, expertly mixed and conveniently packed.

The last few years have been a rollercoaster. With Covid, lockdowns and a shift in mindset to eat healthier and exercise more, Love Struck is at the forefront of helping the world to be healthier.

That first lockdown in March 2021 brought with it a 95% drop in sales almost overnight, as our food service customers (cafés, restaurants, bars, gyms) were instructed to close their doors. Thanks to UK charity FareShare, none of that stock went to waste, it was all donated to families who were struggling and acted as a catalyst to make us rethink production.

We know how harmful food waste is to the environment, so our aim is obviously to have NONE.

In the spring of 2021, there was a collective sigh of relief as the third lockdown ended and the hospitality industry opened its doors, creating demand from cafes, bars, restaurants, spas and gyms for natural produce.

Wholesalers who had previously consolidated their stock, had culled many suppliers but thanks to our fabulous partners in Poland, we were able to strengthen our position as the de facto smoothie partner.

In that summer of 2022, together with the UK food service industry we bounced back, stronger than ever.

Richard (Founder)



FROM INSPIRED TO HIRED...

Love Struck began in Borough Market, London in 2004, with one man, one stall and one smoothie dream...



...Growing to a team of 10* in 2023, working with worldwide partners, selling millions of drinks across the globe!

^{* 2} were unable to make our photoshoot!

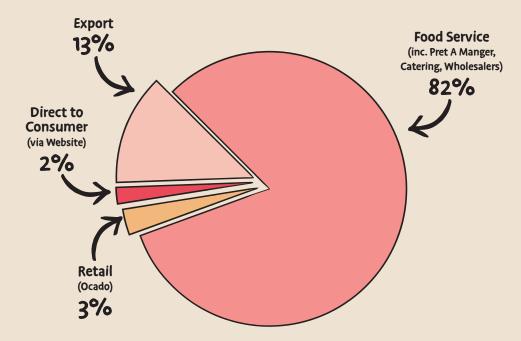
APPETITE FOR LIFE Love Struck HQ is based in the Surrey Research Park surrounded by green space and lakes -Global Gap Farmers great for walking and problem-Paying Our Farmers solving - a buzzing research-A Fair Price Sedex accredited* Fruit & Veg centric enterprise hub run by suppliers globally the University of Surrey. To keep Love Struck lean and efficient, we partner with experts in their fields; outsourcing everything from fruit Our European and veg producers globally to factory production, **Factory Partner** Michelin-Star recipe innovation, packing, distribution, Northern Europe marketing, digital and accounting. They make up our smoothie mix sachets, pack into cases and export abroad/send to the UK **Export Customers Lineage Logistics UK** Europe, Middle East, (Bristol) Australia, US Cold Store & Distribution Centre * Supplier Ethical Data Exchange, internationally recognised

WHO WE SUPPLY









A FEW COMPANIES WERE LOVE STRUCK IN 2022....



OUR PURPOSE

We go all-out to make mouth-watering, mood-lifting food and drink that fuels your appetite for life.

SMOOTHIES • SOUPS • SHAKES















OUR VALUES

What makes us Love Struck?



GOING ABOVE & BEYOND

As the original premium frozen smoothie company, we are known for having the best customer service and for our boundless energy and drive. We're constantly striving for better, setting industry leading standards, and driving innovation.



TASTE IS EVERYTHING

We work with a Michelin-starred chef to ensure there's fur in every mouthful and a taste sensation in every sip.



NATURALLY FANTASTIC

No nasties here, just mood-lifting, nutrient-packed fruit and veg smoothies and soups courtesy of mother nature. All flash frozen within 90 minutes for maximum goodness and at least one of your five a day.



HASSLE-FREE HAPPINESS

We've done the hard work for you – no measuring, peeling, or chopping! Our perfectly portioned **FROZEN** to **Firsh**TM fixes are ready in an instant with no fuss, mess or food waste.



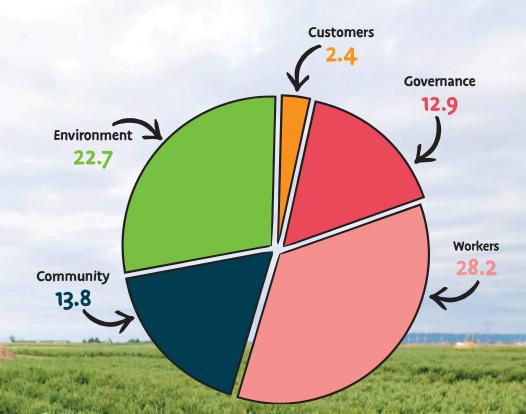
A BRIGHTER FUTURE

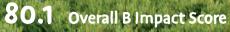
We're super proud to have become a **Certified B Corporation.** It means we are among an elite group of businesses that have achieved the highest environmental and social standards to reduce impacts on people and the planet.



In November 2020 we joined the ranks of 1300 B Corps UK-wide and over 6,000 across the globe, scoring 80.1.

This meets B Corps high standards but for our "committed to being better" team it means plenty of scope for improvement. Becoming B Corp has been a positive, purposeful stride for our small but perfectly formed team, demonstrating our 100% commitment to raising the bar in all that we do.





- **80** Qualifies for B Corp Certification
- **50.9** Median Score for Ordinary Businesses







1. HEALTHY EATING

The Issue:

The UK's Food Foundation published a report (The Broken Plate 2022) highlighting the impact of Britain's unhealthy eating habits and the urgent need for a major food policy overhaul. Unhealthy, ultra-high processed foods loaded with sugar, salt and additives result in a wide range of damaging effects on the population.

A snapshot in the UK in 2022:

OVER 80%

of children born who live to 65 will be overweight or obese Obesity in children has

RISEN BY

50%

Excess weight costs the UK appro

per annum in NHS costs
lost workforce productivit
and reduced

life expectancy

POOR NUTRITION CAUSES STUNTED GROWTH

British 5 year olds are shorter than their European counterparts with significant height variation between poor & wealthy areas

The Health Survey for England 2021 estimated that 25.9% of adults in England were obese and a further 37.9% overweight, with three quarters of those aged 45-74 either overweight or obese.



What We Do:

Love Struck Sales Figures...



We produced 16 million healthy, nutritious smoothies last year!

That's a meteoric rise in fruit and vegetable consumption, more in two years than our Love Struck history. Yes, people love our smoothies (yes, they tell us!) but we know our rise in sales also coincided with the nation's post-pandemic focus on healthy living. Plumping for fresh produce, more exercise and sticking to those choices.

Over the last year of the pandemic, 62% of Britons have altered their diet to get healthier*.

33%

included more fruit and vegetables in their diet

29%

started walking regularly

50%

started a new activity to stay active

12%

started exercising regularly

Quick harvest to freeze

Thanks to the IQF (Individually Quick Frozen) method, our fruit and veg are picked at their peak of ripeness and put on a conveyor belt within 20 minutes of harvest, so they're packed full of vitamins, minerals and antioxidants, the freeze process "locking in" valuable nutrients. (Source: Academy of Nutrition and Dietetics.)

No preservatives or chemicals

Every morsel retaining its vitamins for longer thanks to the fast freeze tech. Most deep-frozen fruit retains a higher nutritional value than fresh fruit and veg you'd find in the supermarket, because it's been maturing over weeks during transit.

(Source: YouGov survey as part of British Nutrition Foundation's Healthy Eating Week 2021)

Our impact on individuals:

Many Love Struck'ers go on to leave fabulous reviews. We're grateful for all the feedback, but for those who are suffering with their health and rely on the Love Struck goodness - ie: when they're undergoing cancer treatment - we get in touch and thank them with a rolling discount.

NICHOLE ****

Battling cancer, searching for something I could digest

"I have been battling stage 2 cancer since March 2021. I started radiation in September and couldn't eat solid food. I searched everywhere for something I could digest and keep down. You have an amazing product. One I'll shout about from the rooftops. I love them! Keep doing what you're doing!"

JACQUELINE ****

Goodness without using precious energy

"Having been diagnosed with M.E. I was really struggling to eat on the days where I didn't have any energy or appetite, leaving me more vulnerable to other illnesses. Then I thought Smoothies. Love Struck had some amazing flavours, not just fruit but other things which had different benefits, they came in individual packets, I put them in the blender and that's it. They help me get some goodness without using lots of my precious energy, which otherwise I wouldn't be getting! #gamechanger"

ADRIAN ****

Helping consume my 5 a day

"Simple. Every smoothie tastes amazing, helping me consume my five a day plus more."

TIFFANY ****

Quickest way when there's no time for yourself

"Absolutely love these smoothies, got my first box in the late stages of my pregnancy and now my lil one has arrived it is the quickest way to get a food smoothie together while you have no time for yourself."

ANON ****

Goodness without knowing it.

"My whole family are getting the goodness they need without even knowing it."

JESSICA ****

Helping me lose weight and detox

"They are helping me to lose weight and detox without feeling starving or sick after."

JENNA ****

Makes life easy in the busy mornings

"Makes life so easy in the busy mornings! My daughter even made herself one whilst home with tonsilitis!"

BRADLEY ****

Needed a boost of nutrition

"I got them after having Covid and needed a boost of nutrition. I'll be ordering regularly now."



2. FOOD WASTE

The Issue:

Food waste is one of our biggest environmental problems. The UN estimates that if global food loss and waste were a country, it would rank 3rd in the world for GHG emissions, after US and China.

Food losses and waste (in supply chains and by consumers) = 1/4 of GHG emissions from food. That's 6% of total global emissions.

1/3 of global food supplies wasted or lost every year = 40% of all food.

That's 2.5 billion tonnes.

1/3 of all food in the UK is wasted...

70% from households.

The energy and resources required to produce, process and transport food are wasted; the majority ending up in landfill generating methane. 80 times the warming power of CO2.

Global food waste produces more greenhouse gas emissions than all commercial flights, but according to climate action charity Wrap, only 32% of people connect the two.

Wrap latest figures (October '21) show*:

EVERY DAY IN UK HOMES WE THROW AWAY APPROX:

RANANAS

2.7 MILLION CARROTS

1.2 MILLION
TOMATOES

970,000 ONIONS 920,000

800,000 APPLES 720,000

ORANGES LETTUCES













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^{*} www.wrap.org.uk/resources/report/food-surplus-and-waste-uk-key-facts)

In a world of 7bn people, set to grow to 9bn by 2050, wasting food makes no sense – economically, environmentally or ethically - not to mention the greenhouse gas emissions produced by food decomposing on landfill and the transport of food that is ultimately thrown away.

Achim Steiner, Administrator of UN Development Programme & Chairman of UN Sustainability Development Group



What we do:

Our aim is no waste but...

When the pandemic hit, the entire UK hospitality industry (our primary target market) shut down for most of 2020 and early 2021, reducing Love Struck sales by 95%, leaving us with surplus prepandemic stock we couldn't sell before it's shelf-life expired in 2021. That's...







In 2022 we were determined to avoid that happening again.

We partnered with UK charity FareShare, to ensure if we ever had food approaching the end of its shelf life again, we would donate it to communities who would benefit.

We also improved our production and stock control procedures to avoid surplus stock.

Food redistributed through FareShare in 2022









J DAYS

FareShare is incredibly grateful for the support you have shown us this year, especially with the CoL crisis and the increased number of people needing access to our services.

Jessica Moseley, Commercial Officer, FareShare UK

^{*}The equivalent meals calculation based on WRAP's guidance around reporting the surplus food redistributed.

3. THE PLASTIC DILEMMA

The Issue:

Everyone wants to see less packaging, not more. And where plastic can't be avoided – for food freshness sake – we expect it to be recyclable.

Packaging cost rises and disruptions in supply chain have made it harder for the food industry to find the innovative food-packaging alternatives the food and drinks industries crave.

For now, its's a legal food regulation requirement that frozen food must be packaged in non-recycled materials for food hygiene reasons.

What we do:

We've trialled paper sachets (which don't work for frozen fruit, as they absorb moisture and need to be air-tight for freshness) and bio-degradable (which degrade before our frozen fruit and veg does) but neither passed the test.

So we are stuck with our LDPE sachets in the short-term to avoid food waste (thankfully they only comprise 2% of our product by weight) but we will find a solution, we've just got to keep trying!





11/,

OUR ENVIRONMENTAL IMPACT

We are continually striving for efficiencies in other areas too including: packaging, storage, and transport.

ON PACKAGING

Cups/Lids/Straws for Food Service

We're on a drive to make our packaging more sustainable.

We've gone from biodegradable, compostable "plant-based" plastic to completely paper based, fully recyclable cups, lids and straws for all our food service and café customers.

Better for consumers, better for the environment.

Recycling labels

Our mix bags are fully recyclable at supermarkets – communicated clearly by the On-Pack Recycling Label (OPRL) on every pack, showing how the consumer recycles.





All Love Struck point of sale is printed on paper stock, FSC certified and only with plant-based inks.





DTC (Direct to Consumer) Storage

We optimised our "Just in Time" stock delivery to cut down frozen cold storage requirements by 40%.

Equivalent to 24 pallets of frozen storage p/a

137_{KG}

Each pallet requires 525kwh of electricity per year to keep it frozen, equating to 137kg of CO2e emissions over the same period

Total energy emission saving of 24 pallets: 24 x 137kg = 3.288 metric tonnes of CO2e p/a

Cutting our fuel by 38% (5 truck journeys from Bristol to Redditch instead of 8)

WITH OUR FOOD SERVICE PARTNERS



Towards the end of 2021, at the end of the pandemic, companies were struggling with broken supply chains. We were already supplying Pret A Manger with frappes, but thanks to our strong performance with production and distribution partners, we won the contract to supply Pret A Manger with their in-store smoothie mixes as well.

Our Pret A Manger smoothie mixes now come in newly designed pillow bags...



Recyclable (for the first time in the history of the industry!)



Reducing plastic content by 35%



Saving 0.5 tones of plastic p/a



In line with the 4R's - Replace, Reduce, Re-use, Recycle

Significant work has been undertaken by frozen food manufacturers in finding a recyclable single use plastic, Mono PE film, which gives on average 35% reduction in plastic vs LDPE film historically used. Compounding the plastic problem are the constraints of finding a material that protects and preserves food in a harsh frozen environment where moisture and sealable bags pose significant challenges.

Embracing this new packaging technology was central to the product launch ethos.

We also took the opportunity to reduce the size of our in-store frappe product from 200g to 195g which reduced food waste at the service counter by 2.5%.

With over 3 million Love Struck sachets manufactured per year... ...that's 15 tonnes of food waste saved.

ON OUR RETAIL PARTNERSHIPS

Optimising with





Optimised pallet efficiency by 20%



That's 168 cases per pallet (not 140)



That's 5.75 trucks being transported (not 6.9) per annum



Saving 1570 miles of road transportation per annum



Equivalent to 26,406g (0.026 tonnes)



WITH LOCAL BUSINESSES

We have set up a working group with our Surrey Research Park community, to do things better together.



Outcomes:

- Reducing food waste and donating what we have (FareShare)
- Improving the Park recycling process
- Installing a pilot scheme of 8 electric vehicle charging points and expanding
- Improving the insulation of our buildings
- Changing office windows for more energy efficient equivalent
- Reverting to Octopus Energy (100% renewable electricity)

ON TRANSPORT

THE SAVINGS WE MADE IN OVERSEAS SHIPPING IN 2022

To the Middle East

- Optimised shipping container efficiency by 25%
- That's 6740 cases per container (not 5400)
- That's 4 shipping containers being transported (not 5) per annum
- Saving 6982 miles of shipping transportation per annum
- Equivalent to 2,974,124g (2.97 tonnes) of CO2 per annum

To the USA

- Optimised shipping container efficiency by 30%
- That's 3640 cases per container shipped (not 2800)
- That's 3 shipping containers (not 4) per annum
- Saving 4,448 miles of shipping transportation per annum
- Equivalent to 2,055,049g (2.05 tonnes) of CO2 per annum





ON HOSPITAL PATIENTS

For Christmas 2022 we donated money to Royal Surrey Hospital Charity to buy Christmas presents for patients isolated at home or stuck in hospital over the festive period.

Contributing to 574 gift bags for 18 wards at the Royal Surrey and community hospitals, plus patients in the community.

"You have no idea how the gift cheered me and everyone in my room at such a difficult time. It was really a great gesture and it touched me and everyone, so thanks for the thought, funding and all your efforts in making it happen in a lovely cheerful way."

Dr Marwa Hassan. in recovery on Christmas Day

"Covid has changed the way we celebrate but does not stop us spreading joy. Being able to witness the happy smiles made me forget we were in the middle of a pandemic and in hospital that day. I was blown away by the generosity of others, as were our patients. Thank you all for helping us spread joy on Christmas Day."

Laura Taylor, Senior Sister, Older People's Unit working Christmas Day



Because of our proximity to the Royal Surrey Hospital, our neighbours are mainly from the medical sector, so we joined them in a Tenant Takeover event to promote healthy living.

"HUGE thank you for taking the time to participate in the Surrey Show Case live. We couldn't have run it so smoothly without your support! From taking the time to prepare your demonstration stalls to the talks, we have heard nothing but positive feedback from attendees so far."

Katie Ledger, Events Officer (University of Surrey)

We donated smoothie packs to Surrey Satellite Company staff – 500 people - for their April health drive - many of them continuing at the end of the month.

ON STUDENTS

Thanks to our location we have strong links with the University of Surrey and have helped graduates studying for Master's and Doctorate degrees with their research studies.

Outcome:

We've participated in projects, attended business events and supported student work, inviting many to come in, ask questions and talk about the realities and challenges of sustainability in a fertile business.

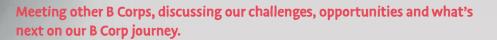
"Paul Longega from Love Struck was very supportive of my PhD studies and agreed to help me with my data collection, investigating the links between hybrid working and employee wellbeing."

Lisa Cafora, Doctoral Candidate, PhD Management and Business – People and Organizations, University of Surrey

WITH OTHER B CORPS

B Corp Local Events







families feeling energised and healthy.

"I love working for this company......it has such a lovely culture, their products promote health and vitality, and they are the market leader in their field, always looking to innovate, do good and shake things up. Moreover, I feel valued and they invest in my personal development. I can't wait to see where this journey leads and I see myself being here for a very long time"

Zoe Arrowsmith – Love Struck Operations Manager (2 years)

WE'RE GREAT AT...

Staff Retention

Apart from 1 on maternity leave, no one has left in 3 years.

2020 Staff 8 (no-one left)

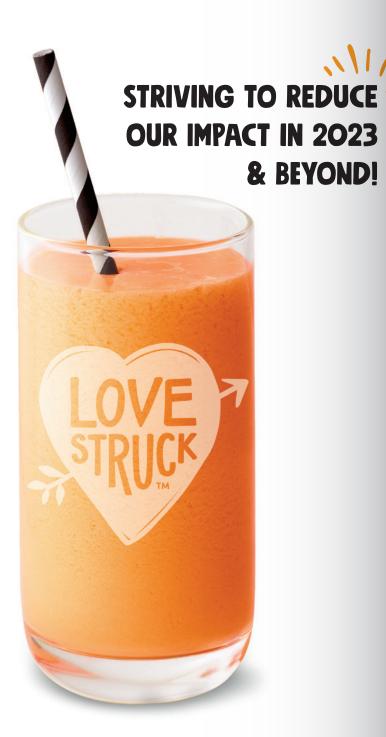
2021 Staff 9 (1 substituted due to maternity leave)

2022 Staff 9 + 1 temp (no-one left)

2023 Staff 9 + 1 temp (no-one left)

Benefits and Welfare

- Above market benchmarked salaries
- Above inflation pay rises
- Voluntary bonus paid in Summer '22 to assist with cost-of-living crisis
- · Unlimited smoothies for staff & their families
- End of year performance pay bonuses
- Hybrid home/office working
- Finish early Fridays (all staff encouraged to finish at 2pm)
- Investment in office environment; plants, multiple IT screens, new furniture, a "living wall", located in the beautiful surrounds of the Surrey Research Park, complete with lakes and green spaces
- Summer and Christmas events every year to reward staff.





B Corp is more than a certification, it's a philosophy. To successfully embrace it, we've got to let it permeate into every corner of our thinking.

It's clear that to be truly sustainable and to take our responsibilities seriously as a business, we need to go much, much further than paper straws and food donations.

We have two main areas to tackle:

- Reducing our carbon footprint to reach net zero
- Reducing our waste (food, plastic etc) and environmental impact (resources used)

At this point it is important to identify the difference between carbon neutral and net zero. Our aim is to go way beyond just carrying on as we are and planting a few trees. Fundamentally, we must start pulling apart our business and putting it back together again more sustainably.

To achieve it we will:

- Measure our carbon emissions across every facet of the business and devise a decarbonisation strategy (Remove/Reduce)
- In areas where we cannot reduce or remove the carbon (unavoidable emissions), we need to embark on carbon offsetting (Offset)
- Conduct a waste audit and work out a zero-waste management strategy (Remove/Reduce)

Attaining these goals requires internal financial investment and external partners to help.

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Here's what we have done:

- Engaged C-Free to help us perform a full carbon footprint audit across the business and collaborate with us to devise a decarbonisation strategy. www.c-free.co.uk
- Started working with The Green Branch who specialise in funding and managing ecosystem restoration to offset unavoidable carbon emissions. <u>www.thegreenbranch.nl</u>
- Rather than waiting to measure our carbon footprint and then begin reducing and offsetting, we have immediately taken the step to invest in an ecosystem project in South America, removing 250 tonnes of CO2 and offsetting our emissions by an equivalent amount.
- Commenced a project with Wegozero, who will conduct a full waste audit across the business and formulate a zero-waste management strategy. <u>www.wegozero.co</u>

Once these projects are advanced, we'll set realistic targets for charting our journey to net zero and minimising our waste as far as possible.

We are also taking steps to better manage the sustainability of our business travel by utilising fellow B Corp; Coco+. Their platform streamlines booking and provides clear visibility of the environmental impact of all transport options, so we can make better informed decisions about minimising our carbon footprint and measuring it.

For every journey, accommodation and transfer we book, all carbon emissions are offset by 101%, using an organisation called Climate Impact Partners.

Other Goals

Workers:

To enhance our understanding of our staff's wellbeing and happiness, we plan to launch a staff survey, to take the pulse of the individuals in our organisation every month, tracking key metrics and analysing their implications. The purpose being to interact with staff to understand what we are doing right (amplify it) and what is not working so well (fix it).

Environmental:

Having optimised shipping container efficiency for our Middle East and US exports, we now need to turn our attention to our Australian exports. We will look to improve efficiency by 25%. This has the potential to reduce 12 container shipments to 9, saving 34,000 miles of shipping transportation per annum.



If you made it this far, thank you for reading our first B Corp Impact Report, we look forward to tackling our 2023 challenges and reporting our positive impact to the B Lab next year.