

our modern slavery statement

2021

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January – December 2021

this statement in a nutshell

Here at innocent we aim to make healthy, tasty juices and smoothies in a way that helps 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 human rights standards into our supplier contracts and put programmes in place to make sure we recognise where else we could do more. We do our research and visit our supply chain related suppliers periodically to check for any risks of modern slavery and we make sure that many 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.

what's in this statement

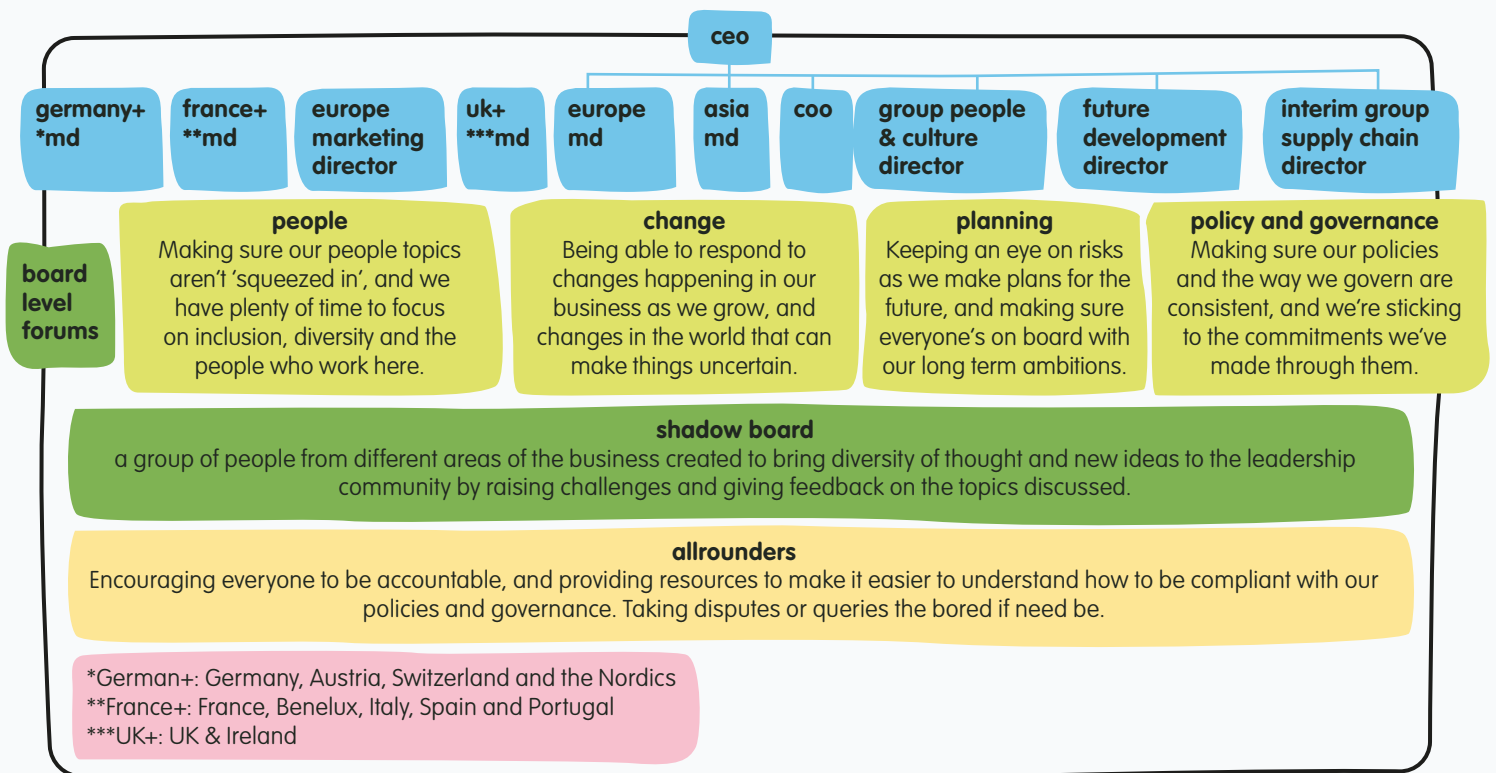
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hello

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 and planet live well.

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 leading brands in the chilled juice sector in Europe, with our little drinks sold across the continent. We've also started selling our drinks in China 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 760 people work at innocent. We're spread across offices in Amsterdam, Rotterdam, Copenhagen, Dublin, Madrid, Milan, Munich, Paris, Salzburg, Stockholm, Vienna, Shanghai, Hong Kong and our London headquarters (Fruit Towers). Our structure comprises of core group functions (like finance and sustainability) who work closely with regional functions (like sales and marketing) which focus on the different markets where we sell our stuff. At the end of 2021 we had a group revenue of just under €500 million.



What's just as important as selling our drinks, is how we go about making them. We have company values and one of them is to be responsible. That means we expect everyone working 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 and are committed to keep improving our alignment to this purpose. (In 2021 we re-certified as B Corp, increasing our score to 105.2 points).



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 propose to put together this annual statement.

our structure and supply chain

The most significant area we use suppliers for is to source our ingredients and help us make our drinks. In 2021 we had a partially outsourced supply chain, so we don't own the farms that grow the ingredients for our drinks, or the factories that make our packaging. We're in the process of changing where our drinks are blended and bottled, and in 2021 we opened our own factory to blend and bottle drinks. However, in 2021 the majority of our drinks were bottled in factories owned by our suppliers. As the proportion of our drinks that are blended and bottled in our own factory increases, this will give us more control over how our workers are recruited, managed, respected and supported.



2021 activities in summary

- We commissioned external experts to complete our first group-wide risk assessment. This assessment covers all our supply chain suppliers and will be repeated at least every three years.
- All our staff had access to training on our approach to human rights, and 76% of our priority teams have completed more advanced training.
- In 2021, innocent was looking for an additional logistics supplier. During our research we came across reports of poor working conditions for drivers and the company we were hoping to work with was mentioned. This demonstrated the important role our risk assessment process has in our supplier selection process. In response, we did an even more detailed investigation before making a decision. We learnt that the supplier under consideration hires drivers directly and had suitable controls in place to safeguard against the allegations made. Therefore, the supplier remained eligible to participate in our tender process. Once contracted, the supplier signed up to our human rights policy and all of the other due diligence requirements you can read about in this statement (as with any supplier to innocent).

- In 2020 we launched a project in Brazil to train smallholder orange growers on good labour management practices. In 2021, training materials were developed and shared directly with 60 growers. By 2024 the project aims to train 480 growers with 240 reaching an international sustainability standard.
- In 2019 we moved our coconut water sourcing from a higher-risk supply chain to source Fair Trade certified coconut water from the Philippines. In 2021 growers and their local communities continue to benefit from financial premiums which are invested in social programmes including education, health and business development.
- Since 2019, we've been working with the NGO Emerging Leaders to invest in farmers in India. In 2021, training and mentoring took place with 60 farmers and focused on leadership skills and financial literacy. The programme has helped farmers increase their incomes and expand their participation in activities related to good employment practices and community development.
- Since 2018, we've been funders and participants of the Spanish Ethical Trade Forum (SETF). This forum has developed best practice guides to support farmers in recruiting, managing and hosting migrant workers. To bring this guidance to life, in November 2021 we hired an expert to train supervisors at one of our berry growers, on how to gather feedback from workers across different cultures and languages.

Unfortunately, the travel restrictions in place due to COVID-19 restricted the number and scale of activities we could deliver in 2021. Just as in 2020, we continued to utilise video calls to connect with our suppliers and industry working groups, and to share guidance created in these forums with our suppliers. Similarly, travel restrictions also interrupted the opportunities for our independent audit partners to visit sites, or for our NGO partners to deliver project activities. We look forward to being able to scale up these workstreams in 2022, as travel restrictions are lifted.

1. our commitment to tackling modern slavery

innocent understands and takes seriously its responsibility to all people in our business, our supply chain and the communities touched by our direct and indirect operations. For us, getting to grips with modern slavery and people trafficking is part of a wider focus on protection and advancing human rights.

Our commitment is reflected by the expectations set out in our [human rights policy](#) which refers to internally recognised standards and is approved by members of our board. innocent prohibits the use of all forms of forced labour and any form of human trafficking.

The processes we use are aligned to the UN guiding principles on business and human rights and are summarised below.

2. how we manage things

Our Human Rights Working Group (HRWG) is responsible for how innocent manages human rights in its supply chain. Society is dynamic and this means we need to keep updating the processes we use – it's the responsibility of our HRWG to keep our processes up to date and appropriate to the human rights impacts of our business.

1. The HRWG signs off the strategy and agrees action plans to implement the strategy.
2. The HRWG has accountability for actions delivered directly or by their teams, and reports progress to the business forum responsible for compliance (we call them the allrounders).

3. The HRWG works as ambassadors for human rights, ensuring it's on people's MyRoles (our internal objectives list) within relevant teams. Everyone at innocent has a Force For Good objective as part of their role, which may include objectives aligned to our due diligence on preventing modern slavery.
4. Any issues identified are escalated to the HRWG, who will decide the appropriate next steps.

teamwork makes the dream(s) work

A lot like our vision, we reckon we can have the biggest impact if everyone who works here helps contribute to us being a force for good. We came up with four roles and everyone adds one of them to their objectives for the year, along with nailing the tea round and remembering their laptop password.




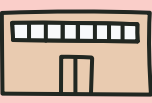
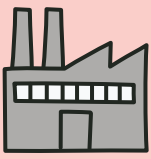



<p>1</p> <p>agitator Look for ways to be a more responsible business.</p>		<p>3</p> <p>activator Deliver a specific bit of force for good work.</p>	
<p>2</p> <p>ambassador Share our force for good work with others.</p>		<p>4</p> <p>protector Guard our approach to being a responsible business.</p>	

3. how we assess things

We have a number of tools to help us identify risks of modern slavery in our supply chains, including:

1. A group-wide risk assessment. This assessment covers all suppliers and will be repeated at least every three years.
2. Risk-assessment before working with new ingredient, transport, warehousing, packaging or manufacturing suppliers. Our assessment includes modern slavery risk, and draws on data and insights from external experts.
3. Analysing the information presented in audit findings, visit reports and in responses to our Hero Supplier Programme questionnaire. We also reflect on external insights from NGO reports, media coverage and learn from our peers through conferences and working groups.

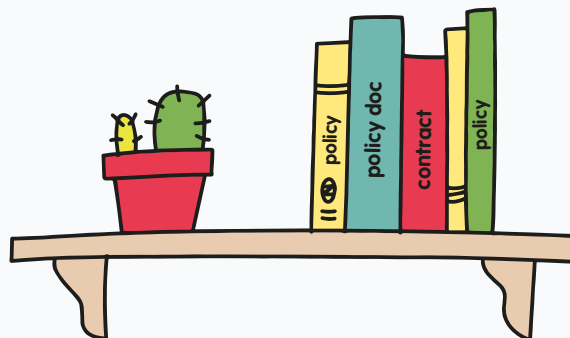
From our risk assessments we've learnt that agriculture, transport, warehousing, manufacturing and service providers to our factory are higher-risk sectors for modern slavery. The packaging supply sector is medium risk, but will be explored further alongside the higher-risk sectors. We've known since our 2017 assessment that the agricultural sector tends to be the highest risk, with Brazil, India, Spain and the Philippines the highest risk countries.

							
higher risk sectors	agriculture	transport	warehousing	manufacturing	service providers	medium risk sectors	packaging

Further investigation has revealed that the location, seasonality and harvest method of each ingredient we buy has a big impact on how likely it is that human rights violations will take place. So we've developed prompts for our teams to use on visits, and templates to guide our suppliers to share information that'll help us understand risks of modern slavery even more clearly. In 2022 we'll repeat this deeper assessment with suppliers in high-risk sectors.

4. how we react to things

1. A primary defence against modern slavery (and other human rights issues) is to make sure local labour laws and international labour standards are upheld. Contracts and auditing aren't going to instantly stop human rights abuses, but they show we're serious about humans rights, and committed to protecting workers in our supply chain. So we:



- a. Include our human rights policy and business code of conduct in our supplier contracts.
- b. Carry out independent, social compliance audits for direct suppliers and intermediary ingredient processors in high-risk countries.*
- c. Use independently verified sustainable sourcing standards for key raw materials (agricultural ingredients and wood-based packaging) regardless of direct or indirect supplier relationships.*

2. Sometimes there's a significant difference between international labour standards and local labour laws or common practice. As a result, we may not be able to influence suppliers in those regions to operate according to the higher standards our business expects. So:

- a. We use an external consultancy to generate a 'blocked country list', updated at least every three years.
- b. These sourcing regions are not banned, but prompt the business to reflect properly on the risks identified. Then we either seek an alternative source, or proceed while assigning appropriate resources to address any systemic risks identified.
- c. Approving a supplier in a 'blocked country' must be signed off by a board member.

3. Another way we prevent modern slavery is to make sure the employees of innocent are informed, motivated and equipped to champion human rights in their work, and with the suppliers they engage with.

- a. All new employees receive an introduction to human rights during their company induction.
- b. All employees are asked to complete basic human rights training.
- c. All employees working in the supply and people teams must complete more advanced human rights training.*
- d. All employees have a Force For Good role on their annual personal objectives which for some employees may involve contributing to our human rights due diligence.

*You can read more about this in the section below on tracking our performance.

- 4. We've committed to work with our suppliers to combine our efforts in preventing modern slavery and stopping other adverse human rights impacts. We do this by:**
- a. Sharing insights and resources including best practice guidelines. For example, we fund [Stronger Together](#), an initiative aiming to reduce modern slavery by providing guidance, training and a network for businesses to work together to reduce exploitation. Through our membership, our suppliers are able to benefit from training sessions run by Stronger Together.
 - b. Using our Hero Supplier Programme to gain insights into how our suppliers manage human rights on-site and in their supply chains. At the end of each year, procurement managers review performance with suppliers and identify opportunities for improvement.*
 - c. Monitoring supplier performance, including objectives related to human rights, using what we call supplier 'MyRoles' which are updated on an annual basis with our most significant suppliers.

5. We've committed to work on issues in our supply chain, where we recognise that collaborations need to extend beyond our discrete company-supplier relationships. So:

- a. We're members of a number of collaborative working groups which generate insights on preventing modern slavery. The groups give us access to best practice guidelines, and broaden our horizons to new approaches we could adopt. In addition to the Stronger Together network mentioned above, we're also members of:
 - i. [Spanish Ethical Trade Forum](#)
 - ii. [Food Network for Ethical Trade](#)
 - iii. [AIM-Progress](#)



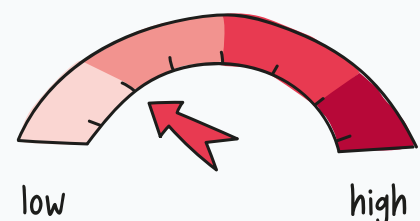
6. We have a process to help stop any adverse human rights impacts to which we contribute directly or indirectly. This process can be summarised as:

- a. Identify the issue.
- b. Escalate the issue to HRWG and record it on our issue log.
- c. HRWG and other internal stakeholders explore the issue, before assigning responsibilities, budgets and deadlines.
- d. Update the issue log with an action plan.
- e. Progress is recorded on the issue log*, which is reviewed by the HRWG each quarter.

5. how we track things

We have many processes to track the effectiveness of our actions to address adverse human rights impacts.

1. As described above, we document adverse impacts within our supply chain on our issue log, alongside assigning actions to named individuals with deadlines and review dates. By December 2021 actions were being taken for all known issues related to human rights. You can read about what we've been working on in the [2021 summary section above](#).



*You can read more about this in the section below on tracking our performance.

2. We track the status of suppliers conforming to our social compliance audit requirements.

Metric	2019	2020	2021
suppliers in scope	137	142	150
% audited	75	86	73
% compliant	89	77	71.3 (new metric)
breakdown of non-compliant (NC) suppliers	New disclosure		Outstanding audit NC - 2% (see appendix 1a) No audit - 13.3%^ (appendix 1b) Audit is over 3 years old - 13.3%^ (appendix 1c) ^ COVID restrictions made auditing challenging in 2021
types of suppliers we audit	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	

3. Progress and performance levels of prioritised suppliers within our Hero Supplier Programme are communicated to our supply department each quarter, by the consultancy that runs this process.

Metric	2021 (new disclosure)
number of suppliers assessed for social performance using our Hero Supplier Programme	37
average score on social questions in our Hero Supplier Programme	44%
of these suppliers, % that have made a formal policy commitment to be a good employer, and to respect and address human rights issues in their supply chains, including forced labour and human trafficking	97%
of these suppliers, % that assess risks related to employment practices, forced labour and human trafficking at their own site, including those linked to labour providers and sub-contractors	35%
of these suppliers, % that conduct regular audits/checks to make sure their company's own sites, contractors and labour providers meet labour laws and the requirements of innocent's human rights policy	54%

4. The training status of people working in our supply team is tracked annually by the HRWG.

Metric	2019	2020	2021
% of people from our people and supply teams trained on human rights, including modern slavery	68%	93%	76%

5. Conformance to international sustainability standards for indirect sourcing.

Metric	2019	2020	2021
number of ingredient supply chains	106	114	107
number of ingredient supply chains verified as meeting FSA bronze [^] or equivalent standard	41	66	88
% of ingredient volume verified as meeting FSA bronze [^] or equivalent standard	55	75	89
% on-shelf wood-derived packaging that's FSC [§] certified	New disclosure		100

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.

[^]For farms growing our ingredients, 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 encouraging continuous improvement. We use it in a way that builds relationships, structure and transparency into supply chains. To reach the bronze performance level, independent auditors will check farms (or groups of farms managed in the same way) to verify the practices in place. If a farmer already has certification that's been approved by SAI as equivalent to FSA bronze or above, then we accept this and give farmers time back to carry on with all the good stuff they do.

[§]All our wood-derived packaging that you see on shelf has been sourced from Forest Stewardship Council™ (FSC™) certified forests. The certification protects workers' rights and prohibits all forms of forced or compulsory labour.

6. a commitment to transparency

In addition to this modern slavery statement, we use other ways to show how we address our human rights impacts.

1. Each year, we publish a group [Good All Round](#) report, which includes actions we've taken on human rights, while being mindful of confidentiality and safeguarding concerns. (It's a bit like a CSR report). It's available, along with [past copies](#), on our website.
2. Every 3 years we complete the BIA self-assessment and are audited by B-Lab in order to maintain our B Corp status. This assessment includes questions on how we manage human rights within our supply chains and our own business. In 2021 we improved our score from 92.5 to 105.2.

looking ahead

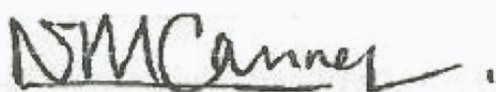
In 2022 we're focused on increasing the coverage of our social compliance audit programme following disruption created by travel restrictions related to COVID-19. We'll also be improving our Hero Supplier Programme and our human rights risk assessment, to see how our suppliers are managing human rights and what areas would most benefit from continuous improvement. To support our suppliers on any areas of improvement, we'll work with our human rights consultancy to offer them training (just as we'll continue to train priority teams here at innocent).

In addition to these activities, we'll continue to run the projects you've read about, respond to any issues that arise and participate in industry working groups to learn from, and contribute towards progress in the wider food industry.

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 working hard to make sure it isn't happening in our business or supply chains.

A handwritten signature in black ink that reads "Nick Canney". The signature is written in a cursive, slightly slanted style.

Nick Canney

CEO (aka chief squeezer)
innocent

appendix

71% conformance to our social compliance audit requirement is far lower than we'd like. Now many COVID-19 related travel restrictions have eased, we have a laser focus on where audits need to happen. Our five direct suppliers in countries assessed as higher risk are a priority, but we're focused on getting 100% compliance. We're working proactively with our independent auditors to accelerate their travel plans, visiting our suppliers all around the world. You can see our to-do list below.

a. Suppliers with non-conformances on an existing social audit

- i. Packaging supplier in the UK – issues relating to legislative reporting requirements under the Modern Slavery Act 2015. No evidence of forced labour identified in the site's operations, the issue was one of information disclosure.
- ii. Intermediary ingredient processor in India – no issues relating to modern slavery
- iii. Bottler in the Netherlands – no issues relating to modern slavery

b. Suppliers without a social compliance audit

- i. Packaging supplier in France
- ii. Packaging supplier in the United Kingdom
- iii. Packaging supplier in France
- iv. Packaging supplier in the Netherlands
- v. Packaging supplier in the United Kingdom
- vi. Packaging supplier in the Philippines
- vii. Packaging supplier in the United Kingdom
- viii. Packaging supplier in Spain
- ix. Packaging supplier in France
- x. Packaging supplier in France
- xi. Packaging supplier in Spain
- xii. Packaging supplier in Singapore
- xiii. Ingredient supplier Nicaragua
- xiv. Ingredient supplier Poland
- xv. Ingredient supplier the United Kingdom
- xvi. Ingredient supplier the United Kingdom
- xvii. Ingredient supplier France
- xviii. Ingredient supplier Canada
- xix. Ingredient supplier Germany
- xx. Intermediary ingredient processor in Madagascar

c. Suppliers with expired social compliance audits (audits are over three years old)

- i. Ingredient supplier in Vietnam
- ii. Ingredient supplier in the United States of America
- iii. Ingredient supplier in Colombia
- iv. Ingredient supplier in Brazil
- v. Ingredient supplier in Ecuador
- vi. Ingredient supplier in China
- vii. Ingredient supplier in the United Kingdom
- viii. Ingredient supplier in Italy
- ix. Packaging supplier in France
- x. Packaging supplier in Germany
- xi. Packaging supplier in Spain
- xii. Packaging supplier in the United Kingdom
- xiii. Packaging supplier in Luxembourg
- xiv. Packaging supplier in the United Kingdom
- xv. Packaging supplier in the United Kingdom
- xvi. Packaging supplier in the United Kingdom
- xvii. Packaging supplier in the United Kingdom
- xviii. Packaging supplier in the Netherlands
- xix. Bottler in the Netherlands
- xx. Bottler in France