

# our modern slavery statement

2021

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## this statement in a nutshell

Here at innocent we want to make healthy, tasty juices and smoothies in a way that's good for people and the planet.

We've created our own human rights policy based on international standards, which prohibits any form of forced labour and includes guidelines on things like workplace health and working hours. Since launching our policy, we've put programmes in place to make sure we recognise where we could do better, and have put human rights standards into our supplier contracts. We do our research and visit our supply chain related suppliers as much as possible to check for any risks of modern slavery, and we make sure that the majority of our employees are engaged on human rights too. This approach takes a bit more time and can be costly, but it's important that we leave no stone, or berry, unturned.

Read on to hear more about our mission to show that doing business the right way actually works.

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# hello

Back in 1999, innocent was founded by three friends who met at university. Ever since then we've been on a quest to make natural, delicious and healthy drinks that help people live well and die old.

We've come a long way since we started out selling smoothies at a music festival, and right from the beginning we've focused on leaving things better than we found them. These days, we're one of leading brands in chilled juice businesses in Europe, with our little drinks sold across the continent, and now in China and Japan too. Pretty exciting stuff. This statement sets out the steps taken by Fresh Trading Limited and its group companies (as listed in its annual accounts) including in particular, innocent Limited and Fresh Trading Supply B.V. hereinafter.

Just over **550** people work at innocent. We're spread across offices in Amsterdam, Rotterdam (our temporary factory office), Copenhagen, Dublin, Madrid, Milan, Munich, Paris, Salzburg, Stockholm, Vienna, Tokyo, Shanghai, Hong Kong, and our London headquarters (Fruit Towers). Our structure mixes core group functions (like finance and sustainability) with regional functions (like sales and marketing) which focus on the different markets where we sell our stuff. At the end of 2019 we had a group revenue of just under **£430 million**.



What's just as important as selling our drinks, is how we go about making them. We have five company values and one of them is to be responsible. That means we expect everyone who works at innocent, as well as everyone in our supply chain, to think carefully about how they do business on our behalf. Over time, we realised that we could use our values to show the world that it's possible to build a successful business that cares about more than profit. That's why, in 2018 we became [B Corp certified](#). By becoming a B Corp, we've joined a global movement of companies that believe in using business as a force for good.

We won't stand for any form of modern slavery or human trafficking being part of how we make our drinks. While we've seen no evidence of slavery in our supply chains, we recognise that this is a widespread and well hidden issue. As such, we are working hard to reduce the risk of it being part of our supply chain. Each year we will put together this annual statement.

## our supply chain

The most significant area we use suppliers for is to source our ingredients and help us make our drinks. We have an outsourced supply chain which means we don't own the farms that grow the ingredients for our drinks, or the factories that package, blend and bottle them. Here's what our supply chain looks like in pictures:



# what we do to tackle modern slavery

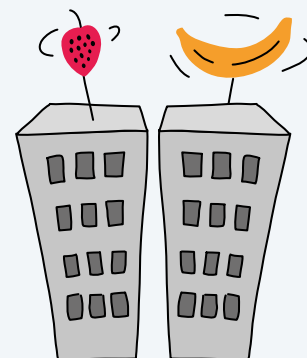
For us, getting to grips with modern slavery and people trafficking is part of a wider focus on protecting [human rights](#) in our business and supply chain. Some of the ways we deal with human rights, including modern slavery, are:

- We set up a human rights working group in 2017, which brings people together from our sustainability, supply chain, legal and people teams. The group meets four times a year to discuss and review the strategic and operational parts of human rights at innocent. In 2019 we reviewed the six highest risk areas of the business against the [Ruggie principles](#). Our 2020 workstream was all about closing out the gaps in our policies and practices that we identified [including making the risk assessment process for our non-ingredient suppliers more rigorous.
- Our human rights policy and supplier guidelines on human rights come straight from our CEO (you can read them in our [2018 statement](#)).
- Every single person at innocent helps to make sure we use our business as a force for good. It's something we make sure is also written into our individual objectives.
- We're still using the live issue log for human rights that we created in 2019. The log helps us track how we're doing and makes sure our suppliers are tackling the issues raised within the agreed time frames. It also helps us to tick off and celebrate when an issue is fully resolved and a plan is in place so it doesn't happen again. In 2020 we added a risk tab to help us keep a closer eye on the riskier areas of our business and add extra support to them when we need to.

## what our staff are doing to help

We want all innocent employees to support our work on human rights. So there are three key ways that we've been getting our employees on top of human rights:

- We've got a company code of business conduct. This sets out our commitment to doing business in a fair way. This means treating everyone with honesty, integrity and respect.
- Every employee has to read it to agree they'll comply with it.
- We have a whistleblowing procedure for employees. If they see anything that they think goes against our code of business conduct, they can report it to an appropriate member of staff or one of our local ethics officers. We also have an Ethicsline where innocent people and our supplier can anonymously report grievances, mentioned in the innocent code of conduct.
- Everyone in our supply chain and people team is trained on human rights (there's more on this later, in 'how we measure performance').



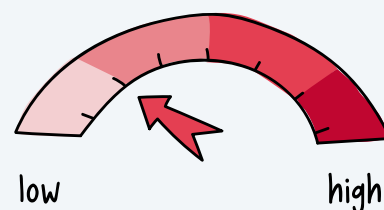
## assessing risks

To help us work out the risk of modern slavery in our supply chain, we asked some external experts for their help to highlight the risk areas across our whole business and supply chain (from finance to IT, supply to human resources). Our highest risk areas are our ingredient supply chains and (to a lesser extent) the places that blend and bottle our drinks.

The agricultural sector tends to be higher risk because we acquire ingredients from all over the world and can be really complicated. The location, seasonality, crop type and harvest method of each ingredient has a big impact on how likely it is that human rights violations will take place. Brazil, India, Spain, Thailand and Philippines are the highest risk countries for us. So for each country we're doing more in-depth research, we've developed action plans and we've launched projects that take action to protect people's human rights. Our business has grown a lot in the last three years so we'll be inviting external experts to review our business wide risk assessment in 2021 to make sure we are still focusing on the most important risk areas.

We have a risk assessment process that we always go through before we source from a new ingredient supplier. It uses external risk mapping software and desk-based research to identify environmental and social issues that may be of concern for every ingredient we source. We also visit each new ingredient supplier to make sure that they're looking after the people in their supply chains and that we're happy that they're a good fit for us. Even if it would make financial sense, we will not source from a supplier if we don't feel confident that the human rights of the people working in their supply chains are being respected. Taking our time to research suppliers at the approval stage gives us the best chance of making sure we don't introduce partners associated with human rights risks into our business.

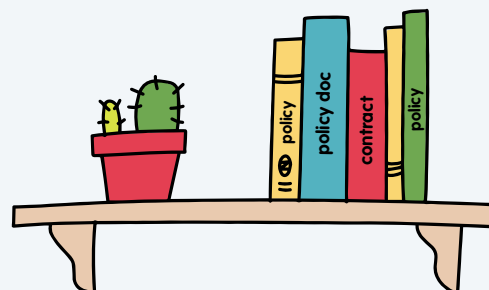
You can read more about how we assess the risks of modern slavery in our [2017](#), [2018](#), [2019](#) and [2020](#) statements.



## the steps we're taking

It's really important to us that our ingredient processing, blending, bottling, warehousing and packaging suppliers meet specific environmental and social standards. Contracts and auditing aren't going to instantly stop human rights abuses, but they hit home the message that we're serious about human rights and committed to protecting workers in our supply chains.

We use audits that align with international standards to make sure that our suppliers make the grade and are meeting the expectations set out in these contracts. We see these audits as a way to help us understand where suppliers are in terms of social compliance and the management systems they use.



We're currently working on extending our approach to contract management across all suppliers. We have embedded our human rights policy and supplier guiding principles into our contracts and purchase order terms and conditions between us and suppliers. We expect our suppliers to implement appropriate internal processes to ensure that they, their employees and their sub-contractors comply with our policies.

For farm level suppliers, we're using the Sustainable Agriculture Initiative (SAI) Platform's Farm Sustainability Assessment (FSA). The assessment is internationally recognised and covers both environmental and social standards, including the prohibition of any form of forced and bonded labour. The FSA is a practical tool for understanding what's happening on farms and we use it in a way that builds relationships, structure and transparency into supply chains.

The way the audit is designed allows our auditors to check groups of farms (managed in the same way) by the same supplier (Farm Management Groups). This means our third-party auditors are more efficient, giving our farmers time back to carry on with all the good stuff they do.

We also get some of our products from certified sources such as:

- Rainforest Alliance™ (for the last 10 years all of our bananas have been certified)
- FSC (all of our primary wood and paper packaging is FSC certified)
- Global Good Agricultural Practice (GLOBALG.A.P)
- GLOBALG.A.P. Risk Assessment on Social Practice (G.R.A.S.P)
- ECOCERT
- Organic
- Fair Trade



Just like audits, we know that certification isn't going to fix everything, but it does help us get closer to where we want to be.

As we know that our ingredients supply chain is the highest risk area for human rights abuses, we've also built specific sustainability objectives with our 12 most significant suppliers (which represent 80% of our spend on ingredients). This will help us to increase their focus on delivering improvements on sustainability and human rights in our mutual supply chains. Progress on these objectives are checked annually and discussed with the suppliers as part of our annual Supplier Performance Review.

# how we measure performance

We know that the risk of modern slavery in our business and supply chains is constantly changing, so we're keen to put measures in place that make sure the action we're taking is having an impact.

Because of this, we've chosen key indicators that we'll use to assess our progress. We want to make sure that we stay flexible, so these indicators may change as we learn and do more work in this area.

## social compliance in factories

**51**

low risk and remediable non-conformances from 12 suppliers

**142**

suppliers (that's 5 more than last year), as of May 2020

**86%**

**of them have completed audits**

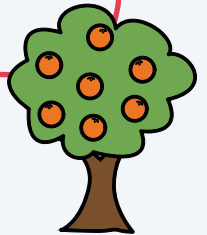
and are either fully compliant or at various stages of fixing non-conformances

year	2017	2018	2019	2020
suppliers in scope	95	107	137	142
% audited	97%	85%	75%	86%
types of suppliers we audit	ingredient processing, direct packaging suppliers, bottlers, blenders and our main UK warehouse	ingredient processing, direct packaging suppliers, bottlers, blenders and all European warehouses	ingredient processing, direct packaging suppliers, bottlers, blenders, all European warehouses and outsourced packaging	ingredient processing, direct packaging suppliers, bottlers, blenders, all European warehouses, outsourced packaging and intermediate ingredients processors in high or extremely high risk countries

This table shows our social compliance audit progress over time. In the last year, Covid-19 has had a massive impact on our ability to audit and visit our suppliers due to the various restrictions that we've seen across the globe. We're currently allowing extensions until the end of June 2021 for sites that haven't been able to complete their audit due to Covid-19 and we're working really hard to get as many audits as possible booked in for the second half of the year. We've developed a virtual site visit protocol for our teams to help us manage potential risks on site as best we can in the meantime, and are in the process of trialing the use of VR goggles to support our virtual site visits.

## farm sustainability programme

year	2018*	2019	2020
<b>ingredient supply chains</b>	90	106	114
<b>number of supply chains</b> verified as meeting FSA bronze or equivalent standard	9	41	66
<b>percentage of ingredient volume</b> verified as meeting FSA bronze or equivalent standard	8%	55.1%	75%



### farm sustainability programme

#### what we're doing

We use the Farm Sustainability Assessment (FSA) developed by the Sustainable Agriculture Initiative (SAI) Platform and ask our suppliers to meet at least FSA Bronze level, or a similar standard. You can read more about this standard earlier in this document.

This table shows our progress against our farm sustainability programme over time. Our suppliers have been working really hard and since 2018 we've verified that an additional 69 ingredient supply chains are meeting FSA bronze or an equivalent standard.

The absolute numbers of supply chains may differ to the percentages shown, as we will buy very different volumes from each supplier, and percentages are based upon volumes purchased annually, which will fluctuate year-on-year.

## human rights training

year	2018*	2019	2020
<b>percentage of people</b> (from our people & supply chain teams) trained on human rights – including modern slavery	94%	68%	93%



### human rights training

#### what we're doing

In 2018 we created a human rights training programme which includes an introduction to our whole policy and focuses on important areas like modern slavery. It also includes tips on how to talk about these issues with our suppliers and a question sheet to remind people about what to discuss when visiting suppliers.

We're thrilled to report that 100% of our supply chain and people teams have now been trained in human rights. We have a plan in place to make sure all new joiners are trained so that we can keep ourselves at 100% year on year. In 2021 we will also incorporate human rights training into our induction process across all of our business functions.

\*We only started measuring data from 2018.



## thanks for reading

This statement has been approved by our human rights working group and the innocent board and we hope you've found it useful. If you have any thoughts or feedback for us, please get in touch by popping an email to [hello@innocentdrinks.co.uk](mailto:hello@innocentdrinks.co.uk).

Whilst modern slavery is a tough issue to tackle, it's really important that we do. We look forward to another busy year doing everything we can to make sure it isn't happening in our business or supply chains.

A handwritten signature in black ink, appearing to read 'Douglas Lamont', written in a cursive style.

### **Douglas Lamont**

CEO (aka chief squeezer)  
innocent