

2021 Annual Report The Future is Fair

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2021 was a year of continued Fairtrade growth through troubled supply chains, severe climate challenges, and unsure global outlook. While Canadians lived through the second year of the pandemic, their solidarity to Fairtrade farmers and growers and desire to align their grocery shopping to their values was firm and growing. It also marked the first year of our new strategic plan. We laid the foundations to enable us to reach our most ambitious targets to date. We are very proud of the work we accomplished.

We collaborated with over 200 companies throughout 2021 who all faced different challenges and yet remained steadfast in their commitment to farmers and workers. I am in awe of their creativity when faced with logistical nightmares, with their innovation in telling their Fairtrade stories. and in their humility to build long term resilient human relationships with the people behind the products we enjoy.

At Fairtrade Canada, we were busy reorganizing our ways of working to be more efficient and reach higher impact with our limited resources. Our team grew and welcomed new members; Fan Olhats, Maria Gallardo, and Timothée Dulac. Each enriching our work in their own ways. Our Fairtrade Canada team and Board also took active roles within our Fairtrade International family. Bill Barrett from our Board continues to sit on the Fairtrade International Board and as of 2021 has been elected as Vice-Chair. Helen Reimer, our Director of Business Development, worked hard in the Global Growth Taskforce while John Young, our Sr Advisor for Quality and Data Management, was elected Chair of the Oversight Committee which reviews the work of FLOCERT. I, myself, have been elected to sit on the Global Fairtrade Executive Team as well as serve as the Sponsor CEO for Coffee in the global Fairtrade system. These direct involvements allow for a strong Canadian voice within the Fairtrade movement and keep us all very connected to what is happening globally in Fairtrade.

More importantly, our work had, and continues to have, a direct impact on the lives of farmers and workers all around the world. If there is one number in this report that I am particularly proud of it's the US\$ 8 million of Fairtrade Premium we generated through the sales of Fairtrade goods in Canada. And this is thanks to all of us, you included.

In solidarity,

JULIE FRANCOEUR CEO Fairtrade Canada



A Fairer Future

Growing opportunities for women and young people

The Women of Fairtrade

When women have equal opportunities as leaders and farmers, they are able to realize their own personal goals, boost their household income, and lift up others in their community. And when young people see a future in farming, including being able to earn a sustainable livelihood and incorporate new technologies, they become the next generation of farmers and entrepreneurs.

In line with the global strategy focused on gender equality and inclusion of young **people**, we are deeply committed to continuing our efforts to eliminate child labour and other human rights violations.

Women as leaders

The Women's School of Leadership for cocoa farmers in Côte d'Ivoire welcomed its third cohort comprising 144 participants in January 2021. Almost 3,800 community members have been directly reached through trainings held by graduates to date. Fairtrade Africa is also poised to expand the school into Ghana. <u>Meet some of the 2020 graduates of the Women's School of Leadership.</u>

The Fairtrade Network of Asia and Pacific Producers (NAPP) has rolled out its Gender Leadership School in seven countries. Almost 90 graduates, including those from Kyrgyzstan and Pakistan, are now sharing their learnings and starting new businesses in their communities.

In Latin America in the past year, Fairtrade producer network CLAC trained 280 women from 45 producer organizations on gender equality as part of the Women's School of Leadership and Empowerment. This school, started in 2014, includes participants from El Salvador, Honduras, Guatemala and Peru. *Watch what participants have to say.*





Youth is the answer

There is no future for sustainable agriculture if there are no farmers. Taking over the family farm would be a dream for many young people if they could earn a decent living and use modern technology, all while preserving the environment for the next generation.

Decent youth employment in agriculture, skills development and business opportunities, including participation in decision- making, are all needed to ensure food security and economic advancement.

That's why Fairtrade producer networks are all working with young people to build their skills in farming, climate adaptation, leadership, and more.

In Latin America, Fairtrade producer network CLAC created a low interest revolving credit fund specifically for young Fairtrade farmers so they can finance improvements or jump-start a new project linked to the value chain of products grown by their cooperative. Launched with US\$100,000, the fund allows cooperatives to borrow up to \$5,000 for almost three years.

Fairtrade Africa coordinates the Fairtrade Alumni Association, which brings together young adults who have graduated from school thanks to support from the Fairtrade Premium funds invested by the parents and communities. These young people network and share their stories of success, whether in farming or in other fields.

NAPP started a youth camp series beginning in Thailand last December. More than 40 young people in their teens and early twenties from Fairtrade farming families producing coffee, lychee, herbs, and spices took part.



Scope and Impact

The Global Fairtrade System

Fairtrade by the Numbers



78% of coffee cooperatives sold at least half oftheir total production on Fairtrade

Fairtrade farmers and workers earned **€179.4**

million in Fairtrade Premium



2,552 companies licensed more than products in 2020

Fairtrade products sold in

countries in 2020

€15.1 million in **COVID** relief funds raised in 2020



And nearly 7 IN 10 feel that they are part of a community standing up for fairness and justice when they buy Fairtrade

(i)

For more information on the characteristics of Fairtrade producers and farms, visit our website: www.fairtrade.net/impact



terms

Women represented 17% of Fairtrade farmer members and **41**9 of Fairtrade workers in 2020

How Producers Elected to Use the Fairtrade Premium

The Fairtrade Premium is an important benefit for farmers and workers. Producer organizations choose democratically how to spend their Premium, which they earn as an additional amount on top of the selling price for every Fairtrade sale.

SMALL-SCALE PRODUCER ORGANIZATIONS HIRED LABOUR ORGANIZATIONS 1% Education services for members 1% Trainings for Premium Committee members 1% Health services for members 1% Trainings for workers 2% Credit and finance services for 7% Premium Committee and other members related committee running costs 20% Human resources and 3% Farmer training in agricultural administration 21% Other services or business practices for workers and their 1% Social and economic services 20% Facilities and infrastructure families for communities 6% Implementation of on-farm best practices 4% Training and capacity building 20% Education services 2% Other services for communities of producer organization staff, for workers and their 6% Other services for members board, committees 2% Health services for communities families 13% Provision of agricultural tools 3% Community infrastructure 16% Investment in and inputs worker housing 3% Education services for 10% Financial and credit 16% Payments to members • communities services for workers and their families 3% Payments to workers and their families 2% Education services for 10% Healthcare services for communities workers and their families 2% Community infrastructure 1% Health services for communities Services for farmer members 48% Services for workers and their families 80% 1% Social and economic services 12% Investment in producer organizations 44% Services for communities for communities Services for communities 8% 1% Other services for communities Training and empowerment of workers 9% Percentages may not sum to 100 due to rounding.

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I hope that in five years I will be an autonomous woman who can take care of her family and help her comunity.

Kouassi Affoué Angèle, Cocoa farm owner, Côte d'Ivoire, Fairtrade Partner



Business Development and Sales Growth in Canada



Overall Fairtrade Sales Growth Outpaces Total Grocery Performance

Retail sales of Fairtrade products grew an estimated +5.4% in the market. This is ahead of total grocery performance which showed +1.9% growth over 2020, according to Statistics Canada.



\$718M in Sales of Fairtrade Products





Fairtrade Coffee Continues to Grow in Canada



8.9% of all coffee imported to Canada

was labelled and sold as Fairtrade by our coffee licensees

3.3% growth in volume

of Fairtrade coffee sold by licensees in Canada



\$6.9M USD + \$8.8M USD

generated from green coffee purchases

generated in organic differential for coffee farmers

\$15.7M USD

In combined Fairtrade Premium was Generated in 2021!



Fairtrade Certified Coffee Volumes between 2019-21





A 44% Increase in Canadian Sales of Fairtrade Certified Bananas Over 2020

2021 was another year of +40% volume growth. We saw strong sales reported across a number of licensees, with increased retail distribution, and the full switch in Longo's stores in Ontario in Q2 2021- the first North American retailer to offer both conventional and Organic Fairtrade bananas. Costco Ontario (select stores) proceeded with their roll-out in Q4 2021.



Fairtrade Certified Banana Volumes (Kgs) 2020-2021



A 1% Increase in Canadian Sales of Fairtrade Certified Cocoa Over 2020

2020 reflected a year of significant retail demand and new product launches which contributed to strong volume growth in the cocoa category. Up against this strong performance, we saw a levelling off in cocoa sales, in particular in Q4 2021





Fairtrade Premiums Generated in Canada



Premium values are estimated and presented in US dollars.



2021 Financial Statements

You can find our full audited financial statements from 2021 on our website.





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