

Fairtrade

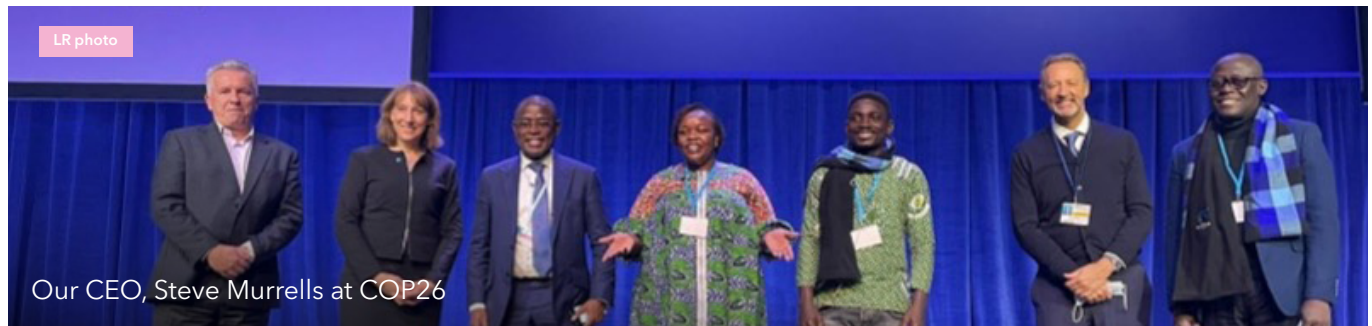
For more than 26 years we have championed the Fairtrade movement, driven by our passionate members, by supporting better prices, working conditions and terms of trade.

We're committed to building on our Fairtrade leadership and strengthening producer communities around the world, as set out in our [Future of Food](#) ambition.

We've heard directly from Fairtrade producers the meaningful difference Fairtrade makes to their communities. We're proud to support Fairtrade and the difference a fairer price, the Fairtrade Premium, and empowerment makes for the lives of farmers and workers across the world.

The climate crisis continues to have a devastating impact on our communities both here in the UK and across the globe, and when the Covid-19 pandemic hit, the fragility of our global supply chains was exacerbated, and vast inequalities exposed. Now more than ever, we know that working for climate justice is essential, both to safeguard food security and to protect our most vulnerable communities and ecosystems for all our futures. That's why we put people and planet at the heart of our Climate Justice campaign, launched in 2021.

Our objective to be the UK's biggest supporter of Fairtrade is underpinned by a three-pillar plan covering: Sourcing, Innovation and Communications.



Case study: Campaigning for Climate Justice

In 2021, we launched our [10-Point Climate Plan](#), with point 7 recognising that climate change is a human issue as much as it is an environmental one and campaigning is a key strand of this Plan. Climate Justice means finding solutions to the climate crisis in a way that not only reduces carbon emissions and protects the natural world, but does so in a way which creates a fairer, more just and equal world in the process.

In August, we launched our [Climate Justice for People and Planet report](#), calling on businesses to invest in a just transition within their supply chains and lobbying governments to deliver on climate finance promises to protect and invest in climate resilience. The report is endorsed by Fairtrade Foundation and features case studies from our partners Fairtrade and The One Foundation and supplier CaféDirect.

In October, we signed Fairtrade's [climate pledge](#), alongside leading Fairtrade business partners around the world, committing to do more to protect and invest in the resilience and green transition of global supply chains in the face of the climate crisis. The business pledge follows the

publication of an open letter and petition from representatives of 1.8 million Fairtrade farmers and workers across Africa, Asia, Latin America and the Caribbean, warning governments that their decisions are deepening poverty, as well as threatening farmers' livelihoods and global food supplies.

Specifically, we called on the UK Government to:

- Return to the world leading commitment of 0.7% Gross National Income spend on international aid and development, without delay.
- Prioritise the \$100bn per annum international climate fund commitment at COP26 talks.
- Take steps to ensure all businesses step up and invest in climate resilience and a just transition.





Sourcing

We know that now, more than ever, it's crucial for us to maintain and continue to grow our support for Fairtrade by maximising the amount of Fairtrade we sell across our channels. With an ambition to be the UK's biggest supporter of Fairtrade, we are continuing to drive impact through our sourcing.

- 100% of our bananas, tea, coffee, bagged sugar, African roses, and cocoa (including as an ingredient) are Fairtrade, and we are the world's biggest seller of Fairtrade wine (volumes sourced are detailed [here](#)).
- In February 2022, we converted all our own label and branded South African wine to Fairtrade, and in 2021, we launched our frozen choc stick - a retail own-label Fairtrade First. We've also launched Fairtrade baby plum tomatoes, green beans, oranges and grapes and expanded Fairtrade brands into the range.

Innovation

The cornerstone of our Fairtrade difference is our commitment to producer engagement through depth and authenticity of our relationships with producers, some spanning decades. Whilst we would normally be connecting with producers in person, we've adapted the way we engage during the pandemic.

In 2021, we evolved our strategy to scale up our projects to deliver greater impact, delivering **five** Co-op Future of Food Sourcing Projects, investing in international development and climate change resilience of Fairtrade communities:

- **Tea, coffee, and flowers:** Partnering with Fairtrade Africa to support our producers in adapting to climate change (see [case study](#)).
- **Bananas:** Working with CLAC Fairtrade Producer Network, Fairtrade Foundation and Fyffes to improve soil health and productivity in Colombia and Dominican Republic to support smallholder resilience and livelihoods (read more [here](#)).
- **Tea, coffee, and bananas:** As part of our Global Wellbeing Charter, launched in 2020, Co-op and suppliers Fyffes and Finlays worked with Fairtrade

Foundation, Fairtrade Africa and CLAC Producer Network to take immediate action to ensure farmer livelihoods by providing Covid-19 relief (see Global Wellbeing Charter [case study](#)).

- **Cocoa:** A third cohort of students graduated from Fairtrade Africa's Women's School of Leadership (WSOL), which we've funded in Cote d'Ivoire since 2017, focusing on women's empowerment and leadership. In 2021, 46 women and 13 men graduated from WSOL and training on women's empowerment and equality reached 42 communities and 3,892 beneficiaries. Find out more about our support for WSOL on our [website](#).
- **Sugar:** Protecting workers' rights in Good Hiring Practices in the Cane Farming Sector, Belize. Over 2,900 beneficiaries will be positively impacted with the completion of this project to tackle informal hiring practices in the Belizean sugar industry (read more [here](#)).

For more information on our project work and the impact this has on farmers and their communities, see our Fairtrade [web pages](#).



Communications

Through our strong relationships with producer organisations, we can campaign on the issues that matter most to them and elevate their voices.

In 2021, we have led the call for climate justice. As well as launching our [10-Point Climate Plan](#) and becoming a signatory of Fairtrade Foundation's Climate business pledge, other highlights include:

- **Launching our [Climate Justice for People and Planet report](#), endorsed by Fairtrade Foundation** - The report calls on governments and businesses to invest in climate justice and resilience, without delay
- **Campaigning at COP26** - Co-op CEOs spoke with the Fairtrade delegation, world leaders and businesses at the UN Climate Conference. They provided industry perspectives on the important role global farming communities play in tackling climate change, and the need for climate justice promises to be delivered
- **Fairtrade Fortnight 2021** - We adapted to the challenges of Covid-19 by launching our first online Fairtrade Fortnight campaign events, one of which generated a reach of 2 million, and launched a new campaigning [webpage](#), providing all the tools our members and customers need to play their part. We also issued over 3,000 Fairtrade packs to members, stores, and academies
- **Chelsea Flower Show** - We showcased Fairtrade roses in our ['Communities in Bloom'](#) display



Case study: Supporting producers in our tea, coffee, and flower supply chains to adapt to the climate crisis

In August, we announced our [new partnership with Fairtrade Africa](#) (FTA) - as a leading UK investor and partner in driving forward the Producer Network's climate strategy over the next 3 years, ensuring a farmer-centric approach to adapting and mitigating the very worst effects of climate change and channelling funding to areas of greatest need.

As the first UK retailer to invest in FTA's climate strategy, the [Fairtrade Alliance for Climate Smart Supply Chains in Africa](#) (FACSCA), we'll be working with 12 at-risk producer organisations in tea, coffee, and flower supply chains in sub-Saharan Africa to take meaningful action against climate change for the security of their own livelihoods, environments and protecting the futures of key commodities for the long-term benefit of us all. This partnership will support over 16,000 smallholder farmers and workers, as well as directly impacting over 67,000 beneficiaries.

Global Wellbeing Charter Case study: Protecting Fairtrade producers and workers during extreme hardship

We launched our [Global Wellbeing Charter](#) in 2020, providing close to £1m to help support global projects and people in our supply chain through the Covid-19 emergency.

We donated to the Fairtrade International Covid-19 Relief Fund and to date this has benefited 59,987 coffee, tea, and banana producers across 10 producer organisations in East Africa, and 26 coffee and banana producer groups in Latin America. With the funds, farmers in East Africa have started different income diversification projects such as beekeeping, tree nurseries, and avocado seedling programmes - as well as purchasing machinery to help improve the quality of their products and providing extra income. These initiatives impacted mostly women and youths to help support their livelihoods. In Latin America, producer groups have been able to purchase protective equipment and built a bio-garden to ensure they have food to sustain themselves in the future.

2022 targets

In 2022, we will set targets to achieve our ambition to be the UK's biggest supporter of Fairtrade, based on the metrics developed in 2020.

Fairtrade data

✔ Target Achieved
 = On Track
 ✔ Close to Target
 ⊖ Behind Schedule
 ✗ Target not Achieved
 R Restatement
 A In-depth assurance

Key Performance data icons

Issue	2021 Target	Performance against target	KPIs	2018	2019	2020	2021	2022 Target	SDGs
Fairtrade	In 2021, we will set targets to achieve our ambition to be the UK's biggest supporter of Fairtrade, based on the new metrics we developed in 2020.	⊖ In 2021, we have progressed exploratory work on targets to achieve our ambition to be the UK's biggest supporter of Fairtrade.	Number of core commodities and categories with a Fairtrade Commitment	-	7	7	7		
			Our commitment to Fairtrade continues across seven core categories - 100% of our tea, coffee, bananas, chocolate, bagged sugar & African roses are Fairtrade, and we are the biggest retailer of Fairtrade wine in the world.						
			Amount of Fairtrade ingredients we sell via our Fairtrade products (volume measured in tonnes/litres/stems)	-	49,026 MT ¹ 14.9 million litres ²	53,617 MT ¹ 14.1 million litres ²	49,517 MT ¹ 16.7 million litres ² A		
			Demonstrates material impact to Fairtrade producers. They benefit from Fairtrade Standards, voice, Minimum Price and Premium with every Fairtrade purchase.						
			Number of Fairtrade lines in our range (Own Label and Branded) ³	-	-	329	383		
			Shows extent of full range of Fairtrade products. Includes seasonal lines. We introduced new Fairtrade lines into our Own-brand and Branded ranges in 2021.						
			Minimum number of Fairtrade lines in any Co-op store (Own Label and Branded)	-	-	63	71		
			Ensures a minimum Fairtrade range available in any store. ⁴						
			Consumer awareness of our Fairtrade leadership (highest perceived leadership)	-	25%	25%	23% (highest perceived leadership compared to rest of grocery market)		
			Demonstrates Fairtrade leadership perception by general public. Research conducted by ICM for Co-op Ethical Leadership Survey. In 2021, consumer awareness of our Fairtrade leadership remains strong.						
Fairtrade overtrade	-	360	391	416					
Fairtrade market share among UK convenience stores (%)	83%	79%	80% (vs 59.4% convenience market share)	81.5% (vs 60.2% total convenience)					
Fairtrade market share among UK total grocery market (%)	-	19.6% Fairtrade market share (vs 5.2% total grocery market share)	21% (vs 5.5% total grocery market share)	21.1% (vs 5.1% total grocery market share)					
Overtrade is the direct comparison between the market share in Fairtrade vs market share in the total grocery market. An overtrade occurs when a retailer's market share in Fairtrade is higher than its market share in grocery. 2021 was a very strong year with our overall market share increasing to 81.5% with an overtrade of 416 (our highest overtrade).									



¹ Data from Fairtrade Connect system, excluding Fairtrade cotton and vanilla, including Fair Trade charcoal.

² Includes Fairtrade Branded wine (2019).

³ Includes seasonal lines & Fairtrade charcoal.

⁴ Fairtrade lines sold in more than 99.5% stores. Includes seasonal lines.