

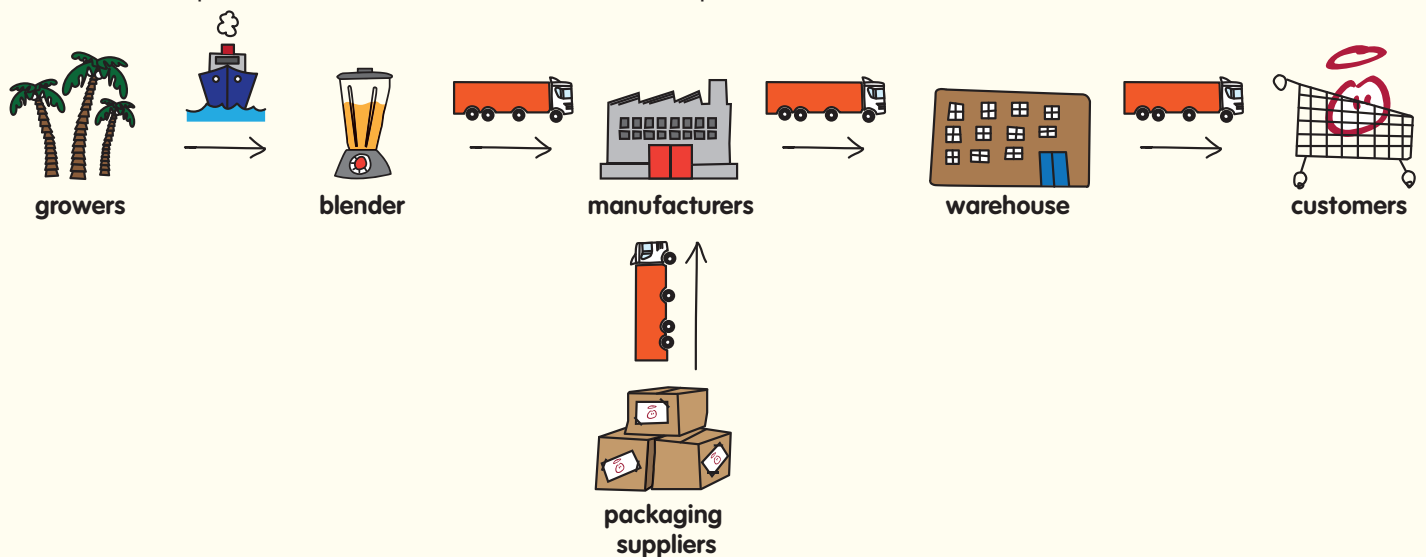
our modern slavery statement

hello

We started innocent in 1999 after selling our smoothies at a music festival. Since then, we've started making lots of other types of drinks including juices, coconut water and kids' stuff, in our quest to make natural, delicious, healthy drinks that help people live well and die old.

From humble beginnings we have grown to be one of the biggest juice and smoothie businesses in Europe with our little drinks sold across the continent. We employ about 450 people and have offices in Amsterdam, Dublin, Paris and Salzburg and our headquarters (Fruit Towers) is in London. In terms of our company structure, we have core group functions such as finance and sustainability and four regional functions which focus on the different markets where we sell our stuff. In 2016 we had a revenue of just over £300m with good growth across all major categories.

We use suppliers for many things, from delivering fresh eggs to our office for breakfast to helping us with our ads. However, the most significant area we use suppliers is to source ingredients and to make our drinks. We have an outsourced supply chain which means that we don't own the farms that grow the fruit & veg for our drinks or the factories that blend and bottle them. We source ingredients from thousands of growers all over the world with a lot of the volume coming from Brazil, Costa Rica, Germany, Italy, Spain and Thailand. We then blend and bottle them at sites in the UK, France, the Netherlands, Germany and Thailand. Once made, we sell our drinks to supermarkets and other outlets across Europe, who sell them to our drinkers.



But there is more to us than the drinks we make. Equally important is how we go about making them. Respect for people and our planet has been built into our culture since day one. Our mantra is "tastes good, does good" and that means good for your body but also doing good in a wider sense. One of our company values is to be responsible, and we expect all of our team to think carefully about how they do business on innocent's behalf.

Whilst we always try to do the right thing, we also know we aren't perfect. We absolutely hate the idea of any form of slavery or trafficking being part of the making of our drinks. And whilst we have seen no evidence to suggest this is happening, we also can't say for sure that it isn't. To make sure we consistently hold ourselves to our own high standards, we have put together this statement (which captures our response to the UK Modern Slavery Act 2015) which shares what we are doing to proactively seek out, and reduce, any chance of modern slavery or people trafficking occurring in our business or supply chains.

how we work on modern slavery

At innocent we take a holistic approach to human rights. Addressing modern slavery and people trafficking is part of a wider focus on safeguarding human rights within our business and supply chains.

We have a human rights working group that comprises of people from our sustainability and supply chain teams. The group meet quarterly and have the remit of making sure we are continuously improving the rights of people in our business and supply chains. Our head of sustainability leads this group but ultimately our operating board is responsible for compliance across the business and with suppliers.

More broadly, working on environmental and social issues is part of our culture. Every single person at innocent works on the sustainability of our business and this is formalised in objectives.

our policies and contracts

Here at innocent we believe that, while policies and contracts don't make good bedtime reading, they are of crucial importance for setting expectations. Our human rights policy applies to our whole business and supply chain, and we have an ongoing audit programme (see below) to monitor compliance. The policy clarifies our position on diversity, freedom of association, workplace health, safety and security, working hours, wages and benefits, child labour and modern slavery. It also prohibits the use of all forms of forced labour including prison labour, indentured labour, bonded labour, military labour, slave labour and any form of human trafficking.

Our policy is guided by the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the United Nation Guiding Principles on Business and Human Rights.

We have contracts with suppliers. We are rolling out a new approach to contract management in our supply base. This will ensure that all of our ingredient processing, blending, bottling and packaging suppliers have signed a master services agreement (MSA) which, amongst other things, has a section outlining our environmental and social requirements and expectations, including those outlined in our human rights policy. The MSA asks suppliers to share our code of business conduct (see below) with their employees and subcontractors and ensure they are in compliance with it. We also try and be fair with our suppliers and commit to paying them within 60 days of receiving an invoice.

We ask every new staff member to read and comply with our company code of business conduct. The code makes clear our commitment to doing business in a fair way - treating everyone, including customers, suppliers and consumers with honesty, integrity and respect. All employees are expected to comply with the code and all applicable government laws, rules and regulations.

We also have a whistleblowing procedure for employees. If they see anything that they think goes against our code of business conduct then they should report it to an appropriate member of staff.

how we assess risk of modern slavery

As part of our ongoing risk assessment process, we use external risk mapping software and desk-based research to identify environmental and social issues that may be of concern for every ingredient that we source.

The software identifies risk in the areas of biodiversity, climate change, environmental laws and regulation, water stress, corruption, child labour, civil liberties, gender inequality, human rights, labour rights, land use/ conflict, as well as the prevalence and vulnerability to modern slavery. Before sourcing from a new supplier, we also ask them to complete a self-assessment questionnaire to evaluate social and environmental risk. We visit our suppliers and a representative sample of their farms and complete an ingredient risk assessment to help validate findings. Based on all of the above information, we then make decisions about which ingredients to source, where and who from, and what can be done in terms of risk mitigation.

We have also undertaken an exercise, with guidance from external experts, to assess the risk of modern slavery related to our business more broadly. We mapped all of the different parts of our business & supply chain where modern slavery could occur, from finance to IT and from supply to human resources, and then prioritised the risks areas.

Our highest risk areas are our ingredient supply chains, and to a lesser extent, the sites that blend and bottle our drinks.

The agricultural sector tends to be higher risk because our supply chains are geographically extensive and can be highly complex. The location and seasonality of each ingredient also has a big impact on the likelihood of human rights violations taking place. In certain countries forced labour is more endemic whilst seasonal crops that depend on temporary or migrant workers tend to carry greater risk.

We know that Brazil, India, Italy and Thailand are the highest risk countries for us based on country risk and how much stuff we buy from them.

For each of these higher risk countries, we have conducted more in-depth research and are developing action plans to further understand the likely risk of slavery occurring. We believe that to truly address environmental and social issues (including modern slavery) it is necessary to go beyond auditing. We want to work in partnership with our growers, and have committed to invest £1 million by 2020 in projects to achieve best practice sustainable agriculture. We will report on how these projects develop and the impact they have in the coming years.

what we are doing about it

We have a commitment as a business that our ingredient processing, blending, bottling and packaging suppliers will meet specific environmental and social minimum standards. We put this in our contracts with them and we use audits that align with international standards as the method to check that it is happening. We recognise that audits aren't an instant fix to stopping human rights abuses, but they can be helpful in understanding where suppliers are in terms of social compliance and the management systems they have in place. They also bring home the message that we are serious about human rights and are committed to protecting workers in our supply chains.

Our commitment is to have all of the sites that process, blend or bottle our ingredients, and those that supply our packaging, audited against our Supplier Guiding Principles by the end of 2017. Any new sites have to pass an initial risk assessment process and are then given up to 12 months to undertake the audit. The audit covers all key work-based human rights including forced labour, child labour, freedom of association, discrimination, working hours and wages, health and safety, business integrity, grievance procedures, human rights management systems as well as protecting the environment.

As of March 2017, 75% of the 95 sites in the audit programme were either compliant or at various stages of closing out non-conformances. Our plan is to get this to 100% by the end of the year. Suppliers can score red, orange, yellow or green on the audit and then have a fixed amount of time to close out any non-conformances. They are generally audited every three years unless they initially score red or orange in which case they are audited again the following year. To date, we haven't found any issues around forced labour, with the majority of non-conformances being in the areas of working hours & overtime or health & safety.

For farm level suppliers, we are using the Sustainable Agriculture Initiative's (SAI) Farm Sustainability Assessment (FSA). The assessment is internationally recognised as best practice and covers both environmental and social standards including the prohibition of any form of forced and bonded labour. We have communicated with all our ingredient processors that this is the standard that we expect them to work towards with their farmers.

We have also asked them to conduct self-assessments and, where non-conformances are found, to address them. The FSA is a practical tool for understanding what is happening on farms, but using it to audit every single farm is not practical given the sheer number of farms we source our ingredients from. We are working with our supply

partners and other members of SAI to explore how we can use a representative form of sampling to best effect.

We also source some of our products from certified sources. For example, for the past ten years all of our bananas and many of our pineapples have been Rainforest Alliance Certified™. All of our primary wood and paper packaging is FSC certified. We also know that many of the farms and suppliers we source from have Global Good Agricultural Practice (Global G.A.P), ECOCERT, Organic or Fairtrade certifications. As with audits, we know that certification isn't the silver bullet but it is an important tool for mitigating risk. Crucially for us, we buy certified products because we want to be in business with suppliers that want to be doing things in a better way.

how we work with others

We work closely with, and co-chair, the SAI fruit and nut working group. As part of this group, we have already been involved in key projects such as our strawberry project in Spain to improve water efficiency, and a project looking at oranges in Brazil. The orange project has recently developed a sustainability self-assessment tool which includes human rights issues. The tool is designed to support growers to continuously improve their production processes, and the next steps will further test the tool on the ground. Over the coming years, we foresee a great opportunity to do more work in collaboration with the group to identify and tackle issues such as modern slavery in high risk areas of our shared supply chains.

We also give 10% of our profits to charity, primarily to the innocent foundation. Since 2004 the foundation has given over £7m to projects to address hunger and food poverty. Poverty is a key cause of modern slavery and human trafficking.

how we measure performance

We know that the risk of modern slavery in our business and supply chains is constantly changing and evolving and so we are keen to put measures in place to ensure the action we are taking is having an impact.

We are in the process of formalising the indicators we will use to assess progress. They will measure:

- The percentage of our sites and farms that have been audited against SGP and FSA standards and remedial actions taken to address non-conformances
- The engagement and training of innocent staff on the issue of human rights
- Work undertaken with key suppliers to increase their effectiveness in addressing modern slavery
- Work undertaken collaboratively and money spent on projects addressing human rights

Our full set of indicators will be published in next year's statement.

what we are doing on training

We have recently run an internal training workshop to upskill key people from across the business in modern slavery, as well as to get their help on understanding key risk areas for the business.

We have also run a session with our directors to raise their awareness of modern slavery, the legislation and our approach to addressing human rights as a business.

We recognise the need to do more with regards to training on human rights as a business, and are currently deciding on the best approach to engage employees and suppliers on the issue. We will have more to report on this front next year.

thanks for reading

This statement has been approved by the innocent Bored and we hope you have found it useful and informative. If you do have any thoughts or feedback for us, then please get in touch by emailing hello@innocentsdrinks.co.uk or stopping by Fruit Towers.

Whilst modern slavery is a tough issue to tackle, it's really important. We look forward to a 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

