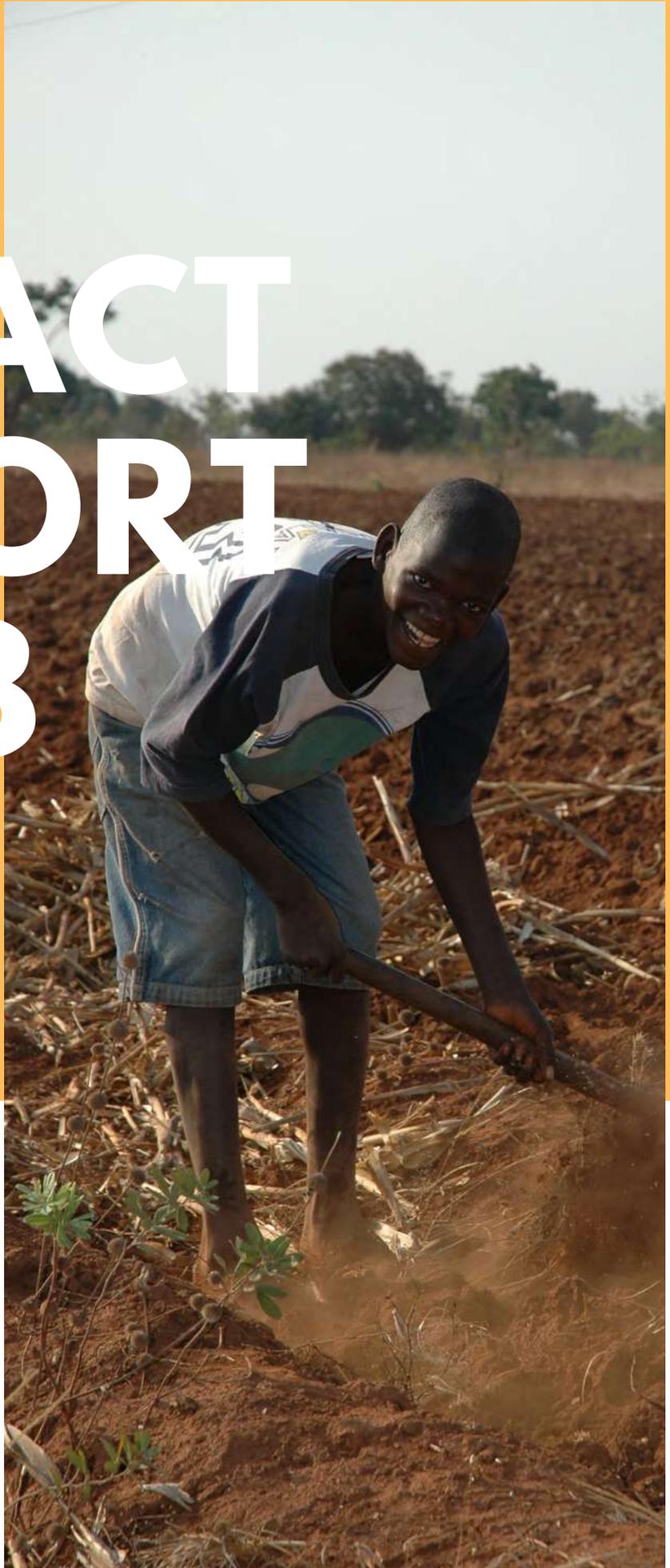


IMPACT REPORT 2018



liberat!on

INTRODUCTION

Smallholder farmers produce 70% of the world's food, yet often lose out in international supply chains. They are at the heart of our business: they own a 49% share and work tirelessly to produce high quality nuts. All decisions are made with and for them. Loyalty is important because long-lasting relationships mean farmers can receive a steady income.

Liberation has a branded offering and supplies nuts to the likes of Tesco and Sainsbury's to sell under their own label. But no matter what, the nuts are Fairtrade.

We found 2018 challenging - both the team in London and the farmers encountered several bumps. One big disruption was in the summer when easyJet (a major customer) de-listed our product. It wanted to move away from nuts due to allergy risks. Despite difficulties, we still supported farmers and demonstrate positive impact.

Environmental issues are firmly on our agenda. We saw more extreme weather and changing weather patterns affect farmers. As such, we have taken measures to reduce our carbon emissions and offset our footprint.

We believe transparency is vital and advocate for this. We are proud to be in a strong community of social enterprise organisations and look forward to increasing our impact.



SNAPSHOT OF 2018

This year, Liberation Foods has...



Bought over 350,000kg of nuts from smallholder farmers



Supplied Fairtrade nuts to three of the nation's favourite supermarkets



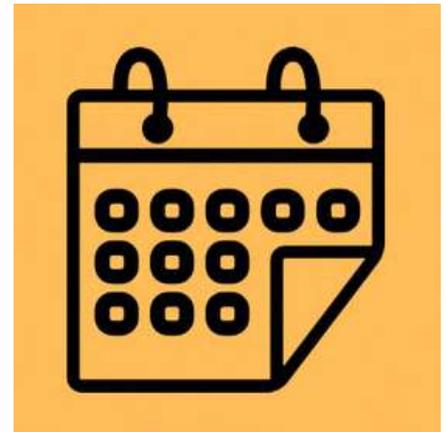
Reduced emissions by 3,150 kg in 6 months. Offset emissions in an Amazon reforestation project



Supplied Fairtrade nuts to customers in 9 countries



Bought nuts from over 35,000 farmers



Attended 25 events to promote transparent and ethical supply chains

FAIRTRADE PREMIUM

Context

One of the benefits of the Fairtrade certification systems is that farmers are promised a minimum price for their products. However, a premium is also paid that is spent on community development projects.

Our impact

- In 2018, we paid close to £125,000 in Fairtrade premiums, which has gone a long way
- Each cooperative makes a democratic decision on how to spend the premium.

In 2018, this was spent on

- buying new tools to gather Brazil nuts for communities in Bolivia
- running courses on sewing, baking and traditional medicines for women in Nicaragua
- recruiting an accountant for the cooperative to better manage business in Burkina Faso
- building a community well in India.



SUPPLY CHAIN CHANGES

Context

Liberation had two warehouses: one in Telford for raw material and one for finished products in Hull. Across the different sites, Liberation wasn't getting the service it needed: we encountered regular issues with mis-picks of stock and the operations team were struggling to keep on top of repeated issues.

Goal

- A warehouse in Leicester, close to our packaging factory
- With only a small operations team of two, it was vital to make our supply chain in the UK more efficient ready to supply to all our customers.

Result

- We now have one warehouse for raw materials and packed products near our packaging factory
- Our products don't travel across the country which saves on transport costs and reduces our environmental impact. In the first six months alone, we reduced our carbon emissions by 3,150 kg and saved over £5,000.



SUPPORT DURING TIME OF CRISIS

Context

One of Liberation's values is to give farmers fair prices for a secure income. Security comes from continuity of supply, year in year out. We have fantastic relationships with cooperatives in Latin America, Asia and Africa and are considered a reliable customer. And, when crises arise, we offer support.

The problem

In August 2018 the region of Kerala in India was hit by the worst floods in a century. Liberation sources cashew nuts from the Fair Trade Alliance of Kerala (FTAK) – where many farms were destroyed by the floods.

Result

- We raised £3,000 from loyal customers
- The money was consolidated with funds from FTAK's other customers and Liberation's international connections such as Alter Eco and Ethiquable
- Some money was used for immediate relief such as creating a clean drinking water supply and clearing debris
- The remaining money was used to give farmers seeds and seedlings to restart their farms
- Farmers were also given the chance to attend workshops on organic and traditional farming, bee-keeping and crop diversification - all of which will help protect against climate change.



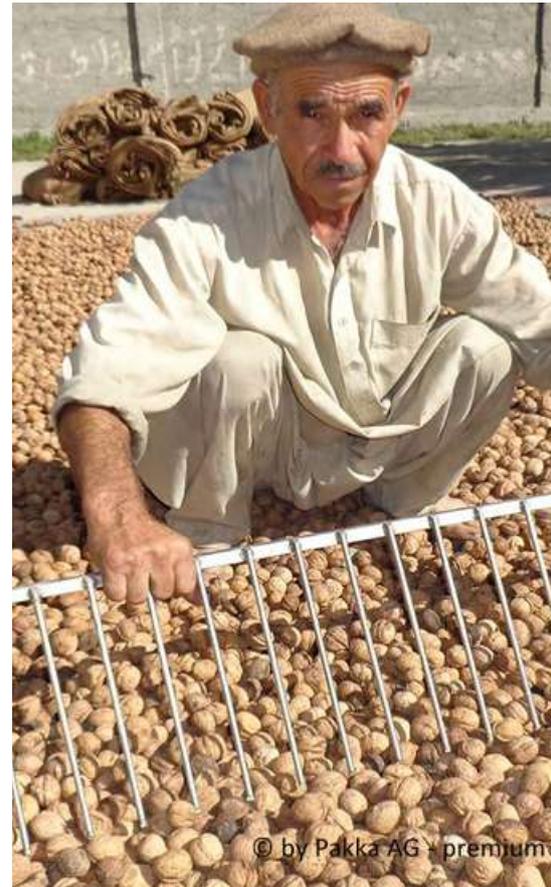
SEASONAL SUPPLIES

Context

Liberation Foods has supplied Tesco with Fairtrade nuts since 2006. Nuts are popular at Christmas and Tesco has a large season offering every year. As a long-standing supplier for Tesco, Liberation was invited to pitch for one of the 2018 Christmas lines.

The challenge

- Produce a unique Christmas blend that entices Tesco shoppers
- Create a product that fits within the price range for Tesco customers
- Maintain Liberation's values of supplying Fairtrade products that give farmers a fair price.



Result

- Liberation produced a blend of Fairtrade Dark Chocolate with Ginger and Nuts which was selected by Tesco to go into 220 shops nationwide
- The product required raw materials outside Liberation's regular supply which came from new relationships with other Fairtrade organisations
- We sourced 3.5 metric tonnes of Fairtrade certified materials – which gave cooperatives additional business and boosted farmers' incomes
- After the success, Liberation has been invited to pitch for the 2019 Christmas range.



A SECONDARY INCOME?

Context

Brazil nuts need to unique ecosystem of the Amazon to grow and cannot be cultivated elsewhere. In 2017, there was a shortage of Brazil nuts, leaving farming communities without a decent income.

The opportunity

- Go on a scoping trip with our partner, Twin, to assess options for establishing supply chains for other products from the Amazon such as Acai and wild cocoa
- To spend time in Bolivia with Twin and a local associate - an expert in agriculture and training farmers to produce high yields using sustainable agricultural practices
- Assess the capacity of the cooperatives to promote agricultural diversification to members and understand the logistical demands of exporting different produce
- Meet with representatives from NGOs and supply chains including the Food and Agriculture Organization of the United Nations and Oxfam

Result

- Lots of positive meetings with NGOs that are interested in the idea and potential collaboration
- Decision to apply for funding with the aim to make this project a reality in the future.



FUTURE PLANS

Next year, Liberation Foods will...



Increase the volume of nuts bought from smallholder farmers



Continue investigating packaging that's more environmentally friendly but meets customer requirements



Decrease our carbon footprint



Supply Fairtrade nuts to more customers across the world



Attract more media coverage for coverage on ethical brands and supply chains



Develop supply chains to increase our portfolio of products

THANKS TO THE FARMERS



India



Nicaragua



Burkina Faso



Bolivia



Malawi



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