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#### FROM THE FARM

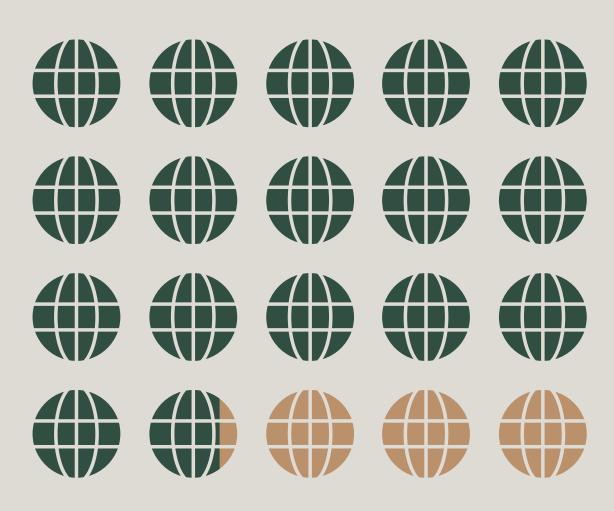
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ABOVE: Member of The Mchinji Area Small Farmers Association (MASFA)

COVER: Member of COINACAPA, Bolivia. copyright: Eduardo Martino

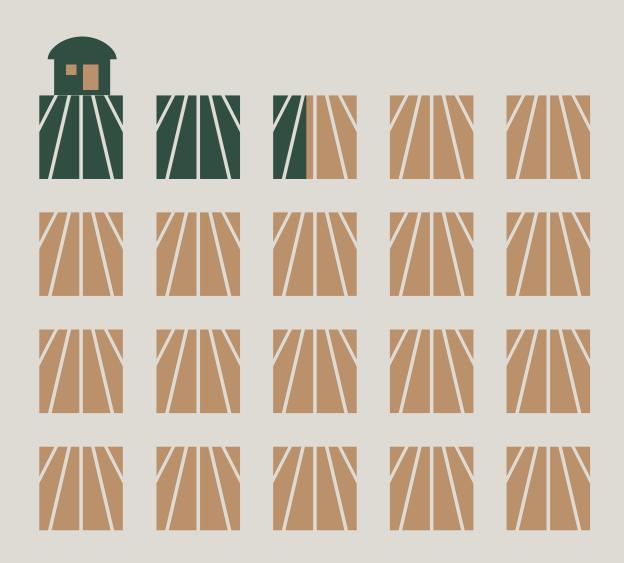
## The facts about smallholder farms.



Small farms (2 hectares or less) account for 84% of all farms worldwide.

AS PER THE AVAILABLE CENSUS INFORMATION.

Sarah K. Lowder, Marco V. Sánchez, Raffaele Bertini, Which farms feed the world and has farmland become more concentrated?, World Development, Volume 142, 2021,105455, (https://www.sciencedirect.com/science/article/pii/S0305750X2100067X)



But operate only around 12% of all agricultural land.



They produce roughly 35% of the world's food



# THERE'S GOOD REASON WHY... LIBERATION IS GOOD FROM THE GROUND UP!

Liberation Foods' mission is for these smallholder farming communities to thrive, by realising full and fair value for their work, whilst building on sustainable and regenerative agricultural practices.

#### We are doing this by:

- Placing farmers at the heart of every decision, not at the extremities of a convoluted supply chain;
- 2 Building long-lasting trade relationships, nurturing trust and stability in an often volatile and unjust system;
- Speaking directly to smallholder farmer organisations, with regular in-person visits to the farms, the team can see, firsthand, the challenges faced by producer groups and help tackle problems more effectively;
- Helping farmers access international markets that they may otherwise struggle to have;
- Having these same farmers as majority shareholders of Liberation Foods they own over 50% of the company. and selling more nuts!

#### Where this all began...



1980s-1990s - Twin (charity and membership organisation) and Twin Trading (an alternative trading company) began importing Fairtrade coffee and cocoa (which, along with support from Oxfam, Traidcraft, Equal Exchange and Kuapa Kokoo, led to the founding of Cafédirect and Divine Chocolate) to the UK.



2003 - Twin Trading brought together global nut producers from Bolivia, El Salvador, India, Malawi and Nicaragua to develop the first ever Fairtrade standards for nuts.

## liberat!on

**2007** – Liberation Nuts was founded as a Community Interest company.

2007 – The International Nut
Cooperative (INC) was set up
through grant funding from Comic
Relief and contributions from the
Hunter Foundation. It financed the
allocation of an initial 44.7% of
Liberation's ordinary shares to be
purchased by the INC.

2007 – Sainsbury's and Tesco begin purchasing Fairtrade nuts through Liberation, driving large volumes through the business.



**2021** – Liberation rebranded and repositioned itself within the market.

Early 2000s – Based on the success of coffee and cocoa imports, Twin and Twin Trading began to explore tree nut and groundnut development using a similar model.

**2005** – The first certified consignment of Fairtrade nuts arrived in the UK.



**2020** – The INC increased shares to over 50%, becoming the majority shareholders of the business.

# The original Fairtrade nut suppliers.

Liberation was the first company to bring Fairtrade certified nuts to the UK market back in 2005. We have maintained the Fairtrade certification ever since as 99% of ingredients that go into our products are purchased under Fairtrade Standards.



As the most globally recognised ethical certification, the Fairtrade Standards are a holistic blend of "social, environmental and economic criteria that are most well known for their advocacy of fair pay and trading rights for small producers and organisations in the Global South. For a producer to receive Fairtrade certification they must adhere to rigorous standards, including soil and water quality, the protection of biodiversity and the reduction of GHG emissions".

But even without certification, the longstanding relationships we hold with our suppliers enable us to say with confidence that these nut producers place environmental protection and sustainability practices at the heart of everything they do and in turn receive prices that reflect their hard work. The Fairtrade certification just helps to evidence it.

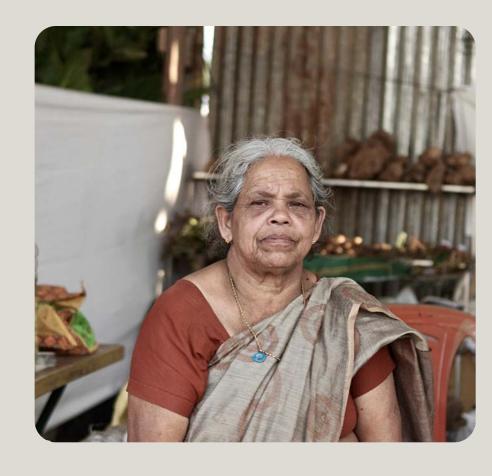


# We KNOW our growers...on a first name basis!

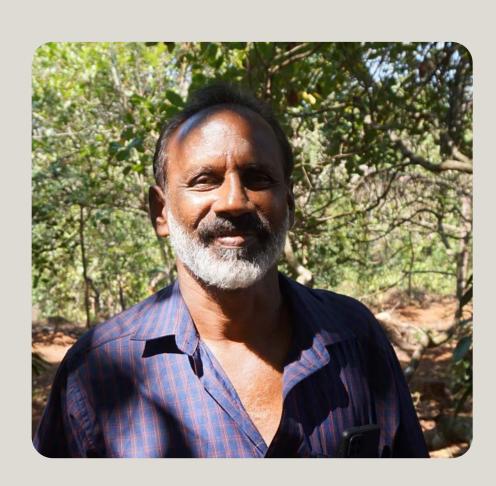
By sourcing nuts directly from smallholder farmer' organisations, we forecast quantities, prices and timelines in collaboration with both the producer groups and customers. Returning year after year to make purchases from the same farmers and regular visits to sites in Bolivia, India and Nicaragua further strengthens relations and builds trust and economic security.

Our nuts are processed for export through Global Food Safety Initiative (GFSI) benchmarkcertified facilities, which, alongside in-person auditing of facilities, ensures the highest standards of supplier assurance, food safety and quality throughout the process.

Wherever possible, export companies are based in the countries of origin with close ties to the farming cooperatives we are purchasing from, supporting local economies, fair labour conditions and sustainable practices.



**Shoshamma**Fair Trade Alliance Kerala



**Sadheeshan**Fair Trade Alliance Kerala



Christopher HIMACUL



**Azgar** Air Muije

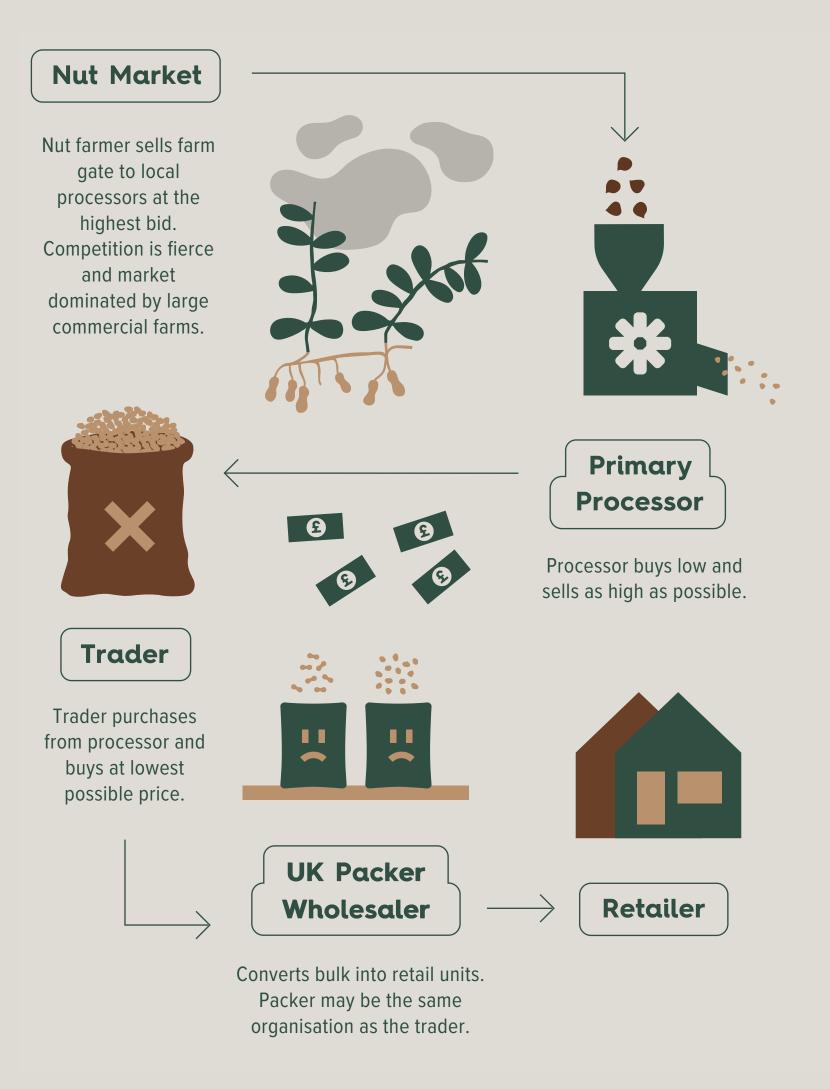


**Maria**Del Campo



**Martha**Del Campo

#### **Traditional Supply Chain**



#### Liberation's Supply Chain



## We're a Community Interest Company, majority owned by the community.

The International Nut Cooperative Limited is a wide network of small farmers and nut collectors from around the world, working collectively to enhance trade opportunities, strengthen their capacity and widen global influence for its members. They do this by marketing their delicious products, developing stronger supply chains, influencing policy and helping members exchange important information and technical knowledge across borders. They also own the majority of shares of Liberation and participate in the governance of our business.

Brazil nut from the COINACAPA co-operative in Bolivia.



# We have a brand we're proud of.

Thanks to these dedicated producer groups and our transparent supply chains we are able to supply large quantities of ethically traded nuts to private label and white label customers, including some of the largest supermarket chains in the UK and renowned European brands.

Yet, what we are most proud of is our own
Liberation Foods range which, after a recent
rebrand, we have the confidence to say has the
taste and quality, ethos and values and the look
and feel, of an all-round winning product. The
Liberation Foods range should be a household
snacking essential!

**OUR PURPOSE:** We exist to ensure smallholder farming communities can realise full and fair value for their work.

**OUR VISION:** Around the world, smallholder farming communities thrive.

**OUR MISSION:** We connect consumers with smallholder farming communities through delicious food and drinks.







## A note from Juan Bravo

PRESIDENT OF THE INC



It now seems like a long time ago but Covid-19 had a huge impact on rural communities and many of the INC coop members were greatly impacted by changes in their business transactions, having to navigate delays and suspensions of contracts, increased operating costs, changes in product and labour safety rules as well as family and employee safety. It took until 2022 to regain some economic and social stability and return once more to our raison d'etre - creating new market opportunities, better trade deals and secure economic futures for our members. There have still been many challenges as we focus on processes of reform and continuing to work

on streamlining procedures
that fit with the new post
Brexit legislation and the
destabilising effects generated
by the war in Ukraine.

Now focusing on our trajectory and an actionable roadmap for 2024, our focal point lies in forging fresh pathways built upon innovative strategies to be used by nut producers around the world.

Our mission is clear: to
strengthen our integration
model, transforming it into
an indispensable instrument
for continued growth and
longevity of the producers who
are integral to our global
cooperative network.

## 2 2022 IN A NUTSHELL



In 2022 Liberation purchased the following from smallholder farmers around the world:

487.48<sub>TONNES</sub>

of Fairtrade nuts & dried fruits

108<sub>TONNES</sub>

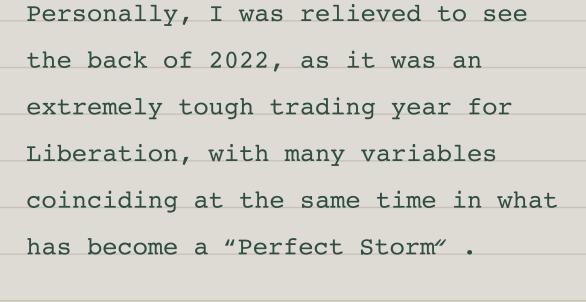
of which was organic





## A note from Dan Binks

LIBERATION
MANAGING DIRECTOR



Coming out of COVID prices across

the board increased in the

early part of 2022, and for

Liberation that meant higher

raw material prices, increased

manufacturing, storage and

distribution costs.

Although market conditions

were still low, we determined

to support our farmer networks

with higher prices for their raw

materials, paying on average 41%

above the combined Fairtrade

minimum price plus the Fairtrade

premium. Through careful planning

of resources, we set ourselves up

to retain earnings by year end,
but unfortunately, the best laid
plans were short lived. Wiith the
breakout of conflict in Ukraine,
things started to change rapidly in
an already uncertain market. The
impact of inflation in the market and
the subsequent cost of living crisis
saw a significant change in consumer
behaviours, and demand for Fairtrade
nuts dropped. At the end of the year,
our sales revenue had decreased by
12% compared to the close of 2021.

Despite these challenges, Liberation continued to look for new development opportunities and in February, we relaunched our new website, and a web shop alongside, so that for the first time since incorporation in 2005, the business was able to sell directly to consumers. With our new branding it was a great opportunity to showcase it to the world (wide-web).

We began our application to become B-Corp certified - a major piece of work in itself and an excellent opportunity to evaluate our impact on a greater scale, both locally and globally. As part of this process we have set ourselves targets that are aligned with the UN Sustainable Development Goals and that are already helping guide decision-making and the direction of the business.

with a difficult year behind
us, we reset ourselves and are
anticipating a much better year in
2023, including product development
and sourcing of shelf ready finished
products from our farmer members
that will drive more value into the
part of the chain that we are set
up to serve.



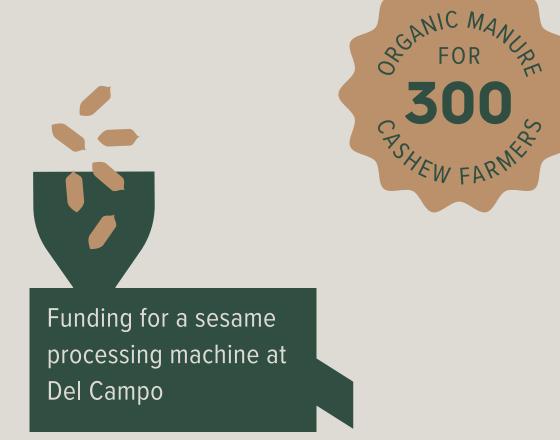


# Fairtrade Premium\* paid in 2022 through Liberation sales

\* The Fairtrade Premium is an additional sum of money paid to producers in the Global South, on top of the agreed price for their products, to be invested in community development and sustainability initiatives.

Some ways the Fairtrade Premium was spent in 2022:







## Ético and Del Campo



#### A vital cog in our supply chain

The Ethical Trading Company (Ético) is a vital cog within our small supply chain. Much like Liberation, Ético is unique in their business structure, being 100% owned by cooperatives and charities and has close affiliations with Del Campo Cooperative, our primary supplier of peanuts. In collaboration with Ético, Liberation has built up volumes of Groundnuts with Del Campo since 2007, having purchased 4,486 metric tonnes.

Based in Nicaragua, with over 20 years dedicated to justice, empowerment and equality for small-scale producers, they have supported local farming communities to grow and develop within the international market, in particular by tapping into the global sesame market. Becoming leaders in sesame production, Ético supports investment in a wide range of programmes including an initiative on unpaid women's work, promoting awareness, advocating for policy changes and fostering gender equality to ensure fair recognition and compensation for women's labour across rural areas of the country.



BELOW: Mer and her eldest daughter work at one of the local factories



ABOVE: Weeding an organic peanut field by hand. run by Del Campo'

RIGHT: A traditional way of cleaning sesame.



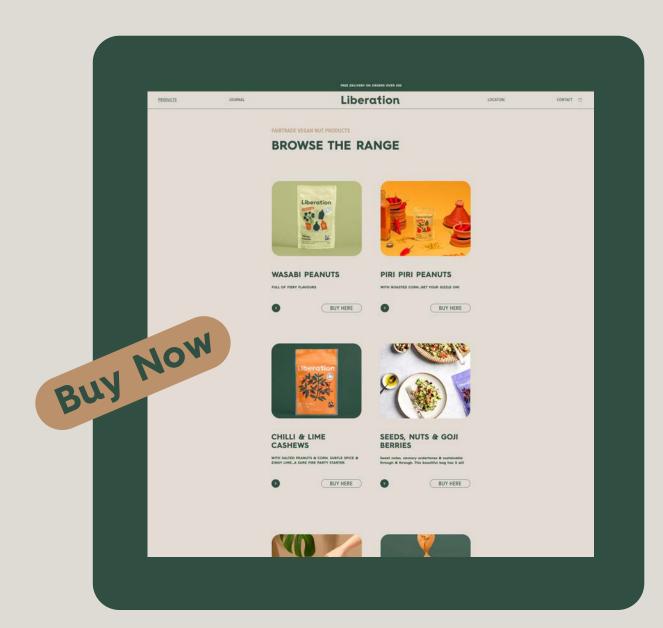
In 2022, our MD, Dan, visited Nicaragua to begin conversations with Ético and Del Campo on how this commodity could be included within the Liberation range, not only bringing some wonderful value-added sesame products to the UK market, but also contributing to the gender empowerment programmes that are taking place within these rural farming communities.





## **3** GOODNESS REPORT

Here are a few of the seedlings planted in 2022 which should lead to bountiful crops in the coming years.



#### WE LAUNCHED OUR ONLINE STORE!

In February we made it easier for customers to stock up on Liberation products at the touch of a button. We launched our online shop with three products and finished the year with seven.

chooseliberation.com

## WE ENTERED INTO A MALAWI PARTNERSHIP WITH CO-OP

In July 2022, Central England Coop, with support from Co-op College and Malawi Federation of Cooperatives launched this 5-year initiative to help Malawian farmers build trading capacity and strengthen training opportunities for coop members.

A selection of Malawi-aligned brands was added to the Co-op range, with a portion of sales of all products going to support the initiative. Having the

Malawian-based cooperative HIMACUL as a shareholder of Liberation and purchasing their delicious macadamia nuts made us a perfect fit for the initiative. Our range was included in 255 Central England Coops, and 14,551 Liberation products were sold in 2022 alone, not a bad beginning for a 5-year plan!

#### WE HELPED FIGHT HUNGER AND FOOD WASTE

Liberation donated 1110 bags of mixed nuts and 756 jars of Peanut Butter to City Harvest, to go towards their important mission to reduce food insecurity and waste by providing food to grassroots organisations that serve some of the most vulnerable and deserving communities across London.



cityharvest.org.uk

BELOW: Debbie Robinson, CEO of Central England Co-operative launching the Malawi range in store



## WE GOT BACK TO MEETING CUSTOMERS IN PERSON

The team were able to return to the company's mission of 'connecting consumers with smallholder farming communities through delicious food and drinks' by participating in The Sustainability Show. Sharing the Liberation story, and a handful of nuts, with the 6,000 visitors. The team came away feeling inspired, so much so that we immediately signed up for 2023!



ABOVE: The Sustainability Show at the Excel Centre, London, Spetember 2022.

## WE ADDED TWO NEW NATURAL PRODUCTS TO OUR RANGE

Celebrating the wonders of nuts in their purest form, we launched:

- Natural Mixed Nuts
- Nuts, Seeds & Goji Berries

These new additions not only diversified our range to include versatile, health-driven products, but also enabled us to source new Fairtrade ingredients from different nut farming communities



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including almonds from Pakistan and macadamia nuts from Malawi. We also quite literally increased our offer on Nuts, Seeds and Goji Berries and Chilli and Lime cashews with bumper 1kg bags for those wanting to buy in bulk.

# HIMACUL & climate smart macadamia nuts





Highland Macadamia Co-operative Union Limited (HIMACUL), has a current paid membership of 333 Malawian farmers (204 men and 129 women) with plans to increase this network to 1,200 smallholder farmers in the next three to four years.

- Registered as a Coop union in 2011, HIMACULbegan in 2008 as district-level primary societies.
- It has made an application to become a member of the INC whilst they are completing Fairtrade certification.
- Most members cultivate around 20 macadamia trees on each of their plots of land.
- In 2022 Liberation purchased 318kg of these fine macadamia nuts from HIMACUL to go into our Natural Nut mixes that have been included in the Malawi Partnership range with Central England Co-op.



LEFT: nuts are hand harvested, dehusked, sorted and dried before delivery to the factory for shelling and grading for export.



For farmers, a reliance on seasonal mono-crops of tobacco, maize and soybeans, which until relatively recently has been the norm for agricultural production in Malawi, has led to increasing economic and food insecurity. The climate crisis has impacted growing seasons and severe flooding and droughts have led to the total devastation of many crops.

But HIMACUL, along with the charity Neno
Macadamia Trust, are working hard to support their
members build both economic and climate resilience
through macadamia agroforestry, intercropping
macadamia trees with other crops.

"Most Malawians live off less than \$1.25/day. From my personal perspective, macadamia agroforestry has turned things round. I have managed to see household incomes and food security increase."

Ken Mkangala, Manager of HIMACUL
 PICTURED ABOVE



And there's more! Through support from the Coop college

and MAFECO coop farmers in Malawi are receiving

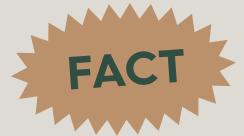
training on organic fertilisers and with the Coop's Our

# The multiple benefits of macadamia agroforestry include:





In a world in which approximately 23% of greenhouse gas emissions come from agriculture, farming and land use, the fact that nuts have one of the lowest GHG emissions across supply chains is something not to be ignored!



The production of nuts can have an inverse effect as nut trees store carbon rather than release it.

## According to research undertaken by Our World In Data, nuts are approximately:

CITATION: Hannah Ritchie (2020) - "You want to reduce the carbon footprint of your food? Focus on what you eat, not whether your food is local" Published online at OurWorldInData.org. Retrieved from: 'https://ourworldindata.org/food-choice-vs-eating-local' [Online Resource]



229<sub>x</sub>

less carbon-intensive than Beef (beef herd)



12>

less carbon-intensive than Olive Oil



107<sub>x</sub>

less carbon-intensive than Dark Chocolate



**7**<sub>x</sub>

less carbon-intensive than Cane Sugar



65<sub>x</sub>

less carbon-intensive than Coffee

And of course they have multiple nutritional benefits that are widely publicised.

Whilst we are proud of the low impact our ingredients have on the environment and the way in which they are produced, we know we can always do better...

Liberation Foods

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## We measured our 2022 emissions:

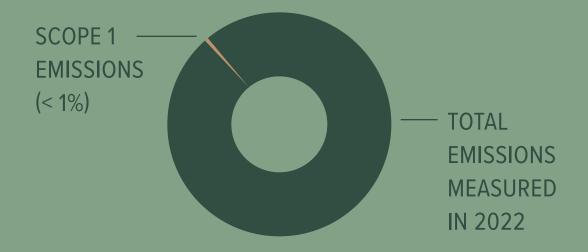
In 2022 we began the complex journey of measuring our carbon footprint.

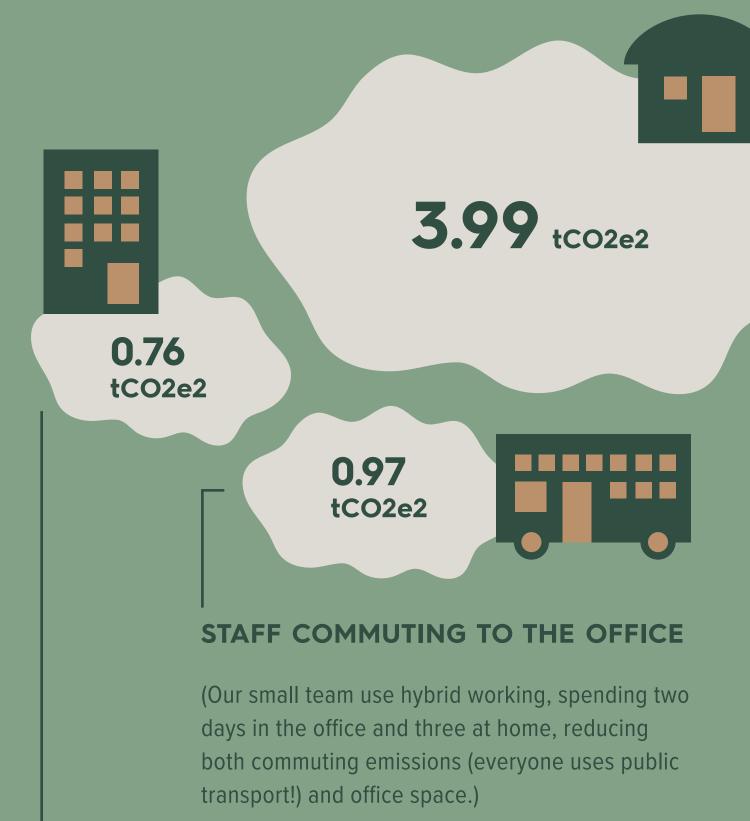
With a lot of goodwill and determination, we decided to start on our own doorstep and gathered information on our scope 1 and 2 emissions.

We then began the almighty task of tackling supply chain emissions (scope 3), quite literally putting in the groundwork by first focusing on transportation.

#### WHAT WE KNOW SO FAR

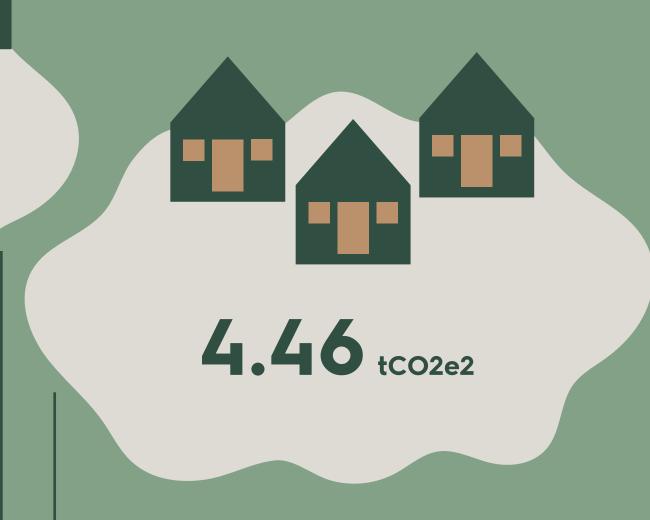
Being a small team, our scope 1 emissions, unsurprisingly, made up a small portion (< 1%) of the total emissions we measured for the calendar year 2022.





#### **BUSINESS PREMISES**

(A small, shared office space in The Green House is part of Ethical Properties, a network of centres committed to 'reducing energy consumption and carbon emissions, generating our own energy, reducing waste and promoting sustainability' across all their buildings.)



#### **HOMEWORKING**

(Given the hybrid working model, these emissions account for the days spent working from home.)

#### STAFF TRAVEL TO VISIT PRODUCERS

(Annual in-person visits to our partner cooperatives help us build and maintain strong relationships, understand the current challenges faced by different producer groups and collaboratively develop effective solutions and new ideas.)

## Getting products to our customers:

As our whole purpose as a business is to share the goodness of these nuts with a European market, we can't completely cut out the biggest part of our measured emissions to date, the transportation from origin countries to European warehouses.



# What we don't know (yet!):

The above is only a section of the emissions that we are responsible for and forms only a part of our full carbon footprint. As we continue to build our understanding of impact measurement and drive further conversations with our supply chain partners, we will continue to add to this impact outline to eventually get a complete overview of our carbon footprint.

Cashew pod from FTAK a co-operative in Kerala, India.



# What we are looking at in 2023:

As we continue our journey to discover our total carbon emissions impact, here is what we are planning to focus on in 2023.

#### **PACKAGING:**

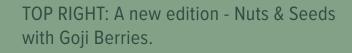
The materials, manufacturing and waste produced through our packaging.

#### **INGREDIENTS:**

The production of crops within countries of origin.

#### PRODUCTION & PACKING:

The energy used in putting our delicious products together.



BOTTOM RIGHT: Brazil nuts from the Bolivian Amazon rainforest.





# We assessed our packaging impact.

## Bigger bags, smaller impact.

A materials summary of our packaging in 2022:

RECYCLABLE PLASTIC	CARDBOARD	GLASS	NON RECYCLABLE	STAINLESS STEEL
14,336kg	39,132kg	80,279kg	338kg	6,400kg

# Non Recyclable Plastic Glass Cardboard



Our boxes are made using FSC certified board, which means that roughly 38.5 tonnes of cardboard have been sourced responsibly, meeting stringent environmental, social, and economic standards.



## No-waste cashews & Fair Trade Alliance Kerala



Fair Trade Alliance Kerala (FTAK), a network of 4000 smallholder farming families spread across the luscious southern Indian state, has been a Liberation partner since 2010.

The small plots of farmland, averaging 2.5 acres, are home to an abundance of plants, trees, birds, bees, and more.

Biodiversity is at the heart of the coops agenda. They have given themselves the ambitious mandate to...

'steward thirty thousand acres of homestead farms to conditions that are near akin to a tropical rainforest. On average, each FTAK member farm consists of sixty to seventy different crops grown alongside each other'.

- Sivin Varghese, CEO, Fair Trade Alliance Kerala







FTAK members, Tom and Mini, grow an abundance of crops including coffee, cardamon, cacao and cashews on their 6-acre award-winning organic family farm.



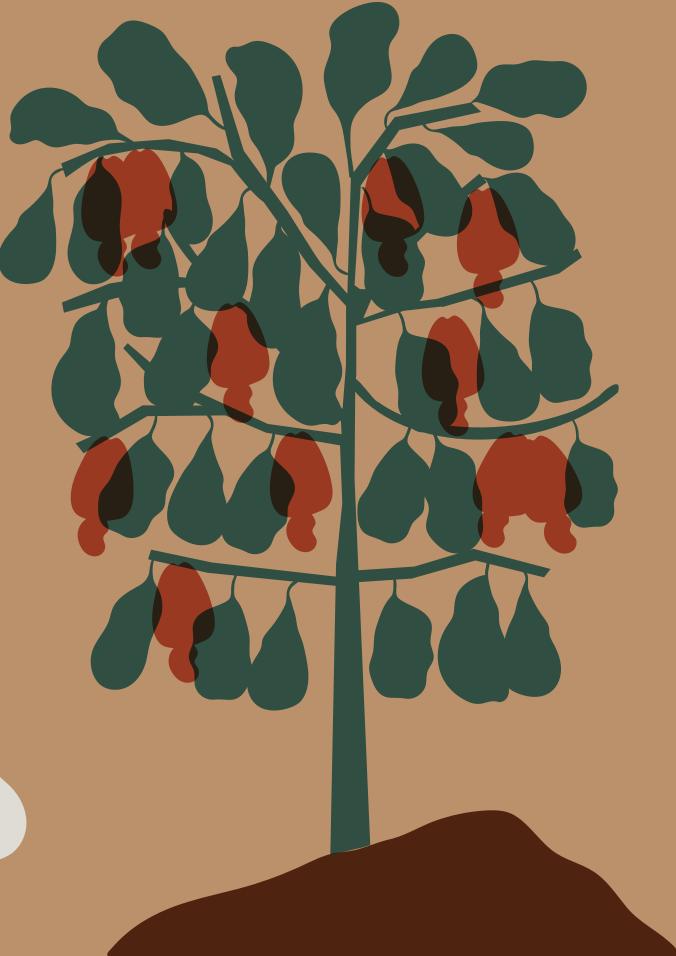
# The circular economy in cashew farming

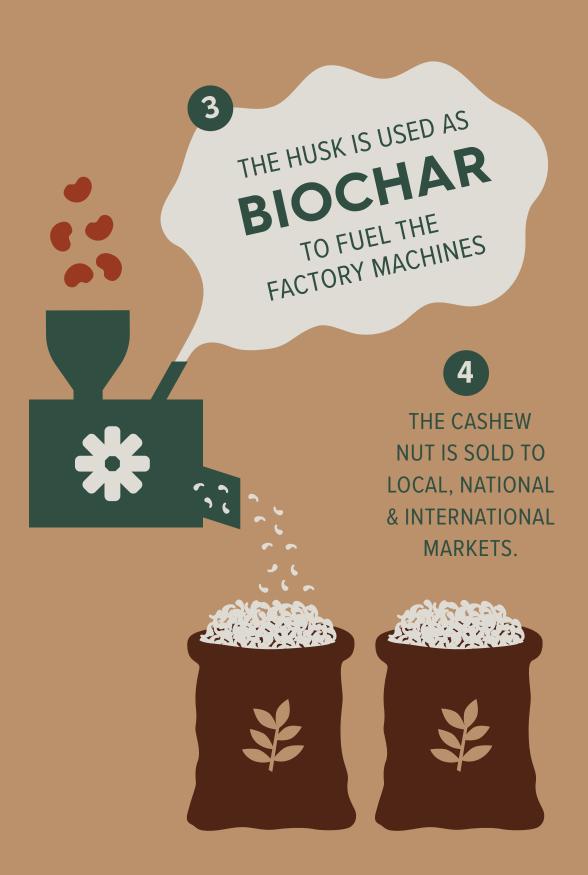
Regenerative farming practices also drive the management of land for FTAK members, so much so that the Alliance has taken impressive steps to become regen-Agri certified, which is no small feat! The circular-systems that are a core part of regenerative farming practices are perfectly illustrated in the use of the wonderful cashew tree, a staple income for many of these farmers.



THE CASHEW APPLES
HAVE A SWEET TANGY
FLAVOUR THAT MAKES
WONDERFUL JAMS
AND CHUTNEYS.







Considering the 1,067 tonnes of cashews that Liberation has purchased from FTAK since 2010, that's a lot of saved wastage and a lot of wonderful snacking!

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# GROWING THAT GOODNESS: WHAT'S NEXT FOR LIBERATION

Whilst there is lots that we are proud of having achieved in 2022 there are still many areas that we would like to improve in the coming years.

We plan to find new opportunities to grow the quantity of raw materials we are purchasing from origin countries

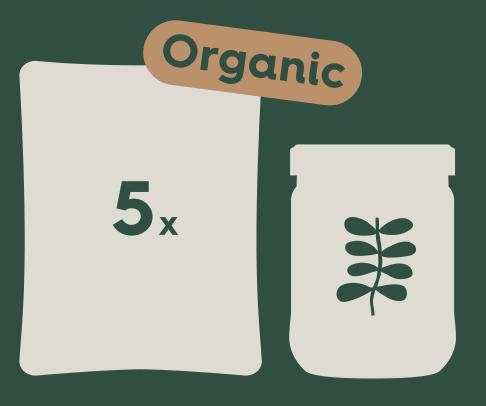
#### How do we plan to do this?

MAXIMISE OUR ONLINE OFFER



Increase sales and reach by 20% with the help of an eCommerce specialist

- 2 INCREASE OUR DISTRIBUTION POINTS BY 20%
- 3 ADD AT LEAST 5 NEW PRODUCTS



Include a mixture of new organic, single-origin products and value-added products, adding multi-faceted social and environmental benefits to the Liberation range.

PARTICIPATE IN MORE
CUSTOMER-FACING EVENTS &
INCREASE BRAND AWARENESS.

#### Growing goodness

Aside from growing the business and increasing purchasing from our producer partners, we want to continue building the community and social offer closer to home:

- Set up a formalised donation system, committing to regular support of a chosen charity;
- Develop a volunteer programme for full-time staff to each contribute 2 days to important causes;
- Increase annual leave and build a wellbeing package for the team;
- Increase team training so every member receives formalised CPD and hold regular in-person team meetings;
- Become part of the B Corp community in 2022 we began the B Corp assessment process and are hoping for certification in 2023.

# Growing from the ground up

# Investigate ways to improve our packaging, including:

The planet is in crisis, we must all keep doing our bit!

- Improve the accuracy and scope of our carbon emissions measurements and begin exploring reduction pathways.
- To select and contribute to a project invested in environmental conservation and fighting the climate crisis.

- Investigating the viability of using metal lids for our peanut butter containers. Metal lids have the potential to enhance the recyclability of our packaging;
- Assessing our packaging impact across all product lines so we can set clear reduction targets and track our progress over time;
- Reducing the weight of our packaging per unit sold by 10%, by selecting lightweight yet durable materials, optimising packaging design and avoiding unnecessary over-packaging;
- Exploring the use of high barrier paper-based materials as an alternative to traditional packaging, providing effective protection for our products while being easier to recycle.







## Thank you



Thanks to everybody that contributed to the creation of this Impact report! It was very much a team effort with input from all of our small team, Cooperative members, Board members, partner organisations and producers.

If you have any comments or questions please do get in touch by emailing info@chooseliberation.com.



#### SUPPORT US

Buy the Liberation range at: chooseliberation.com/products

#### SIGN UP FOR OUR NEWSLETTER AT:

chooseliberation.com

#### FOLLOW US

@eatliberation



INFO@CHOOSELIBERATION.COM
0203 559 6522