

our modern slavery statement

2020

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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 suppliers as much as possible to check for any risks of modern slavery, and we make sure that all our employees are trained 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 the biggest juice and smoothie 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.

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, our London headquarters (Fruit Towers) and our London temporary office (The Gramophone Works). 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 slavery or trafficking being part of how we make our drinks. While we've seen no evidence of slavery in our supply chains, to hold ourselves to our own high standards, we've committed to putting together this annual statement (which captures our response to the UK Modern Slavery Act 2015). It shares what we're doing to put a stop to any chance of modern slavery or human trafficking happening in our business or supply chains. We use this annual update to let you know what we've been up to since our last 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 chains. You can read more about this in our **2017**, **2018** and **2019** modern slavery statements.

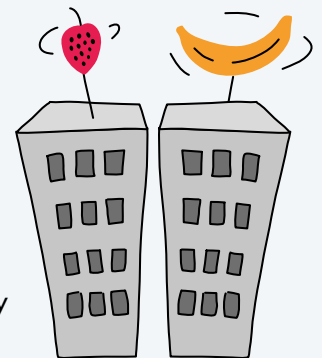
Some of the ways we deal with human rights, including modern slavery, are:

- 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. We recently reviewed the six highest risk areas of the business against the **Ruggie principles**, to spot gaps in our policies and practices and work out how to close them. It's important we keep following this way of working in the future.
- 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. As of 2020, we've 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 and every employee has to read it to agree they'll comply with it. This means treating everyone with honesty, integrity and respect.
- 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.
- Everyone in our supply chain and people team is trained on human rights (there's more on this later, in 'how we measure performance').



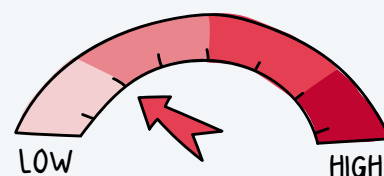
assessing risks

To help us work out the risk of modern slavery in our supply chains, 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 our supply chains are 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 and Thailand 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

We have a risk assessment process that we always go through before we source from a new 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 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](#) and [2019](#) statements.

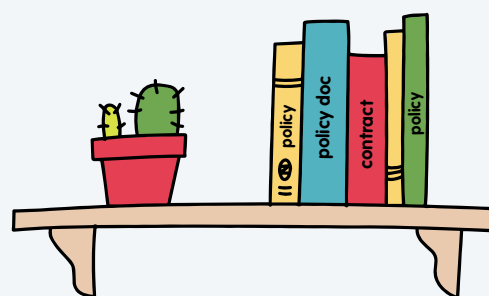


the steps we're taking

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. This means making sure that all our suppliers sign an agreement with us that includes, among other things, a commitment from our all suppliers (including their employees and subcontractors) to comply with our human rights policy, supplier guiding principles and our business code of conduct.



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.

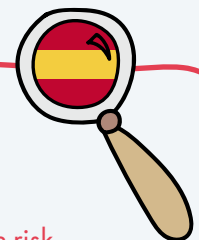
We also get some of our products from certified sources such as:

- 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 will be checked and discussed with the suppliers as part of our annual Supplier Performance Review. This'll help shape the sustainability objectives that we'll set in 2021.



keeping tabs on the supply chain in Spain

In our last two statements we talked about how we'd added Spain to our list of high-risk countries for modern slavery. This means we're monitoring what goes on in Spain closely, and working with our suppliers to make sure that slavery isn't part of how our supply chain works. To be sure we have an industry-wide approach and the best practices, we're continuing to fund the Spanish Ethical Trade Forum for another year. This forum is a great way to share knowledge between retailers, brands, suppliers and the Spanish government – all so that the people in our supply chains are best looked after. We've also been able to put forward things we'd like the forum to discuss, with our recommended topics, 'grievance mechanisms' and 'worker communication channels', being chosen for a 2020 working group.

Another thing we've been busy with is finishing the first phase of our project with **Stronger Together**. This was a collaborative effort with Coop, M&S, Waitrose and Ocado to write a best-practice toolkit for Spanish supply chains. After lots of writing, editing, checking and reviewing, we're proud to say it's finished. You can read more about it [here](#). We're now planning the second phase, which is all about training growers how to use the toolkit.

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

outstanding non-conformances from 12 suppliers

142

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

86%

of them have completed audits

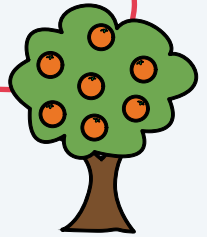
and are either fully compliant or at various stages of fixing non-conformances

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, we've formalised how we do things, including which of our intermediate ingredient suppliers are included within our auditing programme. We've also added five suppliers to the programme and increased the percentage of our suppliers that have been audited by more than 10%.

farm sustainability programme

year	2018*	2019	2020
ingredient supply chains	90	106	114
number of supply chains <small>verified as meeting FSA bronze or equivalent standard</small>	9	41	66
percentage of ingredient volume <small>verified as meeting FSA bronze or equivalent standard</small>	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 57 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
percentage of people (from our people & supply chain teams) trained on human rights - including modern slavery	94%	68%	93%



human rights training

what we're doing

We've 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. You can read more about our training programme in our 2017, 2018 and 2019 statements.

Last year, we only trained 68% of the people in our supply and people teams. We added 33 new people to the teams and hadn't quite trained them all. We're now up to 93%, and we've trained three new internal trainers to get that 93% up to 100%.

*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.

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