PLANET FRIENDLY AND SOCIALLY JUST



EN





ABOUT THIS REPORT

THE REPORT CAN ALSO BE CONSULTED ONLINE VIA OXFAMFAIRTRADE.BE/EN/SUSTAINABILITY

This is the **second sustainability report from Oxfam Fair Trade** with head office located at Ververijstraat 15, 9000 Ghent. Oxfam Fair Trade is a Cooperative Company with Limited Liability within Oxfam België.

This report was published on 22 June 2023. The report covers the year 2022 (January to December 2022). We are committed to reporting our sustainability performances annually. The report can be consulted online via <u>oxfamfairtrade.be/sustainability</u>.

The report was drawn up in accordance with the GRI Standards core version. The report was not externally audited. The GRI Content Index with references to the results can be found at the end of this report.

For queries or feedback regarding this report, contact Judith Pieters: judith.pieters@oft.be

PREFACE



"OXFAM FAIR TRADE WANTS TO BE A PIONEER IN TRIGGERING SYSTEM CHANGE "

NICK DECLERCQ

The urgency for system change is more important than ever. The new IPCC report (2023) stated: "The window is closing, but the report also shows that it is not too late yet. It is time for the international community to take urgent action. (IFRC, Erin Coughlan de Perez, IPCC report 2023) The sense of urgency is clearly suggested, but it is not too late if we do the right thing now.

Oxfam Fair Trade wants to be a pioneer in triggering system change. In our second sustainability report ,you can read how we want to approach this and which commitments we prioritise.

We opt for a new CO2 narrative and clearly position ourselves to move away from CO2 compensation tunnel vision. We question our jargon based on the 11.11.11 lexicon around decolonisation. We are taking further steps regarding due diligence in our chain and agree that this is also a *work in progress*. We identify step by step where a *beyond fair trade* approach is needed.

In addition, we remain critical of ourselves and also want to transparently share our areas for improvement with you in this report. Suggestions are always welcome because our stakeholders are crucial in the further development of our sustainability strategy.

Nick Declercq



2022 IN KEY FIGURES















62.884 euros in premiums for Bite to Fight chocolates



480.964

euros donated to vzw Oxfam-Wereldwinkels, or 3% of our turnover R Ş R R Ŕ Ż Ż Ŕ Ŕ Ş Ŕ R Ø 42

colleagues in our team



impact projects we supported directly in 2022





* THESE ARE MEMBERS OF THE COOPERATIVES THAT REAP THE BENEFITS AS A COMMUNITY FROM OUR FAIR TRADE PREMIUMS.



TABLE OF CONTENTS

01	About Oxfam Fair Trade	7
1.1	Who are we?	8
1.2	Our organisational structure	9
1.3	Our chain	9
1.4	Our sustainability strategy	11
1.4.1	Momentum for the world	11
1.4.2	Materiality analysis and stakeholder commitment	12
1.4.3	Explicit choice for B Corp certification	14
1.4.4	Our commitments	14
1.4.5	How do we monitor our strategy?	15
02	What we do for the trade partners	16
2.1	Our commitments	17
2.2	We conduct fair trade with the trade partners	18
2.2.1	Fair price	18
2.2.2	Social structures in balance	24
2.3	We engage in long-term collaborations with our trade partners	26
2.3.1	Long-term collaborations	26
2.3.2	A 360° approach, also for our suppliers	28
03	What we do for our employees	29
3.1	Our commitments	30
3.2	We increase contentment and wellbeing in the team	31
3.3	We guarantee the security and integrity in our organisation	33

04	What we do for our customers	34
4.1	Our commitments	35
4.2	We offer a fair and sustainable product range	36
4.2.1	In accordance with external certifications and reference frameworks	36
4.2.2	Less waste	39
4.3	We try to exceed the expectations and regulations for our products regarding quality	41
05	What we do for society	43
5.1	Our commitments	44
5.2	We are among the 5% best companies on all B Corp impact domains worldwide	45
5.3	We are committed to climate contributions at our partners	46
5.4	We are incorporating due diligence into our entire value chain	51
5.5	We enter into strategic partnerships	54
06	About this report	55
6	Slotwoord	56
07	Attachments	57
7.1	Materiality analysis	58
7.2	International Oxfam survey	60
7.3	Quality score	61
7.4	Our B Corp audit	62
08	GRI Standards reference table	63
8.1	General information elements (GRI 102)	64
8.2	GRI specific information elements	66

01

ABOUT OXFAM FAIR TRADE





1.1 WHO ARE WE?

Together with cooperatives of farmers, Oxfam Fair Trade works towards a liveable world for everyone. Social, environmental and economic justice worldwide, that's our goal. We are working towards this by setting a good example ourselves. Specifically, we are dedicated to the production, purchase, processing, logistics and sales of sustainable, fair, healthy and high-grade food products. Our assortment consists of a wide range of coffees, chocolate products, wines and (fruit) juices, snacks, etc. We sell products from our own brand as well as others. In the long term, we plan to add more products from other fair trade organisations to our range.

Worldwide fair trade is important to us because we believe this benefits everyone:

• The producers in the low and middle-income countries who become part of a fair economic system.

• The consumers in Belgium who are given a sustainable and responsible alternative.

• Our organisation demonstrates that our business model is feasible and scalable and therefore continues to challenge other players to do better.

1.2 OUR ORGANISATIONAL STRUCTURE

Oxfam Fair Trade was established on 11 July 1994 as a Cooperative Company with Limited Liability.

ightarrow see Figure 1

6

Participatory decision-making structure

Oxfam België attaches great importance to a participatory working method. Various structures guarantee stakeholder involvement at different stages of the decision-making process. The Forum informs and consults wereldwinkel volunteers. They participate in various decision-making processes through democratic voting procedures. In addition, the Partner Committee has an advisory role on establishing/terminating relationships with trade partners. They also help determine the necessary standards for setting up a trade relationship. Participation and exchange between Oxfam Fair Trade (commercial operation) and Oxfam België (NGO structure) also take place internally. Within the product and producer committee - which includes representatives from both activities - the partner activities are further determined and we validate the impact projects at the producers. The cooperative structure and the various decision-making bodies mean that stakeholder governance is embedded in Oxfam's DNA.

OXFAM FAIR TRADE



SHAREHOLDERS

58% Oxfam België
24% individual wereldwinkels
8% private individuals
10% non-profit cooperatives



BOARD OF DIRECTORS

These are the members of the Board of Directors of **Oxfam België**



COLLEAGUES

These are the **Oxfam Fair Trade** colleagues

1.3 OUR CHAIN

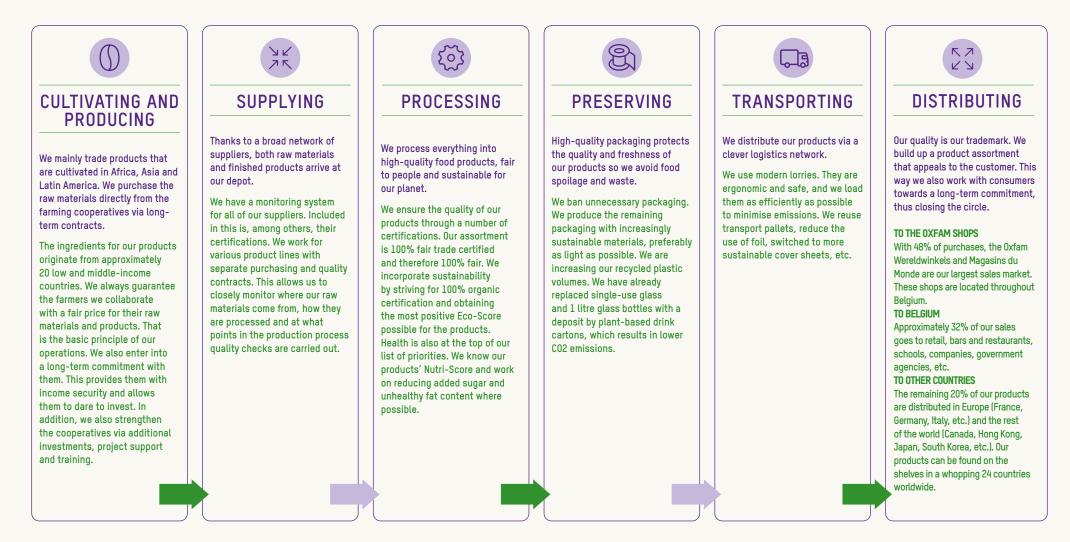
Every step is crucial for a wellfunctioning chain, from raw material to finished product. We are convinced that our own operations, which we organise as responsibly as possible, are the foundation for it all.

ightarrow see Figure 2

FIGURE 2

OUR CHAIN

All the steps we take with Oxfam Fair Trade have a direct impact on every link in our supply chain. That is why we organise our own operations with maximum responsibility and in accordance with our sustainable strategy.



6



1.4 OUR SUSTAINABILITY STRATEGY

1.4.1 Momentum for the world

"Budgets and action fall short in the fight against global warming. Low-income countries seem to be the first victims of this". Written in the most recent IPCC report (2023). If climate change continues at its current tempo, we will exceed the 1.5°C limit within 30 years. This will have irreversible consequences, such as the melting of the ice caps and the permafrost, which will cause the climate to warm even faster. The window of opportunity to take joint action and remain within the 1.5°C limit is closing. The social choices and actions we take in the next decade will determine the extent to which we will be able to develop our society in a climate-proof way, both in the medium and long term. Unless greenhouse gas emissions fall quickly and drastically, our options for climate resilient development are very limited. Global urgent action is therefore vital to save people and the planet.

Moreover, the climate crisis cannot be separated from other challenges, such as inequality, hunger and the loss of biodiversity. Similarly, solutions for climate change are inextricably linked to social transitions in energy, industry, cities and the countryside on the one hand, and ecosystem transitions (in the oceans and on land) on the other.

We want and must move away from a tunnel vision that only focuses on CO2 compensation via offsetting, something that is often the case with other companies. Many other sustainability crises are often overlooked: loss of biodiversity, waste issues, health problems and drought. Through a necessary broadened approach, we want to be at the outset of a regenerative future.

In tackling this, Oxfam Fair Trade can create synergies and trade-offs with its activities together with partners. An example? The project with Casa Apis (Brazil) causes CO2 emissions through the import of honey, but at the same time tackles biodiversity loss, poverty and drought (synergy) at the partner (see 5.3).

Oxfam Fair Trade wants to be a connecting organisation that actively demonstrates how integrated solutions change our social, economic and environmental systems simultaneously. Integrity at these three levels forms the foundation of our cooperative approach. Setting a good example is central to our approach, from sustainable production with partners to healthy food for our customers, with all the steps in between.

With a top score of 123.4 points, our commitment within B Corp is proof of this. For more information about this, see section 5.2.

(6)

1.4.2 Materiality analysis and stakeholder commitment

When drawing up our sustainability strategy, we began with a materiality analysis and a stakeholder survey. This allowed us to map out the connecting effect of Oxfam Fair Trade even better.

Central to our materiality analysis are the Sustainable Development Goals, a global set of goals that must solve the world's major problems by 2030. The SDGs contribute to three dimensions of sustainable development in which the boundaries of the planet (biosphere) are an absolute prerequisite for social equality (society) and economic prosperity (economy).

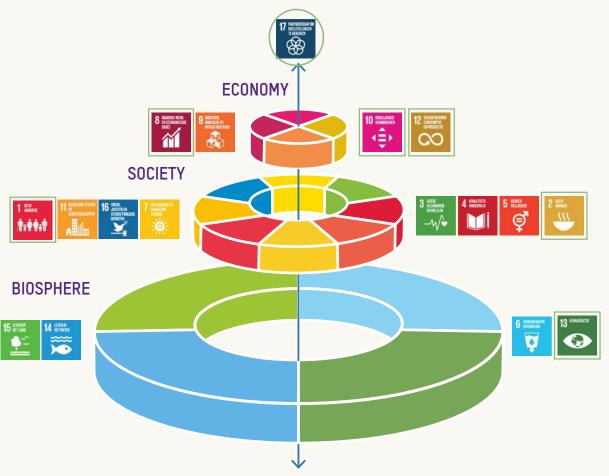
ightarrow see Figure 3

We mapped out all three dimensions and the corresponding SDGs and linked them to the feedback from our stakeholders. They consider the following SDGs to be most important for Oxfam Fair Trade: 1 (no poverty), 10 (inequality), 2 (no hunger), 8 (workable work), 12 (sustainable consumption) and 13 (climate action). We therefore focus on the SDGs in our strategy. They form our materiality matrix, which is included in the GRI table.

ightarrow SEE FIGURE 20 🔗

FIGURE 3

THE IMPLEMENTATION OF THE SDGS IN THE THREE DIMENSIONS OF SUSTAINABLE DEVELOPMENT: BIOSPHERE, SOCIETY AND ECONOMY



OUR STAKEHOLDERS HAVE DEFINED THE SIX MOST IMPORTANT SDGS FOR OXFAM FAIR TRADE. THEY CAN BE FOUND IN ALL THREE LEVELS OF SUSTAINABLE DEVELOPMENT: BIOSPHERE, SOCIETY AND ECONOMY. SDG 17 PARTNERSHIP IS THE CONNECTING FUNCTION OF OUR MISSION AND OUR WORK. © STOCKHOLM RESILIENCE CENTRE

In addition, our stakeholders consider it essential that Oxfam Fair Trade focuses on the following actions and solutions:

FIGURE 4

Ð

 (\diamond)

THE ACTIONS AND SOLUTIONS OXFAM FAIR TRADE MUST FOCUS ON ACCORDING TO THE STAKEHOLDERS

WANT TO LEARN MORE ABOUT OUR STAKEHOLDER SURVEY? IN THE ATTACHMENT (CROSSLINK) WE TAKE A CLOSER LOOK AT OUR MAIN STAKEHOLDER GROUPS, THE SURVEY ITSELF AND THE RESULTING MATERIALITY MATRIX. (2021)

ACTION	BIOSPHERE SOCIETY ECONOMY		ACTIONS INFLUENCE:					
	% VERY IMPORTANT FOR STAKEHOLDERS	N0 POVERTY	INEQUALITY	NO HUNGER	WORKABLE WORK	SUSTAINABLE CONSUMPTION	CLIMATE ACTION	
Striving for a fair and sustainable trade policy	79,14	x	X	х	x	-	-	
Striving for a living income for everyone	75,34	x	x	х	x	х	Х	
Strengthening the voice and power of small-scale agriculture producers	73,92	x	x	x	x	-	-	
Creating equal opportunities for women and guaranteeing their rights	63,15	x	x	-	x	-	-	
Making respect for human rights and the environment mandatory for companies	62,81	x	x	х	x	x	х	
The use of sustainable farming methods	61,72	-	-	x	x	x	х	
The certification of sustainable products	56,84	x	-	-	-	-	х	
The sustainable storage, use and recycling of water	51,49	x	-	х	-	x	х	
Guaranteeing food safety and product quality	46,61	-	_	х	-	х	-	
The implementation of a solidarity economy and sustainable consumption	46,28	x	x	х	x	x	х	
Avoiding forest degradation and deforestation	45,39	-	_	х	-	х	х	
Reducing and recycling packaging materials	43,16	-	_	-	-	х	х	
Investing in reforestation	42,62	_	-	х	-	x	х	
Reducing food waste and food losses	41,94	-	_	х	-	x	-	
Collaboration between government, organisations and other parties regarding sustainability	38,28	x	x	х	x	x	х	
Sustainability Reducing and compensating greenhouse gasses in the food chain		-	-	х	-	х	x	
Investing in the preservation of biodiversity	35,84	-	-	х	-	х	x	
Increasing the involvement and training opportunities for employees	35,30	-	x	-	x	x	х	

1.4.3 Explicit choice for B Corp certification

In June 2021, Oxfam Fair Trade was awarded B Corp certification, with a score of 123.4 points. It clearly shows that we as an organisation really make a positive difference in the world. Certified B Corporations are companies that meet the high standards of social and environmental performance and transparency. To gualify for certification, companies must pass a thorough audit - conducted by the non-profit organisation B Lab - and must score more than 80 points. There are currently more than 4,000 certified B Corporations worldwide - active in 130 sectors in 77 countries - including a number of prominent ethical brands such as Patagonia, Altereco and also Oxfam Fair Trade. A total of 80 points means that a company distinguishes itself in several areas. We are very proud of our score, which is quite a bit higher than this minimum. 🔗

1.4.4 Our commitments

Oxfam Fair Trade is a connecting organisation that works on an integrated solution for the social, economic and environmental problems of our time. Central to our approach is setting a good example ourselves.

That is why we are committed to:

ightarrow see Figure 5

FIGURE 5 **OUR SUSTAINABLE STRATEGY** THE (TRADE) **OUR EMPLOYEES: PARTNERS:** • We conduct fair trade with We increase contentment the trade partners and wellbeing in the team • We engage in long-term • We guarantee the collaborations with our trade security and integrity in our partners organisation R **OUR CUSTOMERS:** SOCIETY: • We are among the **5% best** • We offer a fair and companies on all B Corp impact sustainable product range domains worldwide • We will supply **higher climate** • We try to exceed the contributions by 2025 expectations and regulations • We incorporate **due diligence** into for our products regarding our entire value chain quality • We enter into strategic partnerships



1.4.5 How do we monitor our strategy?

Our goal is to implement our sustainable strategy to the best of our ability and to deliver on our commitments as planned. That is why we developed the following working structure:

• Our sustainability team includes colleagues from various teams: quality, purchasing and communication. They monitor the action plans, discuss the progress of the goals together, find solutions for bottlenecks and share good practices.

• We have appointed responsible **project managers** for the various commitments in our strategy. They monitor the progress of the goals and draw up action plans. They are in direct contact with the sustainability team.

• Our sustainability advisor coordinates and monitors the global sustainability plan, steers the meetings with the entire sustainability team on the one hand and reports directly to the operational manager on the other. She therefore has a key role.

• We report our performance in an annual **sustainability report**. This way we incorporate maximum transparency towards all our stakeholders. This overall strategy will run until 2027. After this, we will re-evaluate our progress and make adjustments where necessary.

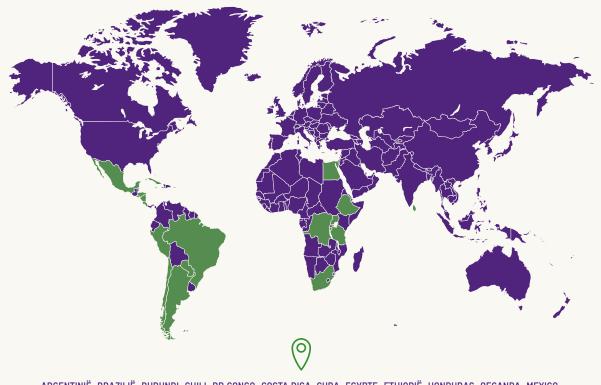
02

WHAT WE DO FOR THE TRADE PARTNERS



FIGURE 6

THE OXFAM FAIR TRADE PARTNERS MARKED ON THE WORLD MAP



ARGENTINIË, BRAZILIË, BURUNDI, CHILI, DR CONGO, COSTA RICA, CUBA, EGYPTE, ETHIOPIË, HONDURAS, OEGANDA, MEXICO, NICARAGUA, PALESTINA, PARAGUAY, PERU, SRI LANKA, TANZANIA, ZUID-AFRIKA

2.1 OUR COMMITMENTS

Our commitments:

- We conduct **fair trade** with the trade partners
- We develop **long-term partnerships** with the trade partners

Oxfam's trade partners in Africa, Asia and Latin America: Oxfam was founded for them more than 50 years ago; we continue to work for them every day with great conviction. For us, fair trade is the beginning of a fair economic system. Everyone benefits. We collaborate with a total of 30 cooperatives. With this we reach more than 500,000 members/farming families.

ightarrow see Figure 6

DID YOU KNOW ... we mainly collaborate with agricultural cooperatives? A cooperative model is based on equality and solidarity between the members instead of traditional organisational models with paid employment. This suits us perfectly. Moreover, farmers who unite are much stronger: they share risks, strengthen their negotiating position and can invest together in community projects.

Ю



"WORLDWIDE FAIR TRADE IS IMPORTANT TO US BECAUSE WE BELIEVE THIS BENEFITS EVERYONE."

NANCY DE WISPELAERE

2.2 WE CONDUCT FAIR TRADE WITH THE TRADE PARTNERS

We make fair agreements with our trade partners, for all parties. We focus strongly on a **fair price** for the work and the products they supply. Moreover, a fair trade agreement also means **social equality** and equal opportunities.

2.2.1 FAIR PRICE

Correct compensation is the basis for an equal trade system. Therefore, we consistently pay a fair (fair trade) price for all raw materials and products that we purchase. This is how we set our prices: fair trade price + fair trade premium + organic premium + living income premium.

a. Fair trade

We pay a **fair trade price**, calculated according to the Fairtrade International standards. The fair trade price is often well above the market price and gives the farmer a stable price guarantee. If the market price rises above the fair trade price due to certain circumstances, we pay the market price. So always the highest! We also pay a **fair trade premium** on top of the price. This premium goes to social and environmental projects. The farmers and members of the cooperative agree each year on what they will spend the premium on. This occurs during the General Meeting. This can include building local schools, hospitals or pharmacies, purchasing new production equipment, courses on tackling climate change, etc.

Our fair trade commitment has been our trademark since the 1970s. All our products are fair trade certified.

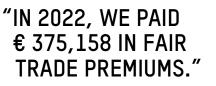
\prec Purchaser and Product Manager

Nancy De Wispelaere: "In 2022, we sold almost 3,092,535 kilogrammes of fair trade products. This means we again decreased somewhat in our volume. Over the past year, we felt the global inflation in the food chains very strongly. We hope that prices will return to normal in 2023, so that we can increase volume again. Because with every extra kilo of fair trade goods sold, the fair trade premium that the cooperative receives also increases. In 2022, we paid 375,158 euros in fair trade premiums. We hope this sum will be higher again in 2023."

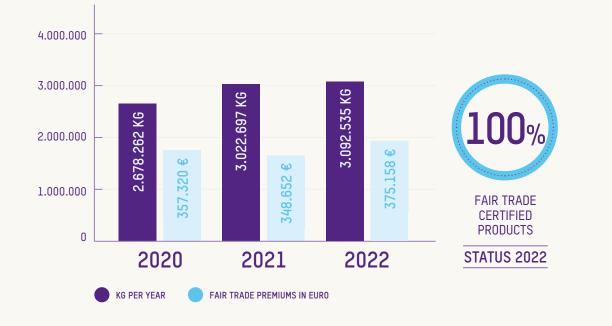
ightarrow SEE FIGURE 7 🔗

FIGURE 7

VOLUMES OF SOLD FAIR TRADE PRODUCTS PER KG PER YEAR AND RELATED FAIR TRADE PREMIUMS



NANCY DE WISPELAERE



DID YOU KNOW ... Oxfam Fair Trade also has a 'fair trade from here' range? For example, we get our organic apple juice from De Drie Wilgen and our speciality beers 'Juste' from Brasserie des Légendes. We also recently developed a 'northern framework' with the same fair prices for Belgian farmers. We started these collaborations based on a growing demand for local fair trade products.

b. Organic premium

We pay the farmers an organic premium for the organic products. In this way we give organic farmers extra support for their efforts, which benefits everyone.

We want all of our products to be certified organic by 2030. We make that commitment clear not only to our consumers - and the planet - but also to our trade partners. Organic farming makes them more resilient to the consequences of climate change.

In recent years, we have noticed an increasing interest among farmers to switch to organic cultivation. Unfortunately, they can rarely bear the associated investments alone. Oxfam Fair Trade always pays the farmers who supply us with certified organic crops an organic premium (on top of the fair trade price and premium). On request, we offer separate project support to farmers who are still at the beginning of the process. For example,

DID YOU KNOW ... switching to organic farming requires a great deal of effort? Other production methods are required for organic farming and therefore a switch also means additional financial resources and specific knowledge are needed. This requires extra investments, education and training. In addition, farmers only receive organic certification for their crops after three years. So they are already making the effort to switch but have not yet received the label.

6

thanks in part to our financial support, the orange concentrate from Brazil (from the Coopealnor cooperative) will be completely organic from 2023.

The switch to organic is a challenge for many production lines, as Head of the Purchasing Department Marion Meyvis also knows: "There are various factors you have to take into account, especially with the composite products. Our Yucca chips (based on yucca, a Latin American manioc variety, ed.), for example, are not yet certified organic. Growing the vucca plant organically is really not difficult at all. The difficulty lies elsewhere: the chips also contain herbs and vegetable oil, of which few organic variants have been available so far. Fortunately, organic certification is on the rise everywhere. And that gives us great confidence. By 2030, all of our products will be certified organic. 100% organic by 2030, that's our goal!"

In 2022, we added several organic products to our range: honey, coffee, couscous, limoncello, speculaas, Christmas chocolates, jasmine rice and tea. A total of **65% of our assortment is now certified organic**. So we are well on our way to reaching our goal.

ightarrow SEE FIGURE 8



FIGURE 8

ORGANICALLY CERTIFIED PRODUCTS

STATUS 2022





NEWS FROM SOL & CAFE (PERU)

Oxfam was in 2008 one of Sol & Café's first customers. In the meantime, the cooperative has grown into a solid organisation that strongly focuses on quality, not just in the coffee sector, but also in the services it offers to its 1006 members: support through soil sample analyses and targeted fertilisation advice, improvement of coffee varieties, installing more sustainable production methods, cultivating shade trees, etc. With the support of the fair trade premiums, the cooperative started a school for the children of the cooperative, they do disease prevention and offer dentistry.

c. Premium for a living income

How do we define a living income?

First of all, a living income meets the basic needs. For example, the costs related to food, the rent or payment for a home, essential services such as education, healthcare or clothing, etc. It is also crucial to have a buffer so the farmers can save, invest and use it for unexpected costs.

We are critical of our own operations and evaluate annually what impact our processes have on the farmers we work with. We see that fair trade is not always enough to provide farmers with a dignified life, for example because the situation in the country is very fragile or because farmers have less access to (local and national) support. This is why we get involved in certain 'Fairtrade and beyond' supply chains, such as in the Republic of Côte d'Ivoire, a country with a very complex cocoa context.

For several years now, through our 'Bite to Fight' chocolate line, cocoa farmers in the Republic of Côte d'Ivoire receive a very specific Oxfam premium: the premium for a living income. Colleague **Marion Meyvis** explains: "These living income budgets are on top of the fair trade price and premium that our cocoa farmers receive anyway. In concrete terms, the living income premium provides them with approximately 1 additional dollar per kilogram of cocoa beans. The price fluctuates slightly depending on the market price. We always ensure that we pay a total



of 3,708 dollars per tonne with the fair trade price and premium and the Oxfam premium on top of that. Cocoa farmers really need it: research shows that most cocoa farmers in the Republic of Côte d'Ivoire need to earn three times as much to have a living income." In recent years we paid the following amounts in Bite to Fight premiums to the CPR Canaan cooperative

- 2022: € 62.884
- 2021: € 37.840
- 2020: € 43.956
- 2019: € 64.054

With this additional premium, we want to bridge the large income gap needed to meet the farmers' basic needs so they can live a dignified life. The premiums are paid in part directly to the cocoa farmers and partly invested in collective projects for the entire farming community. With Bite to Fight, we are taking an important step towards fairer chocolate. We also continue to analyse our other supply chains and, where necessary, we will choose for 'beyond fair trade'. We wouldn't be Oxfam if we didn't go for the best conditions for farmers.

ightarrow SEE FIGURE 9



NEWS FROM CPR CANAAN (THE REPUBLIC OF CÔTE D'IVOIRE)

The cooperative decides to pay part of the Oxfam premium directly to the farmers in cash. In addition, they chose to set up collective projects to ensure that a living income is achieved by:

increasing productivity

 additional crops and a bee project with production and sale of local honey

- sustainable farming techniques
- savings banks managed by women.

What makes the living income strategy even more unique is the close guidance of the farmers by coaches who inform, motivate and ensure that costs are clearly mapped out so that they can optimise every year. The farmers experience the proximity and support of the coaches as a real motivator that creates trust and commitment in each of them – an approach that should become much more commonplace in the sector!

DIFFERENCE IN PRICES PER TONNE OF COCOA BEANS: CONVENTIONAL MARKET PRICE FAIR TRADE - OXFAM

FIGURE 9



2.2.2 Social structures in balance

In 2022, we continued to work on improving the position of women. In the ITC 4th Report Coffee Guide (2021, p. 30) it has already been shown that women play an important role in coffee production, but unfortunately they still do not receive equal payment for this. That is why we started a collaboration with Rebuild Women's Hope in 2022.

Rebuild Women's Hope is a cooperative on the island of Idjwi in Kivu, eastern Congo, an area that has been ravaged by conflict for many years. It is the most difficult for women and children. Rebuild Women's Hope consists of 70 percent women and is strongly committed to providing women with better access to knowledge of their rights, other sources of income (machine stitching, baking bread, growing vegetables, etc.). In addition, the construction of a hospital - with both a maternity ward and a paediatrics department - resulted in a noticeable improvement in the health of the local population. Marceline Budza, the founder and winner of several awards (Robert Bruns Humanitarian award 2017, French Republic Human Rights Prize 2019, University of Oslo Human Rights Award 2020, etc.), saw that coffee could be used as a means to better reach these women. Since August 2022, we have been supporting the cooperative to increase the productivity of the coffee fields in a sustainable way.

6



NEWS FROM AL REEF (PALESTINE)

 \prec We invest a great deal in strengthening the position of women. "A good example of this is our project in Palestine," says Marion Meyvis. "We supported the Al Reef cooperative with the purchase of a grain mill. This gave an incentive to set up a separate women's cooperative in 2022. The cooperative drew up its own business plan to grind grain for farmers in the region, to market finished couscous locally and to further export packaged organic couscous. In this way, entrepreneurial skills are strengthened and women gain more say in their community." We will remain very active in this domain in 2023. We will further map out the role of women in our trade partners and develop more targeted actions based on these findings.

2.3 WE ENGAGE IN LONG-TERM COLLABORATIONS WITH OUR TRADE PARTNERS

Our collaboration with the cooperatives goes further than a traditional buying and selling transaction. We make it a point to build a longterm partnership with them, based on principles of equality. The basic principle is that they as suppliers and we as buyers and consumers collaborate as equals. These same values are prioritised in our contacts with the 'partners in the North': our suppliers, processors, transporters, etc. They are also crucial partners throughout our supply chain. We treat them with the same care as our 'partners in the South' and we expect the same commitment from them towards their employees.

2.3.1 Long-term collaborations

We always guarantee our trade partners a long-term collaboration. This provides them with security across harvest cycles, allowing them to better spread out their costs and risks and lower the barrier to long-term investments. Moreover, our contracts ensure a fair price for their efforts.

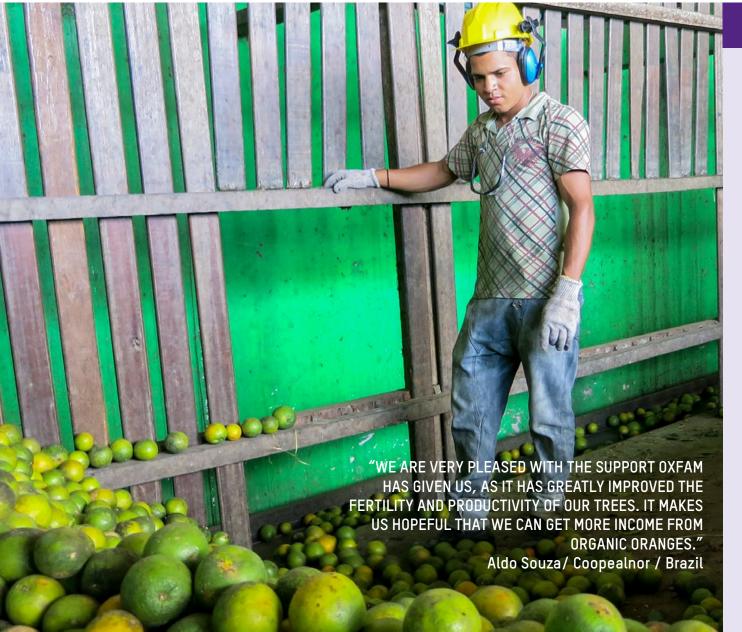
The core of the partnership is the close personal contact between our product managers and the local farming communities, facilitated by regular business trips. By systematically expanding the social networks of the cooperatives, we continue to actively focus on improved market access. For example, we take them to relevant trade fairs where they can make new contacts and start up new sales lines.

Because we know our partners so well, we know which challenges they struggle with and which growth points they consider crucial. We use this knowledge to provide them with very targeted

DID YOU KNOW ... we collaborate an average of 15 years with our partners? Talk about a long-term contract! Our oldest contacts date back to 1992 with fellow fair traders in Europe. We also have long-standing relationships with several trade partners, such as with the Cuban rum producers (1992), the Palestinian olive oil producers (1993) and the Brazilian producers of organic orange juice (2007).



support and advice, for example, technical, financial or organisational. From there, specific projects emerge. For example, thirteen concrete projects have already been launched at our partner cooperatives in the past three years. And new ones are added every year, for example through our climate contributions.



NEWS FROM COOPEALNOR (BRAZIL)

Oxfam has been working with this North Brazilian orange producer since 2007. Talk about a long-term relationship. Brazil's orange industry is dominated by a handful of powerful industrial companies. Small-scale and sustainable fruit farmers have a hard time surviving unless they join forces. Since its foundation, the driving forces of the Coopealnor cooperative have strongly believed in their own market potential.

Together they export their fair trade orange concentrate to the European market. In recent years, they have had an increasing demand for organically grown oranges, including from Oxfam. The farmers saw the extra potential and started planting an additional 30 hectares of orange orchards and purchasing organic fertilisers together. Three years after planting, they can harvest and market their first organic oranges.

(6)

2.3.2 A 360° approach, also for our suppliers

To complete the fair trade circle, it is important to extend our ethical approach to contacts and contracts with European suppliers. Our supply chain goes far beyond the production and cultivation of the global partners. It is crucial that we also pay the same attention to our suppliers, processors and transporters.

In 2022, we set up a methodology to further screen our suppliers' social and environmental practices. Every year we raise the bar a little higher: for example, we are currently working on mandatory criteria when selecting new suppliers. That implementation takes time, but we are already taking steps by, for example, strictly monitoring the organisations we work with. While in low and middle-income countries, we resolutely choose to work with cooperatives (crosslink box section at the beginning of H2), in the north we select other B Corporations or environmental partners such as Belvas where possible. In the context of the due diligence, we also strongly focus on social criteria.



P

03

WHAT WE DO FOR OUR EMPLOYEES





3.1 OUR COMMITMENTS

Our commitments:

• We increase **contentment and wellbeing** in the team

• We guarantee the **security and integrity** in our organisation

All Oxfam Fair Trade employees get out of bed every morning for a job with a clear and common goal. It is this connection that ensures that we form a passionate and close-knit team. The wellbeing and satisfaction of all our employees is extremely important to us. Integrity is a key concept for us.

Oxfam Fair Trade consists of a team of 42 colleagues, but many initiatives for Oxfam Fair Trade personnel apply to the entire group.

ightarrow see Figure 10

(6)

3.2 WE INCREASE CONTENTMENT AND WELLBEING IN THE TEAM

Our employees are the backbone of our organisation. And we want the best for them. That is why we focus on their satisfaction and wellbeing. And that is only possible with a strong and modern HR policy, which is clearly reflected in the **'Oxfam New Ways of Working'**, a policy that allows different forms of flexibility in the job. We have flexible working hours and our office employees can work from home up to 50% of the time.

And the **Wellbeing Group**, which we created in 2019-2020, is an important instrument within the welfare policy. The Wellbeing Group consists of employees from every department and acts as an advisory body to the executive committee. Concrete actions have already resulted from this, such as ideas to increase the group feeling at Oxfam (cleaning days, relaxation areas, quizzes, etc.). This group also acts as a sounding board and partner to improve new plans and policy measures. The diversity plan, the 45+ plan and the reintegration plan have already been discussed in the Wellbeing Group.



The **Party Committee** also regularly launches concrete actions to increase employee wellbeing, such as the 'back-to-work' party in 2022, a Happy Hour and an employee day. Colleagues get to know each other better during informal moments, which benefits the general atmosphere of the organisation.

We are happy to share several other examples of actions in 2022:

• The feedback cycle: a cycle that ensures that there are at least two formal conversations between manager and employee about goals and performance. There are also of course several, rather informal conversations, the so-called one-to-ones.

• OBI (Oxfam België intranet), our internal communication platform, where employees can consult all relevant news items and all important documents, was created. As a result, everyone is well informed about what is going on within the organisation. All important documents are centralised in a well-arranged manner.

• The management trajectory was revised. The training is the same for all managers, which strengthens leadership within Oxfam.

• Our absenteeism policy ensures that we can respond to signals of absenteeism and any underlying reasons faster and better. This allows us to intervene more quickly in the event of potential problems. We also want to make our office a pleasant place to work. There is free fruit every week, a focus on ergonomics, a bicycle allowance and bicycle lease options, an affordable holiday arrangement, fun team building sessions, etc.

We monitor the impact of these initiatives every year via a wellbeing score. It gives an indication of the welfare approach in one figure: how we implement it and its impact on the satisfaction and general wellbeing of the staff. In 2022, the wellbeing score was 62% compared to 80% in 2019 and 66% in 2021. (In 2020, no score was calculated due to COVID-19.) The decline is mainly due to:

• The long reorganisation we went through: our departments were merged in the past two years to form the Oxfam België umbrella. Read more about the reorganisation here.

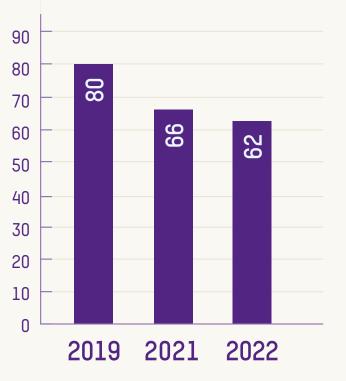
• The more difficult financial situation within Oxfam Fair Trade creates extra pressure.

• Remote working improves individual wellbeing, but this does not benefit the general group feeling and the bond with the organisation.

Of course, this figure does not reflect everything. Our annual survey showed that 81% are still proud to work for Oxfam Fair Trade. 73% of the respondents are also satisfied with the team atmosphere. When asked if they like their job, 85% of the respondents answered positively.

ightarrow see Figure 11

THE SCORE OF OUR WELLBEING APPROACH IN THE PAST YEARS



In 2020, no score was calculated by COVID-19.

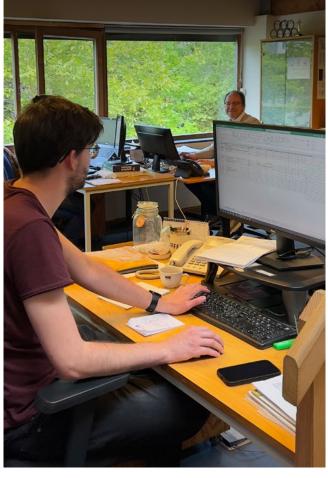
3.3 WE GUARANTEE THE SECURITY AND INTEGRITY IN OUR ORGANISATION

Integrity is a top priority for us. The fight for equality begins with ourselves. That is why we installed the 'Safeguarding Policy', a policy measure that strives for the greatest possible integrity through various internal measures. We regularly organise workshops and webinars, use a strict reference system for new employees, appoint confidential advisors and contact points for integrity issues, etc.

One of the most important prevention pillars is our Oxfam Code of Conduct. This explains our mission, values and standards and what behaviour we expect from employees. Every new colleague signs this code of conduct when they begin employment.

Within Oxfam België there are also four 'Focal Points Integrity' (two French speakers, two Dutch speakers, one man and one woman each) whose task is to keep the threshold for raising integrity issues as low as possible. We also provide the option of raising integrity issues (from financial integrity to sexually inappropriate behaviour) anonymously via a special telephone number or an online report. These reports are thoroughly investigated. "THE FIGHT FOR EQUALITY BEGINS WITH OURSELVES. OUR INTERNAL 'SAFEGUARDING POLICY' TAKES VARIOUS MEASURES TO GUARANTEE AND INCREASE INTEGRITY."

MATTHIAS VAN RUYSKENSVELDE



04

WHAT WE DO FOR OUR CUSTOMERS



4.1 OUR COMMITMENTS

Our commitments:

• We offer a fair and sustainable product range

• When it comes to the quality of our products, we strive to **exceed expectations and regulations**

The need for fair and sustainable food has never been greater. That is logical, because we all have to eat. At the same time, we know that food has a major impact on our planet. Western production and consumption even far exceed our planet's limits. What's more: our patterns are detrimental to the health and wellbeing of many people on Earth. That is precisely why Oxfam's fair trade message remains so topical. Through our organisation, we therefore offer a concrete (i.e., fair and sustainable) alternative to the traditional foodstuffs on the shelves.

More than ever, our promises are in line with what consumers expect today. For a growing group of conscious consumers, including the younger generations, we want to maintain maximum relevance and promote our added value.

Two customer testimonials:



Kunstencentrum VIERNULVIER vzw

Kunstencentrum VIERNULVIER vzw follows the LEF philosophy: in their café you eat and drink local, ecological, fair trade. The producer receives a fair price, the consumer a quality product. For that reason, VIERNULVIER sees 0xfam Fair Trade as a good supplier who has been supplying products for 20 years. Like 0xfam Fair Trade, VIERNULVIER wants to show that a different model is possible, one that builds towards a sustainable future and evolves away from the race to the bottom. For VIERNULVIER, fair trade means that food producers receive a correct remuneration, both an African coffee farmer and a farmer right around the corner. In concrete terms, this means that VIERNULVIER mainly purchases coffee products: organic coffee, cane sugar, biscuits and tea. Last year they sold 50,000 coffee drinks, 1000 teas and 100 kg of cocoa for chocolate milk. VIERNULVIER is extremely satisfied with the service and delivery.

THALYS, MEMBER OF THE EUROSTAR GROUP

For several years now, Thalys has been striving for a sustainable purchasing policy for the provision of food and drinks on their trains. Since 2021, Thalys has been screening products for environmental and social sustainability. They selected several suppliers, including Oxfam Fair Trade, which supplies organic ice tea and cola. They were quickly convinced by the taste, the organic origin and the fair trade origin.



4.2 WE OFFER A FAIR AND SUSTAINABLE PRODUCT RANGE

We bring food products to the market that have been developed and produced in the most fair, sustainable and high-quality way possible. That has been our main goal from the very beginning. With our new sustainability strategy, we are taking further steps in this area by establishing concrete goals.

4.2.1

In accordance with external certifications and reference frameworks

In a first step, we offer **objective guarantees** to our customers based on external **certifications**. With this, we prove beyond a doubt that Oxfam Fair Trade achieves social and sustainable impact which is reflected in the products we sell. Our range has been 100% fair trade for years and will also be 100% organic by 2030. We work to achieve the most positive Nutri-Score and Eco-Score and reduce the CO2 emissions of our products. Thanks to our certifications, it is clear: we put our money where our mouth is.

a. Fair trade

Fair trade has been the starting point of our organisation and remains our trademark in everything we do.

DID YOU KNOW there are now dozens of sustainability labels? No wonder that the consumer often no longer sees the forest for the trees. Many labels do not tell the whole story. An example: with other brands that offer chocolate products, you increasingly see an FSI (Fairtrade Sourced Ingredient, ed.) label for cocoa. But such a label only guarantees that the cocoa in the product has been sustainably grown, and does not say anything about the added butter, sugar, milk (powder), flavourings, fruits, etc. At Oxfam Fair Trade you can rest assured: we always apply the strictest criteria. Our entire chain is fair trade!



THE FSI LABEL, WHICH GUARANTEES THAT THE COCOA IN THIS PRODUCT HAS BEEN GROWN FAIRLY.



Ю

THE FAIRTRADE LABEL, WHICH APPLIES TO ALL INGREDIENTS IN THIS PRODUCT. YOU WILL FIND THIS LABEL ON ALL OXFAM PRODUCTS.

b. Organic certification

In 2022, 65% of our assortment was certified organic. We want our entire range to be 100% organic by 2030. Organic is not only good for the planet but also for people: for our trade partners, because organic farming protects them better from the effects of the climate crisis, and for our customers, because organic food is healthier and more natural.

Even with our products that only have the Fairtrade label, we are paying close attention to organic cultivation. After all, respecting the environment is one of the fundamental principles of fair trade. Several of our products are currently already being converted to organic, but we will still have to wait for certification. The switch to organic cultivation takes three years, but in the meantime the raw materials are already grown according to organic principles.

c. Nutri-Score and Eco-Score

Another priority on our list is **health**. We are convinced that our fair and sustainable food products also have to be healthy. That is why we try to keep out added sugars and unhealthy fats. At the same time, we ensure that these adjustments do not negatively affect the flavour, texture and composition of our products. Meanwhile, we have also calculated the Nutri-Score for all our products. We currently achieve an average Nutri-Score of 14.33 for our products, which corresponds to class D. From 2022, we will explain the Nutri-Score per product on our website, together with the Eco-Score. Our packaging will have handy QR codes that link directly to the product scores.





FROM 2022, WE WILL EXPLAIN THE NUTRI-SCORE AND THE ECO-SCORE VIA HANDY QR CODES ON OUR PACKAGING.



A healthier snack: our sesame crackers

Our sesame crackers are a delicious and healthy snack. Egyptian sesame seeds provide a source of calcium, magnesium, phosphorus, vitamin E, proteins, folic acid and fibre. And the Bolivian quinoa contains all the essential amino acids, making it a complete source of protein. Enjoy guilt-free!

d. Our CO2 commitment, but different

To reduce our emissions, we first and foremost look at ourselves. This year we do not really have higher emissions than last year, but they are more complete. In other words, we have now mapped our CO2 emissions even more accurately; because this year we had more resources for research that will benefit us this year and in the years to come. This year we continued our life cycle analyses (LCA) per product and, where necessary, supplemented the figures with data from online databases (such as Bilans GES). Unlike many other companies, we include our entire product chain when calculating our emissions. This means that we not only take our own emissions into account (scope 1-2) but also all emissions that our production, transport, processing and delivery of our products to the customer cause (scope 3).

These updated figures once again confirm to us that most of our emissions – and therefore most of our reduction options – are in our production chain (scope 3), as much as 95.18%, of a total of 5,410.65 tonnes of CO2 equivalents. Last year there were no emissions data for honey, dried fruit and spices, but there is now. The data for cocoa, nuts, grains and seeds, preserves, oil, alcoholic and non-alcoholic beverages have also been substantially increased.

ightarrow see Figure 13

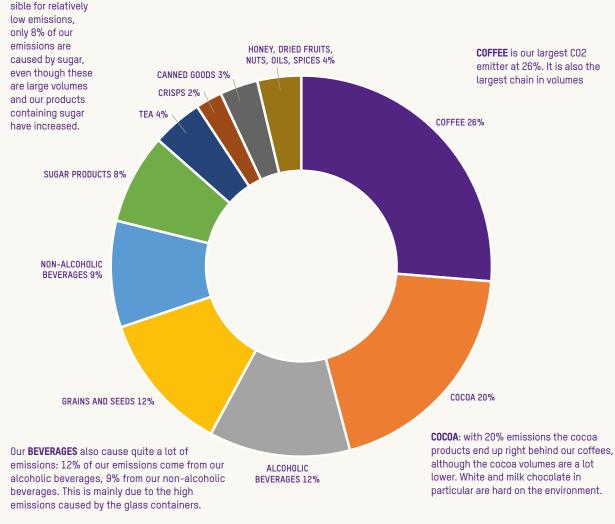


DID YOU KNOW tea has the highest emissions per kilo? With 21.3 kg of CO2 equivalents per kg of tea, it towers far above our other products. However, because you only need one bag of 1.8 grams of Oxfam tea for a tasty cup (or full teapot!), it is our most sustainable drink with 38.3 grams of CO2 equivalents per serving, even better than coffee.

Thanks to our CO2 calculations, we are now much more aware of which of our chains we need to pay extra attention to in order to reduce our emissions. Oxfam Fair Trade is also doing a great deal more to reduce its footprint. We will explain how in more detail in 5.3.

FIGURE 13

CO2 EMISSIONS OF OXFAM FAIR TRADE PER PRODUCTION CHAIN



4.2.2 Less waste

In 2021, we mapped out our packaging volumes and materials and developed various action plans to make our packaging more sustainable and reduce its use.

In 2022 we have been able to reduce the packaging material to 794 tonnes. A reduction of 83 tonnes compared to 2021 (877 tonnes).

a. Better packaging

At least three quarters of the weight of our packaging material consisted of glass. That is a high number! To reduce that weight, we decided to sell our (fruit) juices per litre in plant-based drinks cartons from 2022. They are more sustainable than reusable glass. The new packaging is recyclable and consists of FSC certified cardboard and bioplastic. The result of this new packaging is that we can finally scrap about 20% of our packaging weight.

b. A focus on outer packaging

We also focus on the materials of the outer packaging.

Where possible, we choose to use as little outer packaging as possible. For example, we no longer cover the trays of our can packaging and our chocolate displays with an extra layer of plastic.

 \mathcal{O}

SUGAR is respon-

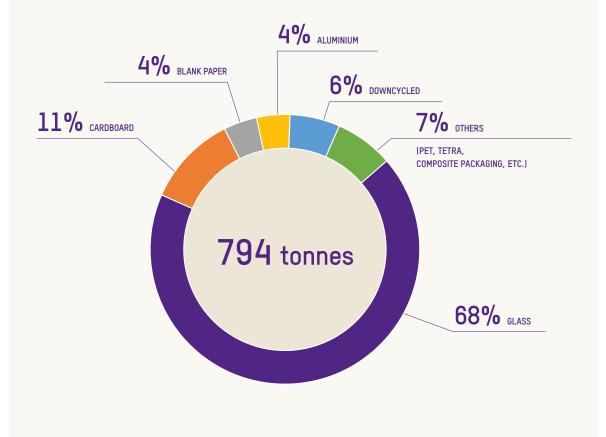
FROM 2022, OUR (FRUIT) JUICES WILL BE SOLD IN PLANT-BASED DRINKS CARTONS INSTEAD OF GLASS. THIS IS ONE BIG STEP FORWARD FOR THE ENVIRONMENT.

"One of those goals is to sell all our products in packaging that is as sustainable as possible by 2030. So an ambitious plan," explains **Anke Teigeler**, Product Marketing and Packaging Manager. When you think renewable wood and paper products, you need sustainable forest management. "We chose labelled cardboard for all our new chocolate displays. We explicitly ask our suppliers for more sustainable packaging," explains Anke. Oxfam monitors the renewable raw materials it uses. "In 2022, for example, we will have doubled the share of labelled cardboard. The goal is that all our outer boxes, displays and other paper products will be labelled by 2030," says Anke.

c. Less waste

We will always need packaging to guarantee hygiene, food safety and food shelf life. From our stakeholder survey, food safety and sustainability in particular emerged as crucial focal points to fulfil the SDG 'no hunger'. We are strongly committed to this throughout our entire supply chain. In 2022, we achieved 2.48% of our turnover from promotions in the wereldwinkels, sales to buyers and food banks. This is how we save products from waste.

FIGURE 14 PACKAGING MATERIALS OXFAM FAIR TRADE PRODUCTS IN 2022

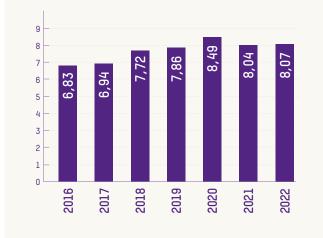


4.3 WE TRY TO EXCEED THE EXPECTATIONS AND REGULATIONS FOR OUR PRODUCTS REGARDING QUALITY

Ultimately, everything we do comes down to this: when it comes to the quality of our products, we want to do better every day. Our ultimate goal is a quality range that exceeds everyone's expectations.

Our primary goal is to ensure that our products comply with **regulatory frameworks and laws**. A safe food chain is self-evident for us. We monitor this very closely. We closely monitor the production process and continuously monitor product and production quality. This way we are sure of the quality, both for import and for sale. We conduct internal and external audits for both our suppliers and the products they supply.

> FIGURE 15 EVOLUTION OF THE QUALITY SCORES OF OUR SUPPLIERS, 2015-2022



Second, we evaluate our suppliers ourselves via transparent questionnaires. Based on this, we calculate an average **quality score** (expressed in ten points) as a benchmark for the operation of our quality system.

Our Quality Engineer Judith Pieters explains: "For 2022, we got a **total score of 8.07 out of 10**. This quality score has been increasing every year since the start of our calculations in 2015, with a peak of 8.49/10 in 2020."

We calculate the quality score by averaging the following three criteria:

1) the number of quality errors in the warehouse picking lines

2) the supplier score and

3) the number, severity and frequency of quality complaints per supplier.

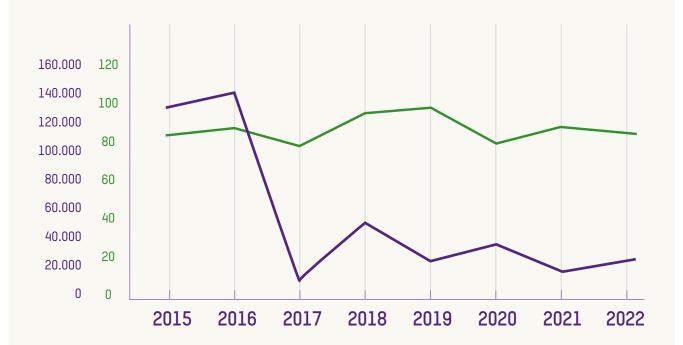
An explanation of the complete calculation can be found in the attachment (crosslink).

Third, we closely monitor the **amount and severity** of the number of complaints.

Our quality department monitors between 80 and 100 non-conformities every year. This can range from reports with a low severity, such as nonvacuum-packed coffee or crystallised honey to severe reports about, for example, the presence of pesticides or foreign objects in a product. "The number of dossiers has remained fairly constant over the previous seven years, but the severity of the dossiers is clearly decreasing," says Quality Engineer Judith Pieters. 2022 was the second year in a row without product recalls, either due to food safety being compromised or because the quality

FIGURE 16

NUMBER OF DOSSIERS OF NON-CONFORMITIES AND THEIR SEVERITY, 2015-2022



NUMBER OF REPORTS FOLLOWED UP BY OUR QUALITY CONTROL DEPARTMENT SEVERITY SCORE ALLOCATED TO REGISTERED COMPLAINTS WE HAVE A LOYAL CUSTOMER BASE AND THIS IS HOW WE COMPLETE THE CIRCLE: LONG-TERM CONTRACTS WITH OUR SUPPLIERS AND YEARS OF CONSUMER CONFIDENCE.

NICK DECLERCQ

of the products was substandard. We will of course remain committed to addressing the current issues and avoiding them in the future. That is why we are increasing efforts in our supplier evaluations (see attachment 2).

And our efforts are working: in 2022 we were once again the Belgian market leader in the sale of Fairtrade coffee. And our chocolate chain is and remains large. We have a loyal customer base, ranging from companies to conscious consumers who buy our products in the wereldwinkel or local supermarket. This is how we complete the circle: we enter into long-term contracts with our suppliers and can rely on years of consumer confidence. We want to continue with that model for a very long time, until the entire food industry is fair for everyone. 05

WHAT WE DO FOR SOCIETY





5.1 OUR COMMITMENTS

Our commitments:

- We are among the 5% best companies on all
- B Corp impact domains worldwide

• We are committed to **climate contributions** at our partners

• We incorporate **due diligence** into our entire value chain

• We enter into strategic partnerships

Through our work with trade partners and the range we offer our customers, Oxfam Fair Trade is already having a positive social, environmental and economic impact on people and the planet. This way, we not only do good for our direct stakeholders but also for society in general. And it is necessary: there is a real need for change NOW! We want to be a pioneer in sustainable development in today's society. We will achieve this leading position through a top score in the B Corp certification. On the other hand, we also want to contribute to climate mitigation and adaptation among our partners through climate contributions. Oxfam Fair Trade also influences the due diligence policy (known by the English term 'human rights and environmental due diligence'). That is why we will be integrating the due diligence into our own operations in the coming years. Finally, we enter into collaborations through various partnerships, in order to join forces with other organisations.

5.2 WE ARE AMONG THE 5% BEST COMPANIES ON ALL B CORP IMPACT DOMAINS WORLDWIDE

Since July 2021, we are B Corp certified. B Corp is an organisation that audits companies for their social and environmental efforts. The B-Corp certificate therefore does not relate to our products (as with our fair trade and organic labels), but to our entire organisation.

The audit process consists of a stringent assessment procedure in five major areas: governance, workers, community, the environment and customers. Each domain score also includes a comparison with similar organisations with regards to geography (country), sector and company size. In total, a company must score more than 80 points to be awarded the certification.

We achieved a fantastic score of **123.4 points** in our audit. We are proud of that, because it puts us straight into the higher ranks. But we want to do even better: our ambition is to be among the best 5% in the world in each of the five categories. For our next audit in **2024**, we are therefore aiming for a score of **135 points**. Talk about a challenge! OUR B CORP CERTIFICATION IS MORE THAN JUST A RECOGNITION OF OUR COMMITMENTS. WE ALSO ENCOURAGE OTHER ORGANISATIONS TO TAKE ACTION. THIS WAY WE CONTRIBUTE TO MAKING THE ENTIRE ECONOMY MORE SUSTAINABLE.

MARION MEYVIS

Learn more? The most important results from our B Corp audit can be found in the attachments.



DID YOU KNOW ... we are in very good company with our B Corp certification? Oxfam Fair Trade is among names like Patagonia, Ben & Jerry's, Dr. Bronner, Alter Eco, etc.





5.3 WE ARE COMMITTED TO CLIMATE CONTRIBUTIONS AT OUR PARTNERS

In our previous report, we talked about CO2 positivity: the concept that we would remove more CO2 from the air through offsetting than we emit in total. The offset market works like this: because it is impossible for a company to emit 'zero' CO2 emissions, it invests via 'offsets' (a kind of financial compensation) in a project that either absorbs CO2 (for example by planting trees) or reduces it (for example by building green energy facilities to replace fossil energy).

These projects can be certified for execution and these certificates (offsets) can then be sold. However, this market is very murky and criticised, and there are many cases where purchased credits do not guarantee absorption or reduction of C02, for example because they are sold twice, are not long-term or would have taken place anyway without the investment via offsets. In some cases they also harm the local population or cause more emissions elsewhere. This does not align with Oxfam's commitment to transparency and fair trade, which is why we are taking a different approach. Oxfam wants to be a climate contributor in its own way. First and foremost, we mapped out our own emissions - as we had already done in 4.2.1.d for our products. The graph on the right shows how our products are responsible for 95.18% of our emissions. We have no direct influence on a large part of those emissions; but we certainly notice a great drive among the trade partners to do better every single year. The other 4.82% are the direct consumption of our buildings and the indirect emissions from our traffic (commuting, business trips and transport). These emissions are significantly lower than in previous years. On the one hand, we have reduced our natural gas consumption by almost half, and on the other hand we have also travelled a lot less. Compared to 2019, we flew slightly less (112,402 km instead of 125,124 km), but we also took the car to work a lot less (61,000 km instead of 241,395 km). Since Covid-19, our employees are allowed to work from home 50% of the week, a decision that has significantly reduced our emissions. We also reduce our emissions together with our partners where possible. Compared to 2021, we are aiming for a 15% decrease by 2025 and a 30% decrease by 2030. We chose 2021 as the baseline because we wrote our first sustainability report that year and have mapped out the most important figures since then.

ightarrow see Figure 17 & 18

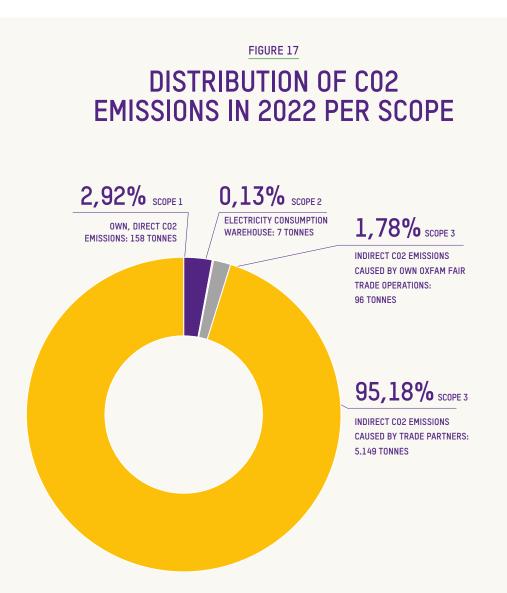
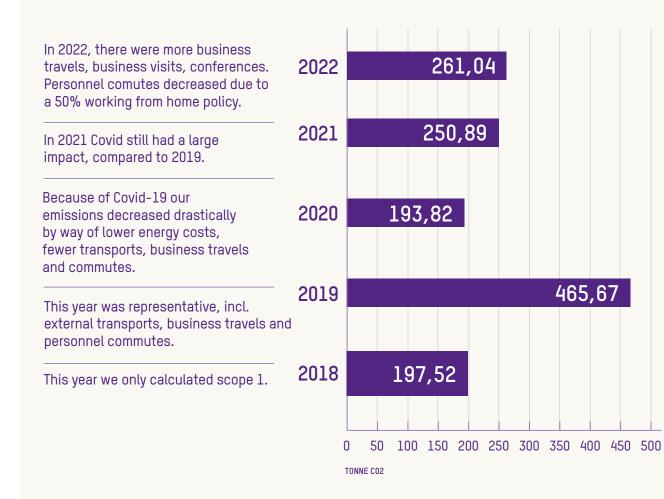


FIGURE 18

EMISSIONS FOR WHICH OXFAM FAIR TRADE WAS RESPONSIBLE IN BELGIUM



We want to compensate for the CO2 that we cannot reduce in our own chain. We do not plan to do this externally but mainly with our own partners. As we mentioned earlier, we want to move away from the concept of offsets, partly because we do not think they are transparent enough, and partly because we want to broaden our focus beyond CO2 reduction. We want to move away from the tunnel vision that sees CO2 emissions as the main topic and ignores other topics such as biodiversity and water resources. With our climate contributions, we therefore not only support CO2 reduction, but also the strengthening of biodiversity, sustainable water use, water retention and more. We do this directly with the relevant trade partners and participate in projects that they propose. This ensures we have maximum impact. For example, we not only invest in slowing global warming (climate mitigation) but also in making our partners future-proof (climate adaptation). No less ambitious, but more critical.

 (\mathcal{O})

FIGURE 19

THE BUDGETS WE PROVIDE FOR INSETTING PROJECTS IN THE COMING YEARS AND IMPACT ON THE CO2 BALANCE (ASSESSMENT)

In 2022, we invested 13,597.50 euros in climate contributions from trade partners. And we increase that budget every year. In 2025, we will start or support projects with subsidies in excess of 60,000 euros. Oxfam's new vision is still being translated into practice, but we already have many ongoing projects with our trade partners.

ightarrow see Figure 19



6



(BRAZIL)

Casa Apis is a honey cooperative in Piaui, Brazil. The region has traditionally been ideal for honey production, but due to the climate crisis and longer periods of drought, more and more bee colonies have left the area. That is why the beekeepers started a large-scale reforestation project to restore the habitat of the bees and thus increase biodiversity. In total, more than 200,000 trees must be planted on an area of 315 hectares. 32,000 trees were planted in 2022. Casa Apis devised an effective and cost-efficient irrigation system which will be moved to younger fields over time. In 2022, Oxfam purchased 4,970 euros (or BRL 27,000) worth of irrigation kits to water the newly planted trees. Oxfam will continue to finance this in 2023. The first impact of the project is already being felt: in the past year, a great deal fewer bee colonies have swarmed out of the planted areas. The older and stronger the trees get, the more valuable they will be to the bees. So the Casa Apis beekeepers will see their income from organic honey increase.



5.4 WE ARE INCORPORATING DUE DILIGENCE INTO OUR ENTIRE VALUE CHAIN

Interview with Sarah Vaes, Policy Department Policy Officer at Oxfam België. She follows Belgian and European policy developments in the area of 'business and human rights' and does lobbying for a Human Rights and Environmental due diligence.

What is due diligence?

"The starting point of due diligence is that companies have a duty to respect internationally recognised human rights, labour rights and environmental standards – not just in their own company but also throughout their international value chains. Companies often develop their activities in production countries where costs are low and the regulations are less strict. Governments in production countries, in turn, try to lure investors with lax regulations. Due diligence tries to put a stop to this downward spiral.

Due diligence, as we advocate, means that companies must have a system in place to detect potential human rights or environmental violations in their supply chains. They must use their influence and resources to prevent or mitigate it. If there is a negative impact due to their actions, they must cooperate in restoring or compensating for it. If they cause or contribute to violations or damages in their chain, victims must be given the opportunity to go to a court that can hold the company liable. It is therefore not enough for a company to simply comply with the local legislation in a production country – certainly not if that legislation clearly falls short.

For due diligence to work properly, there is a need for some important ingredients such as transparency and participation. Companies must communicate openly about their value chains and the risks they are trying to tackle. That is not easy, because companies fear damage to their image. Yet it is important to recognise that risk-free chains do not exist and that without communication we cannot tackle complex problems. Participation of the chain actors is also crucial, because only they can truly indicate which problems have priority and which solutions have a chance of succeeding.

Negotiations are currently underway on a due diligence legislation at the international, European and Belgian level. The European level is the most advanced: there will probably be a directive during this legislature."

What role should Oxfam Fair Trade play in this?

"It goes without saying that Oxfam Fair Trade must put its money where its mouth is. The question is: how do you fulfil your due diligence? For example, will it be reduced to a tick-box exercise that is mainly aimed at covering one's own company and brushing off responsibilities on other chain actors? Or will it be a framework for proactive dialogue with stakeholders and trade partners, with open communication about issues and joint efforts to tackle problems at their roots? We do not yet know what the upcoming legislation will impose, but Oxfam Fair Trade can play an important role by showing how you fulfil your due diligence."

What have we learned from our pilot project in the meantime?

Oxfam Fair Trade already has some due diligence puzzle pieces in its DNA, but there are still a few pieces missing. For example, there is not yet a due diligence policy publicly available and embedded in the organisation. And there is a lot of trust in certification, even though it is a tool and not a substitute for a due diligence. The pilot project taught us that more dialogue with farmers and

WE ASK THAT MANDATORY REGULATIONS BE LAID DOWN FOR ALL COMPANIES REGARDING THE DUE DILIGENCE.

workers in the chain is needed to be able to truly assess risks. With an open line of communication you sometimes discover problems that certification does not pick up or picks up too slowly. The fact that Oxfam Fair Trade invests in direct trade partners is therefore a major asset. We also learned that applying a due diligence takes a lot of time and effort."

And now?

Sarah Vaes (Policy Advisor at Oxfam België): "Oxfam Fair Trade must further embed due diligence in its operations. One possible step is a statement of commitment in which she explains how she intends to approach due diligence so that our supporters and partners can hold us accountable. In 2023, the pilot project on due diligence will be continued with a study in Uganda. We will bundle the lessons learned from the project. This can help Oxfam Fair Trade in developing a model approach for due diligence. I think that a strong dialogue with our chain actors and an eye for the gender dimension will certainly play a role in this."





DUE DILIGENCE IN The Coffee Chain

This year we took another step towards due diligence. Due diligence means that companies are responsible for the impact they may have in other countries. At Oxfam Fair Trade, we are also aware of the risks and we want to go a step further than just purchasing 100% fair trade. That is why, in collaboration with HIVA, we organised a multi-stakeholder survey at two cooperatives in Honduras. The study ran for three months and included the management of the cooperative as well as the workers, the staff, the farmers themselves and the seasonal workers. During the study, it turned out that the concept of 'risk' was not always well known and that no major risks were identified in our Honduran chain. However, certain root causes were identified, linked to coffee production in Honduras and which lie at the root of the malaise among Honduran coffee producers:

- Migration
- High production costs
- Low market prices
- Climate crisis
- Shortage in the labour market
- Insufficient education
- Market competition

From this we can conclude that fair prices remain important and that fair trade remains relevant. In a next step, we will organise a survey to clarify in which sub-aspects we can further support the cooperatives. The multi-stakeholder survey was not always easy to work with. Therefore, we will adapt the method in a next project in Uganda.

5.5 WE ENTER INTO STRATEGIC PARTNERSHIPS

Our mission is clear: we work towards a fair and sustainable trade system for everyone. We cannot achieve such a task alone; that is why we forge links with colleague organisations and enter into strategic partnerships to reorganise business and industry from within.

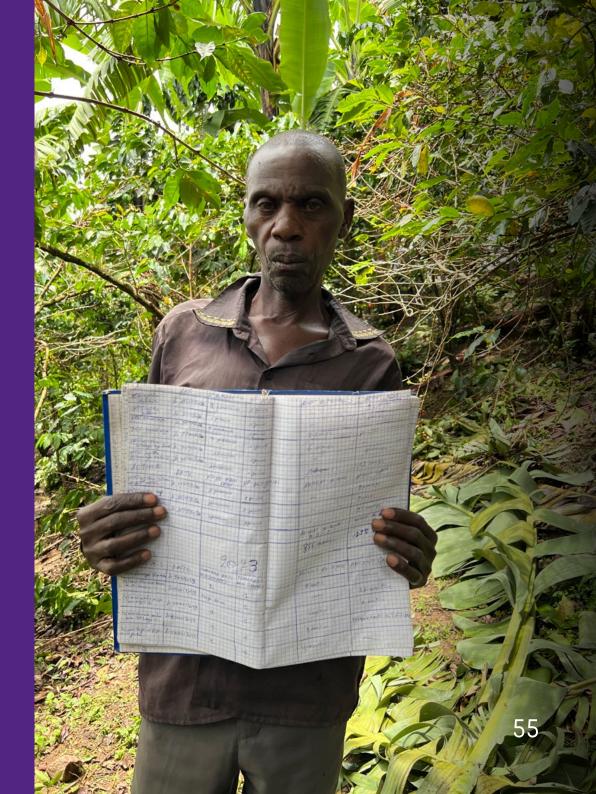
We collaborate with the following organisations and are part of the following partnerships:

WE COLLABORATE WITH THE FOLLOWING ORGANISATIONS AND ARE PART OF THE FOLLOWING PARTNERSHIPS:

B Corp	As a certified B Corporation, we are a member of a real network of like-minded people in Belgium (via The Shift), Europe and worldwide.
Beyond chocolate	Partnership for sustainable Belgian chocolate, which we are part of together with the chocolate industry, supermarkets, the government and civil society.
Coffee barometer	Biennial report on the status of sustainability and challenges in the coffee sector which we publish together with Hivos, Solidaridad and Conservation International.
EFTA (European Fair Trade Association)	European association of fair trade importers, we are active as a Belgian player.
Fairtrade Belgium	The national Fairtrade organisation of Belgium which grants the Fairtrade label to our products.
Koffiecafé, Belgian coffee association	We are a member of the association of coffee roasters and suppliers in Belgium.
SCA (Specialty Coffee Association)	We are a member of this non-profit organisation that represents thousands of coffee professionals around the world.
The Shift	The Shift is the Belgian platform for sustainability.



ABOUT THIS REPORT





CONCLUSION

In our second sustainability report, we clarified the sustainable strategy we have mapped out with Oxfam Fair Trade for our organisation and the concrete steps we took in 2022. We look back on an exceptional year, in which the consequences of climate change once again became even more visible in agriculture: long periods of drought, flash floods and floods, etc. The global price increases, where the food industry is under the most pressure, once again force us to face the facts: the need for change is now. It is time to take the fair and sustainable path together. Most of all, we want to look to the future. In 2023, we will remain committed to sustainable and fair trade for everyone. We will continue to report the results of these efforts annually from now on.

07

ATTACHMENTS





7.1 MATERIALITEITSANALYSE

Onze Our stakeholder survey focused on which goals are the most important for Oxfam Fair Trade and which ones are essential for our stakeholders when it comes to our operations. So we organised a survey among our **most direct stakeholders: our own employees, employees and volunteers from Oxfam-Wereldwinkels, cooperatives in the South, European processors, suppliers and other European partners**. We received feedback from a total of 87 people on the following questions:

- 1. In your opinion, which SDGs should Oxfam Fair Trade contribute to?
- 2. Which solutions should Oxfam Fair Trade support to address those SDGs?

This survey resulted in Oxfam Fair Trade's materiality matrix with a prioritisation of our SDGs:

 \rightarrow SEE FIGURE 20

Our stakeholders attributed the following importance to the proposed solutions:

 \rightarrow SEE FIGURE 21

6

FIGURE 20

THE MATERIALITY MATRIX THAT RESULTED FROM OUR STAKEHOLDER SURVEY

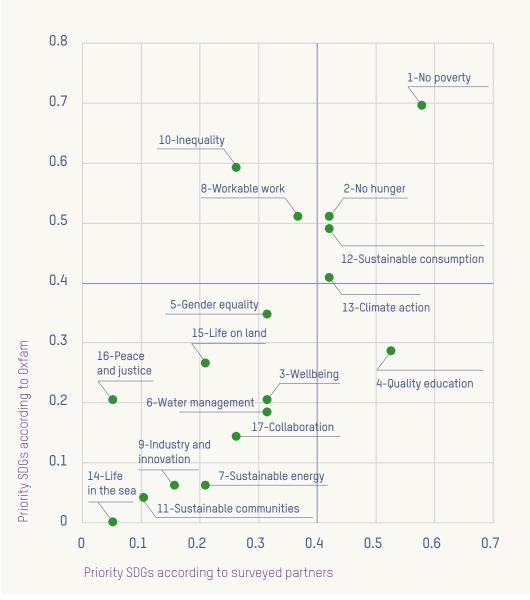
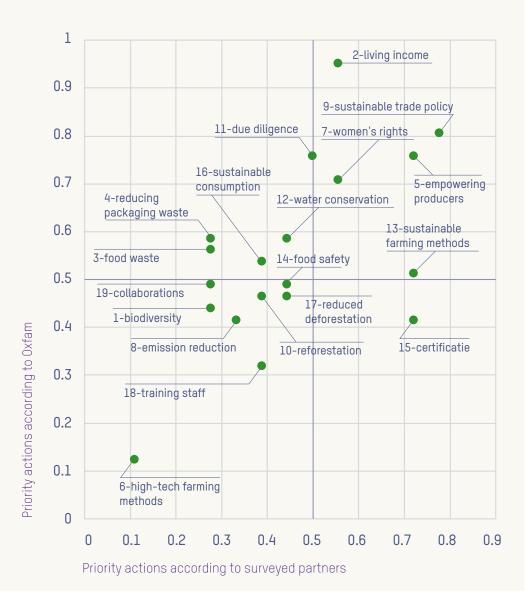


FIGURE 21

THE PRIORITISATION OF THE MOST IMPORTANT ACTIONS ACCORDING TO OUR STAKEHOLDERS



ATTACHMENTS MATERIALITY ANALYSIS

(6)

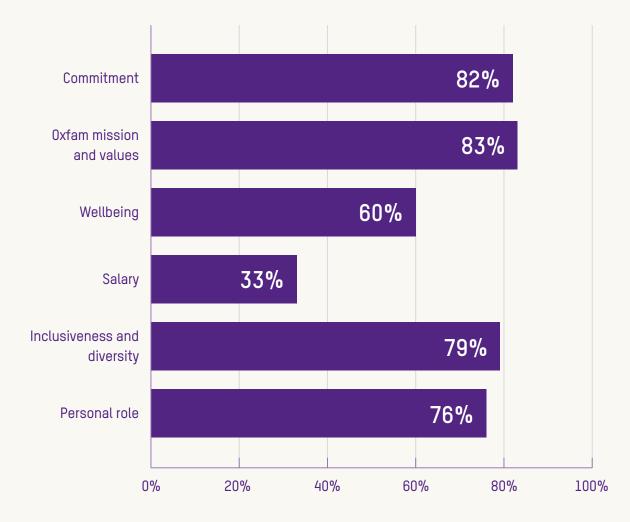
7.2 INTERNATIONAL OXFAM SURVEY

Every year, we organise a survey among our own staff about general satisfaction (see the main results of this in chapter 3)

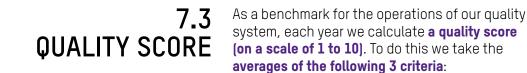
In 2021, our colleagues also passed on input to Oxfam International about their general satisfaction. Together with the other colleagues from Oxfam België we ended up with an **average of 76% satisfaction**. Our national results are therefore in line with those of our colleagues worldwide.

Here are some of the results from this global survey: \rightarrow SEE FIGURE 22

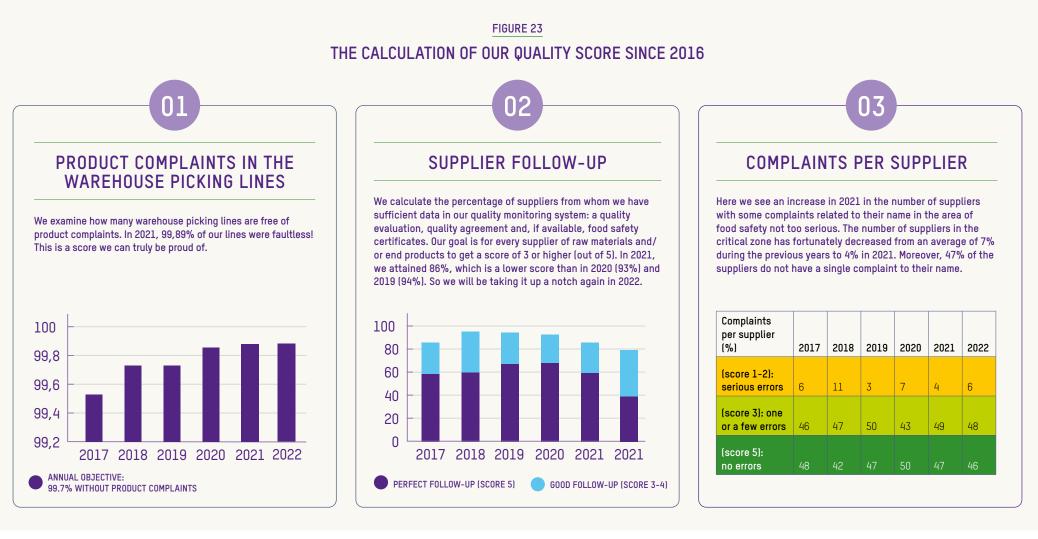
FIGURE 22 SOME RESULTS FROM THE INTERNATIONAL WELLBEING SURVEY



(6)



ightarrow SEE FIGURE 23



7.4 OUR B CORP AUDIT

In the B Corp audit, each company is **assessed in 5 domains: management, labour laws, community, environment and customers**. Each domain score also includes a comparison with similar organisations with regards to geography (country), sector and company size. Below you can find the scores and the averages for our sector.

ightarrow SEE FIGURE 24

FIGURE 24 THE MAIN RESULTS OF OUR B CORP AUDIT

Domain	What is being assessed in this domain?	What is our score?	What is the sector average?	Information about our score
Management	General mission and commitments	8,2/20	6,6/20	We score slightly above the average in this domain. Our points came mainly from the fact that we are organised as a cooperative and scored well on the 'ethics and transparency' criterion.
Labour laws	Contributing to financial security, health and safety, wellbeing, career development and employee involvement	23/40	16/40	These results showed that our employee salaries in particular are a weak point. We score much better on health and wellbeing as well as commitment and satisfaction.
Community	Involvement in and the impact on the communities where we operate.	60,2/ 100	32,5/ 100	We got an excellent score in this domain! Not surprising, as this concerns the typical principles and strengths of 0xfam Fair Trade: fair trade models, equality and inclusiveness, social involvement, cooperative business models, locally focussed economic development and formal donation flows, etc.
Environment	General environ- mental management practices and our impact: both direct impact and our supply chain and distribution channels.	28,1/ 75	18,5/ 75	In the environment domain, we score better than others but we still want to increase our score. In many of our projects, topics such as water, biodiversity, soil richness, etc. already play an important role. But not all of these actions have been formalised or are described in our operations yet. This is therefore one of our most prominent goals for the next audit.
Complaints	Quality of our products and services, privacy and security, feedback channels	3,6/5	2,3/5	Here too we have a right to be proud of our result! Our products have a specifically positive impact on our customers. The support we offer the wereldwinkels also drives up our score in this segment.
		Total 123	Sector average 76	



GRI Standards Reference TABLE



8.1 INFORMATION ELEMENTS (GRI 102)

GRI-standard	Description	Chapters from the report	
Organisation profile			
102-1	Name of the organization	About this report	
102-2	Activities, brands, products and services	1.1 Who are we	
102-3	Organisation headquarters location	About this report	
102-4	Countries in which the organisation is active	1.3 Our supply chain2.1 Our commitments	
102-5	Ownership structure and legal form	1.2 Our organigram	
102-6	Sales markets	2.1 Our commitments	
102-7	Organisation size	2022 in key figures	
102-8	Employees	3.1 Our commitments	
102-9	Supply chain	1.3 Our supply chain	
102-10	Changes in the accounting period regarding organisation and supply chain	Not applicable	
102-11	Description precautionary principle	Preface	
102-12	External initiatives	5.5 We enter into strategic partnerships	
102-13	Organisation memberships	5.5 We enter into strategic partnerships	
Strategy			
102-14	Statement from the senior management	Preface	
Ethics and inte	grity		
102-16	Values, mission or principles statement, codes of conduct and principles	1.1 Who are we	
102-17	Internal and external reporting systems for ethically questionable or unlawful conduct	3.3 We guarantee the security and integrity in our organisation	
Management			
102-18	Management structure	1.2 Our organigram	

GENERAL INFORMATION ELEMENTS (GRI 102) CONTINUED

GRI-standard	Description	Chapters from the report	
Stakeholder involvement			
102-40	List of stakeholder groups	7.1 Materiality analysis	
102-41	Collective labour agreements	3.1 Our commitments	
102-42	Stakeholder identification and selection	7.1 Materiality analysis	
102-43	Stakeholder involvement approach	7.1 Materiality analysis	
102-44	Greatest challenges and concerns	1.4.2 Materiality analysis and stakeholder involvement	
Reporting prac	tices		
102-45	Entities included in the consolidated financial statements	About this report	
102-46	Definition of the content of the report and the scope of the challenge	1.4.4 Our commitments	
102-47	List of relevant issues	1.4.2 Materiality analysis and stakeholder involvement	
102-48	Transferring information from previous reports	Not applicable	
102-49	Changes regarding reporting	Not applicable	
102-50	Accounting period	About this report	
102-51	Date of the most recently published report	About this report	
102-52	Reporting cycle	About this report	
102-53	Contact person regarding queries about the report	About this report	
102-54	Reporting declaration in accordance with the GRI guidelines	About this report	
102-55	GRI table of contents	GRI table	
102-56	External verification	Not applicable	



8.2 SPECIFIC INFORMATION ELEMENTS (GRI 102)

Material themes and GRI standard	Description	Chapters from the report	
1. No poverty			
103-1 - 103-3	Management approach	1.4.1 A momentum for the world 2.2.1 Fair price	
GRI 202: Market presence 2016			
202-1	The ratio between the standard starting salary and the local minimum wage, by gender	2.2.1 Fair price	
2. Inequality			
103-1 - 103-3	Management approach	1.4.1 A momentum for the world2.2.1 Fair price2.2.2 Social structures2.3.1 Collaborating in the south	
GRI 204: Procurement practices	2016		
204-1	Proportion of expenses to local suppliers	2.2.1 Fair price	
GRI 413: Local communities 201	6		
413-1	Operations that include local communities, effect studies and development programmes	2.3.1 Collaborating in the south5.3 We are committed to climate contributions at our partners	
GRI 405: Diversity and equal opp	portunities 2016		
103-1 - 103-3			
405-2	Ratio between the basic salaries and wages of women and men	2.2.2 Social structures in balance	
3. No hunger			
103-1 - 103-3	Management approach	1.4.1 A momentum for the world 4.2.1 Less Waste	
Own indicator	Percentage of our turnover saved from food waste by our actions	4.2.2 Less waste	



GRI SPECIFIC INFORMATION ELEMENTS

Material themes and GRI standard	Description	Chapters from the report	
4. Workable work			
103-1 - 103-3	Management approach	2.2 We practice fair trade with the trade partners2.2.1 Fair price2.2.2 Social structures in balance3.1 Our commitments3.2 We increase contentment and wellbeing in the team	
GRI 404: Training and education	2016		
404-2	Programmes for the improvement of employee skills and support during transfer	3.2 We increase contentment and wellbeing in the team	
GRI 409: Forced or mandatory la	bour 2016		
409-1	Activities and suppliers with a considerable risk for cases of mandatory or forced labour	2.2.2 Social structures in balance	
5. Sustainable consumption			
103-1 - 103-3	Management approach	 4.2 We offer a fair and sustainable product range 4.2.1 Conform external certifications and reference frameworks 4.3 We try to exceed the expectations and regulations for our products regarding quality 7.1 Materiality analysis 	
GRI 417: Marketing and labelling	2016		
Own indicator	Organic label	4.2.1 Conform external certifications and reference frameworks	
Own indicator	Fair trade label	4.2.1 Conform external certifications and reference frameworks	
GRI 416: Customer health and safety 2016			
416-1	Assessment of the health and safety effects of product and service categories	4.3 We try to exceed the expectations and regulations for our products regarding quality	
416-2	Cases of non-compliance of the health and safety effects of products and services	4.3 We try to exceed the expectations and regulations for our products regarding quality 7.3 Quality score	

CONTINUED

TOGETHER WE MAKE A POSITIVE IMPACT

Oxfam Fair Trade Ververijstraat 15 - 9000 Gent BE 0453 066 016 +32 (0)9 218 88 99 info@oft.be oxfamfairtrade.be



