

our modern slavery statement 2019

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. That's why we're dedicated to making sure that slavery and people trafficking isn't any part of how we make our drinks.

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. 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 every supplier to check for any risks of modern slavery, and 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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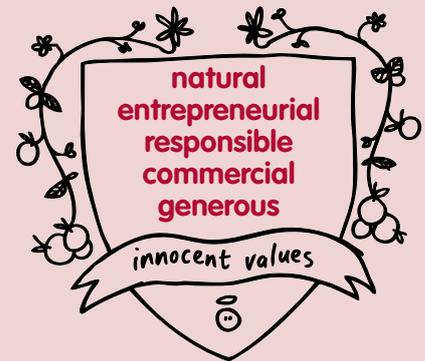
hello

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 since 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. Just over 550 people work for us in offices in Amsterdam, Copenhagen, Dublin, Madrid, Milan, Munich, Paris, Salzburg, Stockholm, Vienna and Fruit Towers (our headquarters) in London.

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 2018 we had a revenue of just under £400 million.

But there's more to us than just drinks. What's equally important 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 for us, as well as everyone in our supply chain, to think carefully about how they do business on our behalf and to do everything they can to help us leave things better than we find them. 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 just profit, and 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 really hate the idea of any form of slavery or trafficking being part of how our drinks are made. Whilst we've seen no evidence to suggest slavery is happening in our supply chain, to make sure we're always holding 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 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 both our **2017** and **2018** modern slavery statements.

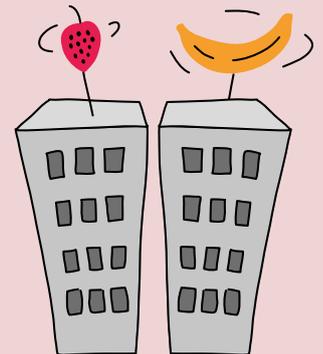
Some of the ways we deal with human rights, including modern slavery, are:

- We set up a human rights working group in 2017, which brings people together from our sustainability, supply chain and people teams.
- The group meets up every three months and does annual human rights risk assessments that highlight key areas for our attention. The areas we're focusing on in 2019 are the same as last year: forced labour, child labour and diversity.
- 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 works on the sustainability of our business and this is something we make official in our individual objectives.
- This year we created a live issue log for human rights. This is to make sure we're keeping track of any human rights risks, major audit non-conformances or internal complaints being raised. And most importantly, to make sure we're doing something about them.

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 sign it to agree they'll comply with it. This means treating everyone (and that means 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 teams is trained on human rights (there's more on this later, in 'how we measure performance').



assessing risks

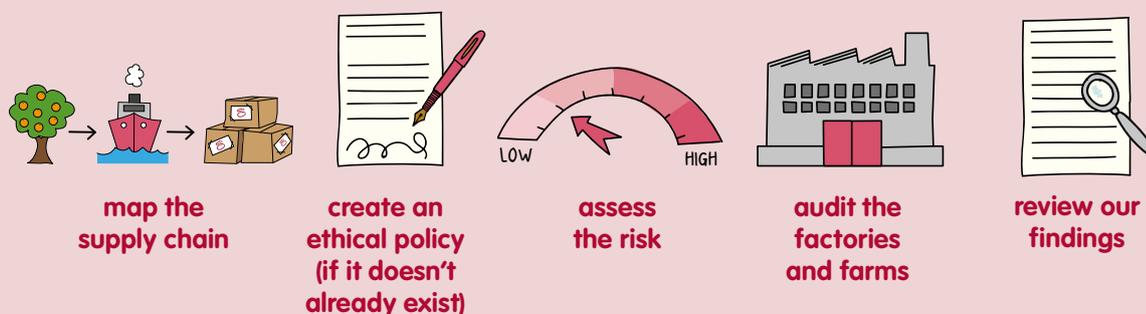
To help us work out the risk of modern slavery in our supply chains, we asked some external experts for their help to highlight the risk areas across our whole business and supply chain (from finance to IT, supply to human resources). Our highest risk areas are our ingredient supply chains and (to a 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 one, we're doing more in-depth research and developing action plans to better understand the likelihood of slavery occurring.



validating risks in Italy

If you've really been paying attention since last year, you'll notice that we've removed Italy from our list of highest risk countries. With any risk assessment, it's important to act on your findings so we went to Italy to visit our suppliers based in the risk areas highlighted. We visited farms and factories and had a chat with each supplier about what we think it means to protect human rights, with a particular focus on stopping forced labour. Our visits confirmed that our suppliers are really open to learning more about human rights and that they know their supply chains really well. We came away from our visit feeling really confident that the risk in our supply chain is much lower than our research said. We also used this opportunity with our suppliers to launch a five-step plan using the responsible sourcing tool. We hope that once we've trialled this programme in Italy, we might be able to roll out something similar with more of our suppliers. The five-step plan looks like this:



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](#) and [2018](#) 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 in the process of extending our approach to contract management across all our suppliers, making sure they all sign a master services agreement (MSA). Amongst other things, the MSA has a section outlining our environmental and human rights requirements. It asks suppliers to share our code of business conduct with their employees and subcontractors to make sure they're sticking to it. We also try to be fair with our suppliers and agree to pay them within 60 days of receiving an invoice.



beyond auditing

We know that in some areas we need to do a lot more than auditing. That's why in 2018 we asked a researcher from Imperial College London to explore new and exciting ways to put the theory into practice. This research made key recommendations for ways to tackle modern slavery, whilst recognising that there's not one ready-made solution or approach. This does make it a little tricky, but you've got to start somewhere. The research proved that the approach we've always taken (focusing on supplier relationships) is the right one, so we're keeping this a main area of focus. We've always made a big effort to have personal relationships with our suppliers and we try to visit each of them at least once a year. In 2018 we spoke about our ambition to train our suppliers on human rights, and this research made us think and change our approach. You can read more about our new approach below in 'human rights training'.

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. However, using it to audit every single farm is not practical given the sheer number of farms we source our ingredients from. For that, we work with our supply partners to cluster similar farms into groups then audit a representative sample.

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
- Fairtrade

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 2020.



keeping tabs on the supply chain in Spain



In our last statement we talked about how we'd added Spain to our list of high-risk countries for modern slavery. We also spoke about how we'd asked some experts to research the situation, visited our suppliers and their local governments and joined a Spain Supplier Ethical Forum (Conexion Social). In partnership with local experts and in collaboration with Co-op, Marks and Spencer, Ocado and Waitrose, we also began to fund a project with **Stronger Together**. This project develops a practical toolkit to support Spanish growers and other horticultural businesses to take the right steps to deter, detect and deal with forced labour. The toolkit will be tailored to Spanish labour laws, risk content and businesses models and is due to be published in Autumn 2019.

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.

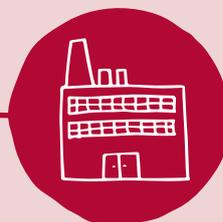
social compliance in factories

75%

of suppliers audited
to SGP standard

39

outstanding non-conformances
from 12 suppliers



social compliance in factories

what we're doing

By the end of 2017, we had audited 97% of the then 95 suppliers included in Phase 1 of our audit programme, who were either compliant or at various stages of fixing non-conformances. These suppliers included all of our ingredient processors, direct packaging suppliers, bottlers, blenders and our main UK warehouse. In 2018, we started phase 2 by adding all European warehouses to the list, with a plan to get this to 100% by the end of the year. We didn't quite make it (we got to 85%), but we're continuing to work our socks off to meet a target of 100% audited suppliers by the end of 2019.

With the arrival of 2019, we've started Phase 3 of our audit programme. This involved adding a new requirement that all outsourced packaging will also be audited to our Supplier Guiding Principles (adding an extra 20 suppliers to the list, in addition to 10 new suppliers in the areas already listed). As of May 2019, we have a total of 137 suppliers to be audited. 75% of them have completed audits and are either fully compliant or at various stages of fixing non-conformances.

farm sustainability programme

41 / 106

supply chains verified as meeting at least FSA Bronze (55.1% of all the ingredients we buy, by volume)

53 / 106

supply chains trained on how to implement the FSA (40.2% of all the ingredients we buy, by volume)

12 / 106

supply chains that are a work in progress (4.8 % of all the ingredients we buy, by volume)



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. When we say a supply chain is 'fully compliant', that means everyone has reached FSA Bronze level (at least) or its equivalent. The equivalent bit means that we recognise other standards that some farms already have, like Rainforest Alliance Certified™.

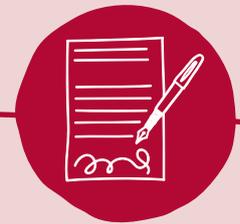
We're aiming to train all of our suppliers to help them reach this standard. However, instead of just asking them to do it, we've taken the time to meet with them in person to explain what it means, why we're doing it, and how to get there. By putting time and energy into our supply chains now, we'll be able to meet bronze standards today and even more sustainable standards in the future. After we've finished training, we ask each supplier to give us timed action plans that are unique to them and once we've agreed a plan that meets standards, feels realistic and benefits our farmers, we sign them off as 'working towards FSA Bronze'.

Note: 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

68%

of employees in relevant roles provided specific training on human rights, including modern slavery



human rights training what we're doing

In our last statements, we talked about an internal training workshop to upskill key people from across the business in modern slavery and a lunchtime training session made available for everyone at innocent. We also mentioned that we'd run a session with our directors to raise their awareness of modern slavery (and its legislation).

For employees in our supply chain and people teams (who need to be really confident in talking about our human rights policy and approach to modern slavery), we created a human rights training programme with help from an expert trainer. This programme includes an introduction to our whole policy and focuses on important areas like modern slavery. It includes tips on how to talk about these issues with our suppliers and a question-reminder sheet to remind people what to discuss when visiting suppliers.

We're still working on an extension to this programme to make sure we involve all new employees using a 'train the trainer' model. Three volunteers from our supply chain team have completed training and will now go on to train all future employees across our supply chain about human rights and how to talk to suppliers about these topics. We've added 33 new people to the team and haven't quite trained them all yet, but that's our aim by the end of 2019.

Some keen beans among you might have noticed that we've taken out our metric on the percentage of our suppliers we've trained on human rights. In our 2018 statement we said that we were working on a pilot training programme for our suppliers on human rights, but we decided that this wasn't quite the right approach for us. Instead, we're working with external experts to map other key human rights risks in our supply chain towards the end of this year. We'll then use these along with our existing risk assessment on modern slavery, to prioritise which suppliers we train on human rights (including modern slavery). We hope by tailoring the approach to each individual supplier, we'll get better results than if we attempt to train all of our suppliers in one go. It'll probably take us a lot longer, but we reckon it'll be worth it.

thanks for reading

This statement has been approved by the innocent Bored 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 or stopping by Fruit Towers in London or any of our innocent offices.

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.



Douglas Lamont

CEO (aka chief squeezer)
innocent

