

# SUNTORY BEVERAGE & FOOD EUROPE

# SUNTORY BEVERAGE & FOOD GB&I

## Modern Slavery Statement

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 for the financial year ending 31 December 2022. It sets out the steps that Suntory Beverage & Food Europe (SBFE) has taken and is continuing to take to seek to ensure that modern slavery or human trafficking (as defined in the Modern Slavery Act 2015) is not taking place within our business or supply chains. This statement is made by SBFE on behalf of the companies within the SBFE corporate group but it focuses, in particular, on our UK operating business, Lucozade Ribena Suntory Ltd (LRS) (whose commercial name is Suntory Beverage & Food GB&I (SBF GB&I)).

### **Business structure and supply chains**

We operate in various markets around the world and many different people are impacted by what we do. We believe in fairness, respect, and equality for all, and strive to create a more diverse and inclusive culture in our workplaces and across our supply chain. This zest for life and passion to allow people to be the very best they can be is reflected in our values and our culture.

In the UK, we are best known for our Lucozade, Ribena and Orangina drinks brands, but we also distribute a range of other drinks, for example, V Energy. Details of each of these brands are set out on the [SBF GB&I website](#). Made from 100% British Blackcurrants, Ribena is the biggest-selling blackcurrant brand in the UK and accounts for around 90% of the British blackcurrant crop. More details on how SBF GB&I works with blackcurrant growers around the UK is set out below.

For the purposes of the UK, SBF GB&I's products are primarily manufactured at our UK site at the Royal Forest Factory, Rock Lane, Coleford, Gloucestershire, although we also work with third parties who produce a small quantity of our products across the UK, France and Bosnia. Our supply chains include suppliers from across the world.

We are constantly evolving and adapting to complex changes in the external environment, much like our consumers and the world around us. Growing for Good is our company's promise to provide innovative solutions and take collaborative action to reduce our environmental footprint and deliver sustainable growth with a purpose. For us, this means us having a positive impact on the lives of our consumers by providing them with a responsible choice of great tasting drinks and enabling them to lead active lifestyles. Our approach centres around four key areas: Our Drinks, Our Resources, Our Society and Ourselves.

### GROWING FOR GOOD – LRS Vision for Sustainable Growth

#### Our DRINKS | Harmony with CONSUMERS

- Less sugar
- Positive choices
- More natural



水と生きる  
Mizu To Ikiru

#### Our RESOURCES | Harmony with NATURE

- Suntory MONOZUKURI Values
- All for the Quality
- Less and better materials
- Less waste
- Respect water
- Reduce emissions
- Procure sustainably

#### Our SOCIETY | Harmony with PEOPLE

- Empowering communities
- Purposeful brands



#### OurSELVES | Harmony with EMPLOYEES

- Inclusive and flexible
- Accountable for our supply chain
- Ethical employer

## The risks in our industry, business partners, and due diligence

We are aware of the risk of modern slavery and human trafficking within the beverage industry and we are committed to implementing and enforcing effective systems and controls to ensure that it is not taking place anywhere in our own business or in any of our supply chains.

At SBF GB&I, to fulfill our commitment to ensuring that there is no modern slavery or human trafficking in our business and our supply chains, we take the following steps:

- Our business partners are vetted for their commitment to the prevention, detection and combatting of modern slavery through questionnaires, due diligence checks, site visits and audits;
- Before commencing relationships with our business partners, they are required to complete a pre-qualification questionnaire and to sign our Suntory Group Supplier Guidelines confirming that they agree to be bound by them;
- We have appropriate and non-negotiable Modern Slavery Act contractual terms and conditions to ensure that our suppliers commit to meeting the standards that we set;
- We have a number of relevant policies for both our suppliers and our employees, more detail of which is set out below;
- The identity and eligibility to work of all our new employees is checked;
- We ensure that all our employees have freely chosen their employment: there is no child, forced, bonded or involuntary labour, and workers are not required to lodge their identity papers or deposits. They are able to leave their employment after reasonable notice; and
- Wages and benefits paid to our employees for a standard working week are never less than the applicable national legal standards.

We use a variety of third-party due diligence and monitoring tools which help us screen potential and existing suppliers to manage risks in our supply chain. Once a supplier has submitted the pre-qualification questionnaire, if there are any concerns, these tools facilitate additional checks.

For many of our suppliers, we are making use of the world's largest ethical platform, SEDEX, to extend visibility beyond our business to ensure that we maintain an ethical supply chain for our products. SBFE's updated Vendor Approval Procedure for 2023 for direct procurement now makes SEDEX's SMETA audit compliance a mandatory requirement for any new supplier. We also aim to have 100% of our direct suppliers SEDEX SMETA Audit compliant by 2030.

We have recently implemented a certification requirement scheme for our agromaterials, namely any agricultural goods, harvested or delivered either fresh to purchaser factories or from a first step of processing, as shown below.



As noted above, Ribena accounts for 90% of the British blackcurrant crop. We recognise that fruit harvesting is an area where there is a potentially higher than average risk of exploitation, due to the frequency of which migrant workers are used to pick fruit by hand. SBF GB&I works closely and directly with 33 blackcurrant growers around the UK who are all Red Tractor assured, and 93% of whom are SEDEX members. Many of these trusted relationships span for generations and are focused on a shared passion for taste and the environment. Around 10,500 tonnes of blackcurrants are harvested each year. All of our blackcurrants are harvested mechanically, using machinery utilised by employees of the growers: they are not picked by hand. Further details on the sustainability journey of Ribena can be discovered [here](#).

### **Policies and how we do business**

We have a number of policies that apply across SBFE and help to ensure and enforce our zero tolerance approach to Modern Slavery as part of our SBFE Ethics & Compliance programme.

1. A new Modern Slavery and Human Trafficking Policy was approved by the SBFE Ethics and Compliance Committee at the end of 2022, and will be rolled out across the business in 2023. The purpose of this policy is to specifically set out SBFE's responsibilities, and the responsibilities of those working for and on our behalf, in observing and upholding our zero tolerance position on modern slavery and human trafficking, and to provide information to those working for and on our behalf on how to identify and report concerns regarding modern slavery and human trafficking.
2. Our SBFE Procurement Policy is aimed at ensuring our sourcing activities are both ethical and socially and environmentally compliant. It also aims to ensure we manage and monitor our suppliers and service providers in an open and transparent way.
3. The Suntory Group Supplier Guidelines provide the basic principles that suppliers to our group must respect, but also emphasize that engagement between Suntory entities and its suppliers is essential to achieve a sustainable supply chain. This commitment ensures that the Suntory Group and our suppliers share the same ethical values.

The Suntory Group's Basic Policy on Supply Chain Sustainability, which is embedded in our Suntory Group Supplier Guidelines, is set out below:

#### **1. Legal Compliance and Respect for International Standards of Conduct**

We will promote fair and equitable procurement activities that comply with each country's laws and respect international standards of conduct.

#### **2. Consideration for Human Rights, Labor, and Safety and Health**

We will promote supply chain CSR initiatives that respect basic human rights and are mindful of labor conditions and safety and health.

#### **3. Guaranteeing Quality and Safety**

In keeping with the Suntory Group Quality Policy, we will promote supply chain CSR initiatives that seek to guarantee a high level of quality and safety based on the optimal standards for quality, cost, and supply.

#### **4. Consideration for the Global Environment**

In keeping with the Basic Principles of Suntory Group's Environmental Policy, we will promote procurement activities mindful of the global environment.

#### **5. Preservation of Information Security**

Proprietary information regarding procurement dealings and personal information will be strictly controlled.

#### **6. Coexisting within Society**

We will promote social contribution initiatives directed toward coexisting within society.

Our Business Conduct Principles within our Suntory Group Supplier Guidelines specifically sets out our

human rights, labor and health and safety principles as follows:

## 2. Human Rights, Labor, and Safety and Health



### **Child labor**

Suppliers must prevent child labor and comply with all applicable child labor laws, including the International Labor Organization (ILO) standards.

### **Forced labor**

Suppliers must prevent involuntary labor and any form of modern slavery or human trafficking.

### **Working hours**

Working hours must comply with all local laws and regulations, ILO standards and/or collective agreements.

### **Wages and benefits**

Wages and benefits must be in line with local legislation and meet or exceed the legal minimum standards of the country where the workers are employed.

### **Non-discrimination**

Discrimination in hiring and employment practices must be prohibited on the grounds of race, religion, sex, age, nationality, language, disability or any other status protected by all applicable laws. Suppliers should promote inclusivity and diversity both within their own business and wider value chain.

### **Abuse and harassment**

The threat or use of physical abuse and/or discipline must be prohibited along with any other forms such as verbal, psychological or sexual abuse.

### **Freedom of association and collective bargaining**

Suppliers must respect the right of employees to freely associate, organize and bargain collectively in accordance with applicable laws.

### **Access to remedy**

Suppliers must provide a right to remedy for their employees through an accessible and fair grievance process.

### **Health & safety policy**

Suppliers must have a health & safety policy, identify any hazards in the workplace, manage them and communicate any potential dangers to the employees.

4. Our SBF E Code of Business Conduct (for Employees) expressly confirms SBF E's commitment to protecting human rights within its business and within its supply chain. SBF E employees are prohibited from perpetrating, being part of, or in any way condoning, human slavery, trafficking or involuntary or compulsory labour within the company or its supply chain. Our employees are required to identify any suspicion of human slavery or trafficking within the business or the supply chain to the business' legal team immediately.

Many of the relevant Codes and Policies, which reflect our commitment to acting with integrity, are set out on SBF GB&I's [website](#).

### **Training and support**

We have trained relevant staff on the prevention, detection and combatting of modern slavery, and will continue to provide training within SBF E.

We provide an online modern slavery training module which is mandatory for completion by relevant employees across our SBF E organisation, including in our leadership, procurement, supply chain, people and culture, and legal teams. We continually review the training and those who are required to complete it. Our aim in delivering this training is to ensure a strong understanding across key business areas of our zero-tolerance approach to modern slavery and human trafficking within our supply chains. The

training is targeted at those employees most directly involved in making purchasing decisions or carrying out actions where there is the highest risk of modern slavery issues within our supply chains. We recognise the complex nature of modern slavery and based on the positive feedback from employees who have completed the module, we know the training has been effective and has increased awareness of the risks within our business and wider FMCG industry.

We also created a short online video in 2022, in which the General Counsel of SBF GB&I, sought to raise awareness of modern slavery for relevant employees across our SBFE organization and remind employees of the watch outs of modern slavery and human trafficking.

For SBF GB&I, we continue to communicate the importance of preventing modern slavery in our organisation to our workforce by publishing relevant literature around our UK sites and in our UK employee communications.

The importance of ensuring the prevention, detection, and combatting of modern slavery has been discussed and agreed at a senior level within SBFE, including, for example, by the SBF GB&I Board, Ethics and Compliance Committee, and Executive Committee, the members of each of which have confirmed their commitment to leading the business in this respect, and are set out on the SBF GB&I [website](#).

### **Governance**

At SBF GB&I, responsibility for ensuring we meet the integrity standards that SBFE sets itself and us is led by the SBF GB&I Ethics and Compliance Committee, with support from the SBF GB&I Board and others across the business.

We support our employees to feel empowered to raise any concerns they may have of possible misconduct within our workforce, or of suspected modern slavery or human rights issues, and have an Ethics and Compliance hotline policy that operates across SBFE detailing how employees can report such matters. The hotline is available 24/7 and is operated by an independent organisation who treat all matters as confidential.

### **Looking to the future**

As part of our commitment to tackling modern slavery and human trafficking, we will continue to look for ways to improve upon our existing policies and procedures. We expect that our suppliers and our partners share our commitment to tackling modern slavery and human trafficking and that they will seek to ensure that their suppliers do the same.

Approved by the board of Lucozade Ribena Suntory Limited (commercial name Suntory Beverage & Food GB&I) on 19 April 2023 and signed by:



Carol Robert, Chief Operating Officer  
Lucozade Ribena Suntory Limited

Date: 19 April 2023