



**Fair für mich.
Fair für alle.**

ANNUAL REPORT 2021/2022



FOREWORD

We can look back on an exciting, eventful – and most of all, intensive year. Still feeling the aftermath of the coronavirus pandemic, we have been confronted with war between Russia and Ukraine, a war of unforeseeable duration and outcome. We have been strongly affected by inflation, and thus rising prices and changes in purchasing patterns.

The past year has seen massive price increases particularly for green coffee, which has made it necessary for us to adjust our prices – for the direct benefit of our partner organisations.

We have been able to implement numerous projects during that period. Our new ERP system has made us fit for the future, and we have launched two new marketing projects: in the past winter season, we started a new project focusing on North-North Fair Trade by offering citrus fruits from Spain, and we've begun to sell green coffee to small-scale roasters.

Facing challenging times does have advantages too: you tend to become alert and creative, and to intensify your commitment to Fair Trade. The entire EZA team have joined forces to overcome the new challenges. This Annual Report addresses the topics we have focused on during the past year. I'm looking forward to the upcoming year, with further promising steps to take!

Daniela Kern – General Manager

EDITORIAL INFORMATION

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OUR COLORFUL WORLD

As a 100-per-cent Fair Trade Organisation, all goods that we buy and sell are Fair Trade products. This means that we check each article for the type of certification it carries, and whether it has been produced in line with Fair Trade standards.

To us, maintaining direct contact with our partner organisations is a top priority. We cooperate with the producers, we ask them what they need, and provide consultancy with regard to product design. And we regularly inform our partners on the current situation in our country and our enterprise.

Fair Trade, first and foremost, means ensuring better payment for the people making our products. But Fair Trade is much more than that. We use our best endeavours to make sure that the producers can actually make a living, that they have control over their production, and that they can acquire the pertinent expertise.

PART OF SEVERAL SYSTEMS

In the food sector, we rely on the FAIRTRADE label verifying fair production processes. FLOCert, an independent organisation, regularly assesses the conditions in the producing countries and ascertains that the FAIRTRADE

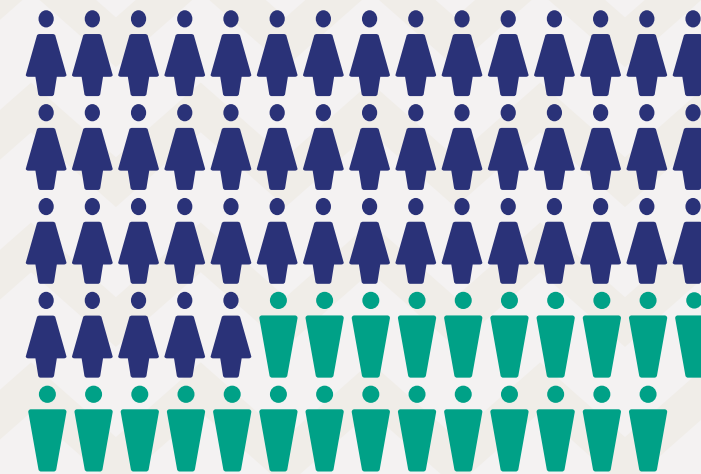
premium is actually spent as intended: for social or ecological projects, for building infrastructure, or for the producers themselves.

As far as handicraft and fashion are concerned, we operate in accordance with the principles of the World Fair Trade Organization (WFTO). As a WFTO member, EZA has oriented its entire business towards the 10 WFTO Principles. Compliance with the Principles is subject to regular audits.

If partner organisations are too small for these types of certification, we assess them in cooperation with our partner organisations at the European Fair Trade Association (EFTA), using our own monitoring system.

OUR PROMISE TO CUSTOMERS

We are committed to the highest possible level of transparency: our products can be traced back to their origin. Our customers thus know for sure where each article comes from, and who has produced it. We aim to raise awareness of the origin of goods, while offering top quality handicraft. Our products have heart and soul, which is reflected in the colourful world of EZA. Fair Trade is vital to us, and we would like to share our dedication with our customers.



51 female staff

23 male staff

Köstendorf

Headquarters

Our headquarters and all offices are located in Köstendorf in the Austrian Province of Salzburg. The building also houses our central storeroom, in conjunction with a shop offering the widest selection of our products.

FAIR TO ME. FAIR TO ALL.



Worldshop Salzburg
Linzergerasse 64



Worldshop 1010 Vienna
Lichtensteg 1



Worldshop 1080 Vienna
Lerchenfelder Strasse 18–24

A BIG STEP TOWARDS DIGITISATION

The ERP system is the core of every organisation that handles merchandise. After 20 years of working with the Navision system at EZA, we switched over to Microsoft Dynamics Business Central last year. The key reason for this has been that Microsoft stopped offering its Navision support. We therefore had no other option but to find another solution.

The new ERP really is a comprehensive system. We can use it for managing merchandise and inventories, for the checkout system and for administrative accounting, and we process our invoices through Business Central. We scheduled six months of project time for the transformation and another six months for optimisation, for fixing errors and ongoing improvement.

CHALLENGES AND ASSETS

The new interface turned out to be the greatest challenge: the previous system was oriented towards work at the local level, whereas the new system is browser-based, and each staff member can configure the interface individually, according to their own needs. Getting used to the new system was quite demanding for the team, particularly because it is more complex and requires greater technical know-how.

One asset of the new system is that it provides a good overview of inventories; it includes item cards with information about articles, and all information can be accessed within the same system. In short, it is a very dynamic system and encourages agile working.

The system has meanwhile been used by all staff members as it provides information that is needed in everyday work routines. For instance, it enables inventory management activities such as handling incoming and outgoing goods. Regarding goods receipt, the system works satisfactorily, and processes have been fine-tuned.

What we have learned from this project is that we need flexible time management to avoid unexpected errors from becoming a real problem, as well as good stress management during times of great pressure.

We are currently in the midst of a reorientation phase, and processes continue to be optimised. All in all, the new system has encouraged transparent working, and detecting errors has never been so easy. We have taken another step towards digitisation and hybrid work, and we will develop and further advance the process of improvement alongside our system.

“ IN FUTURE, WE WILL USE TABLETS TO AUTOMATICALLY REGISTER MERCHANDISE AS SOON AS IT COMES IN. THIS MAKES OUR WORK MUCH EASIER. ”

Lukas Plötzeneder,
Head of Goods Receipt



OUR PARTNER ORGANISATIONS: FACTS AND FIGURES

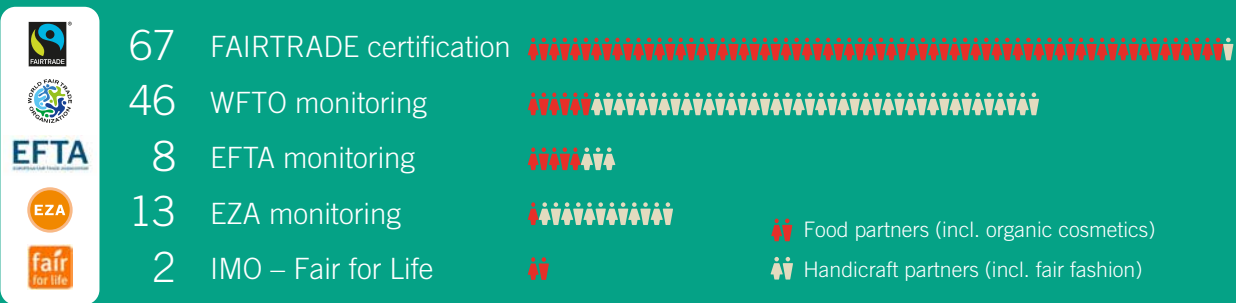
136 partner organisations



80 food partners
67 of them carry organic certification

56 handicraft partners

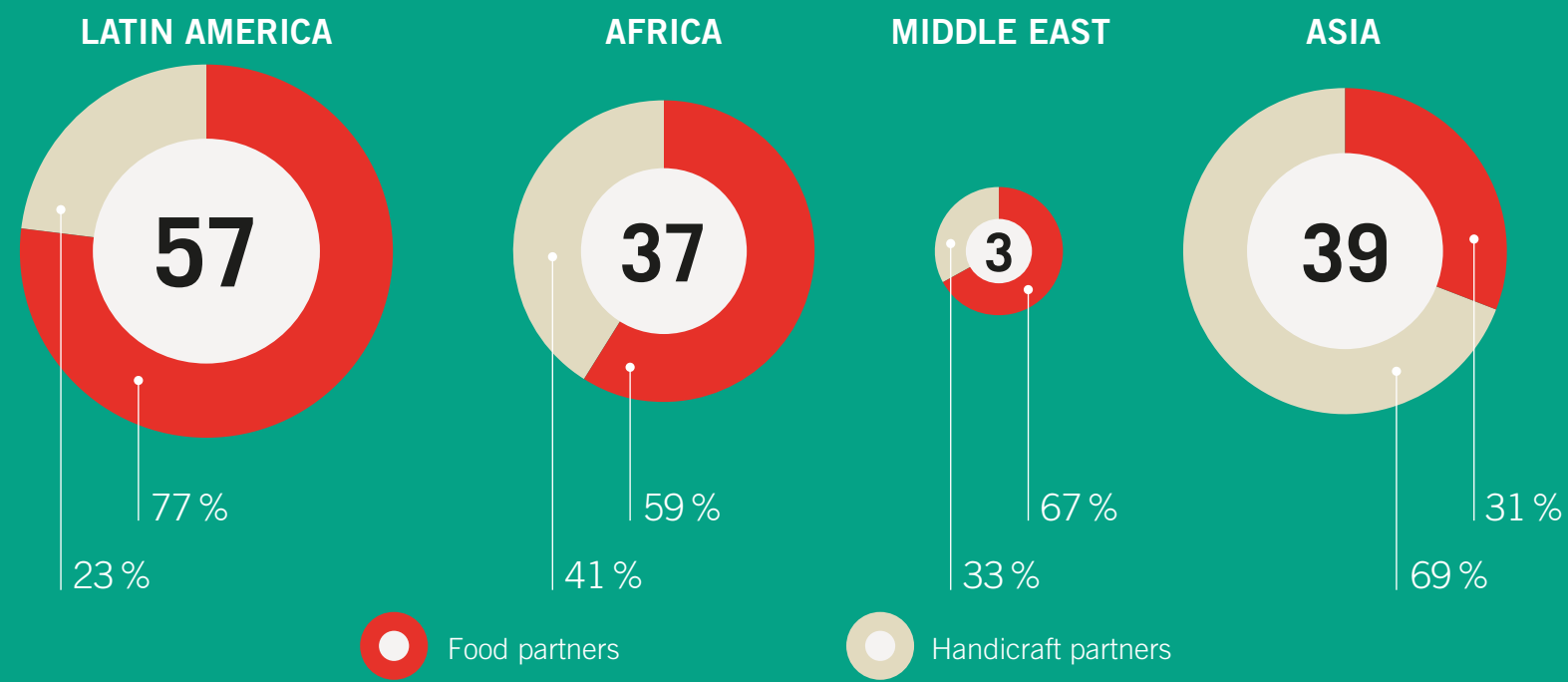
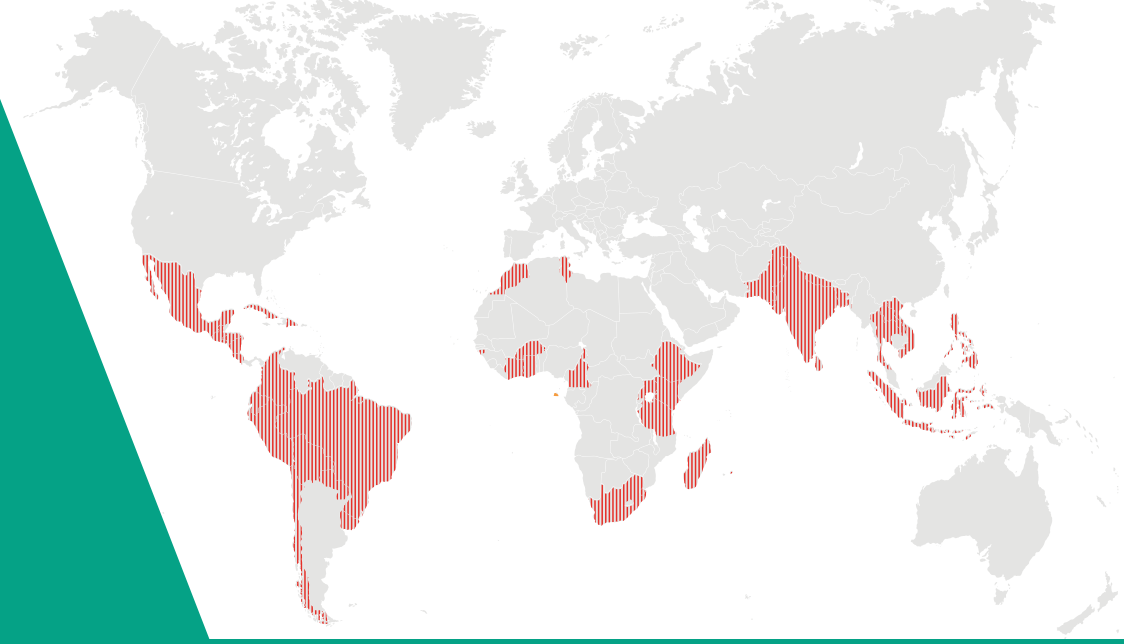
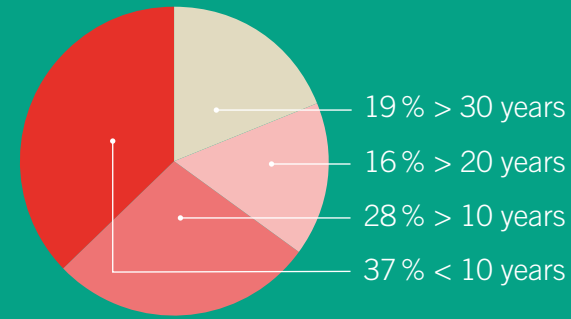
CERTIFICATION/MONITORING



TYPE OF IMPORT



DURATION OF PARTNERSHIP (DIRECT IMPORT)



SUPPORT- ING OUR PARTNER ORGANI- SATIONS

As regards partner cooperation, all donation projects run through the Covid emergency fund organised by the Worldshop Association have meanwhile been concluded. The fund has enabled our partner organisations Asha in India and Y-Development in Thailand to implement several project measures. Asha used the donations – amounting to over 8 000 euros – to support craftspeople and their families by means of food packages, support payments, and a total of 24 sewing machines. The money donated for Y-Development, i.e. 4 000 euros, was spent for training courses and for producing reusable masks and face shields.

After a fire destroyed four workshops of our partner organisation Bawa Hope in Nairobi, Kenya, an appeal calling for support was launched to enable their reconstruction. Donations of approximately 4 000 euros came from the worldshops, and were used to rebuild the workshops and to buy machines on the one hand, as well as to provide food support for Bawa Hope producers affected by the fire on the other.

In addition, we started another donation project, in close cooperation with the worldshop in Hard. This project enabled support for our partner organisation Qhana in Bolivia, which supplies our alpaca knitwear. The worldshop and the

Local Government of Hard provided a total of 10 000 euros for this purpose, which has made it possible to buy eight mechanical knitting machines and three sewing/knitting machines. The goal of the project has been to improve the knitters' income.

NEW PARTNERS AND TERMINATION OF TRADE RELATIONS

In the reporting year, EZA's Partner Committee decided to initiate trade relations with four new partner organisations:

- ▶ Bundikakemba Growers Cooperative Society Ltd (BGCSL) from Uganda is a producer of organic cocoa.
- ▶ Cooperative Producteur Cacao du Sambirano (COPROCASA) grows organic cocoa in Madagascar.
- ▶ Suminter is a new supplier of organic cardamom, and an additional supplier of other spices.
- ▶ Ellilta from Ethiopia produces jewellery made from recycled cartridges.

Trade relations with four partners were terminated based on a decision of our Partner Committee, and have thus been phased out:

- ▶ uSisi in South Africa

- ▶ Arum Dalu Mekar in Indonesia
- ▶ Kishor Exports in India
- ▶ Golden Palm Crafts in Sri Lanka.

In the latter case, we were informed that the company has closed down. Unfortunately, Golden Palm has not been able to recover from the effects of the pandemic.

EFTA ASSESSMENTS – EVALUATION OF FAIR TRADE

In the context of our participation in the Monitoring Group of EFTA (European Fair Trade Association) we have, for the first time, developed and implemented a virtual EFTA assessment, as a pilot, for La Cucaracha in Colombia. Assessments serve the purpose of quality assurance and checking adherence to the principles of Fair Trade for organisations that are not subject to any other type of monitoring. In addition, assessments on the spot have again been possible. May 2021 saw the first EFTA Assessment on the spot after almost two years of pandemic, carried out by a consultant from Guatemala whom we trained for this purpose. His first assessment has been very satisfactory, and we will thus continue to collaborate with Oscar Cabrera as our consultant.

“ LUZIA, OUR TRAINEE, HAS BEEN A GREAT HELP DURING THE PAST YEAR. SHE ASSISTED US IN UPDATING OUR DATA BASES FOR THE ONGOING MONITORING. ”

Birgit Calix,
Partner Attending



FAIR TRADING PRACTICES PUT TO THE TEST

As a member of the World Fair Trade Organisation (WFTO), we performed a self-assessment in spring 2022. This included being interviewed about practices in our enterprise and cooperation with our partner organisations, and a comprehensive report was drawn up.

The self-assessment is oriented towards the 10 WFTO Principles. For each Principle, compliance is rated using a five-grade system (Aspirational – Compliant – In Improvement – Non-compliant – Not Applicable). Out of a total of 156 compliance criteria, 144 were applicable to EZA. The result reveals that we meet the majority of criteria.



We comply with most of the criteria, for instance regarding Principle 10 (Respect for the Environment). As far as “Continuous Improvement” is concerned, our goal is to advance our packaging to make it as ecologically friendly as possible. We have already taken steps in this direction, for instance by using coffee packaging without aluminium, and we’ve introduced home-compostable wraps for our chocolate. One of the criteria rated as improvable concerns access to (further) training for EZA staff.

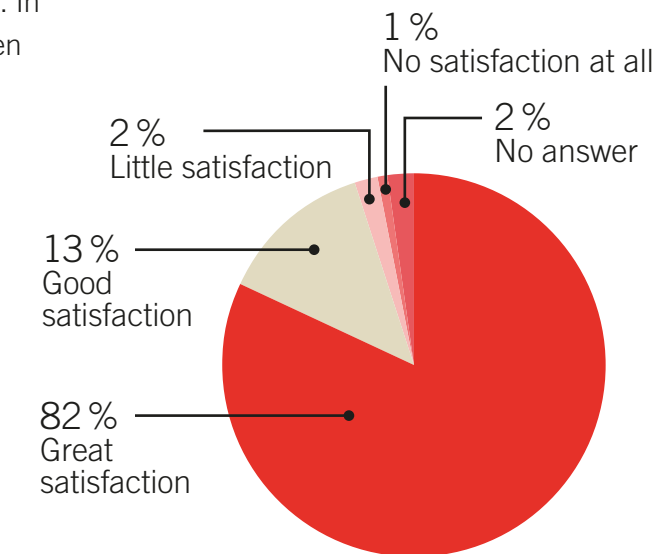
In addition, our partner organisations were interviewed about their view of the cooperation with EZA (Great satisfaction – Good satisfaction – Little satisfaction – No satisfaction at all). This “reverse assessment” was

carried out from March to May 2022. It covered WFTO Principles 1, 2, 3, 4, 8 and 10, as only these criteria apply to the cooperation with our partner organisations. In all, the result has been largely positive.

For instance, the feedback on transparency and accountability has been very good. “The regular updates by EZA gave us a clear picture, especially during the pandemic. They

gave us the exact situation, as it were, with regards to its operation and the effect of the pandemic on sales, among other issues.” Our partner organisations have been less satisfied as regards capacity building, which has been massively affected by the pandemic and the numerous restrictions on travelling abroad and on visits to our partners.

In the context of “peer visits”, the results of our self-assessment and reverse assessment will be looked into during the next business year and reported to the WFTO. In the case of EZA, Marie-Claire Pellerin, General Manager of Claro, a Swiss Fair Trade organisation, will be in charge of the peer visit. During the next year, we will particularly focus on compliance with those criteria where a need for improvement has been identified or which have not been met.



CLIMATE JUSTICE LET'S DO IT FAIR



There's more to Fair Trade than just advocating fair pay. In fact, it's about awareness raising, advancement and sustainable business operations. So, when talking with our partners we always ask one question: "In what way does climate change affect your work?" They all agree on this point: they have already been feeling the impact of climate change for many years – not only in terms of higher temperatures but, in particular, of unpredictable weather. This threatens, or changes, harvests, and producers are facing floods or long periods of drought.

MORE JUSTICE FOR THOSE AFFECTED BY CLIMATE CHANGE

In addition to supporting climate projects, we can also tackle the problem by raising awareness. "Climate Justice – Let's Do It Fair": we launched a campaign of this name last year, in cooperation with Fair Trade partner organisations from Belgium, Germany, France, Italy and Spain. In the campaign, we champion greater climate justice and advocate more fairness in trade.

As a first step, we conducted a survey among our partner organisations,

with detailed questions on how climate change has affected their everyday work. As Santiago Paz López, Co-Director of the Norandino cocoa cooperative puts it, "There's much discussion about climate change, but in practice, nobody is taking any steps against it. Nobody's willing to abandon economic growth. It's an issue we need to talk about in earnest."

The survey also covered the effects of climate change on local communities and business operations. These effects include, for instance, declining water resources, pest problems or migration from rural villages into cities because of extreme weather. Agriculture is a field that has seen massive changes due to lack of water, which in turn has caused pests to spread or plants to wither.

STRATEGIES TO OVERCOME THE IMPACT OF CLIMATE CHANGE

We then focused on drawing up strategies for our partners to adapt to the changing climate and to cope with its effects. They include, for instance, reforestation initiatives, drainage systems to collect water, or crop

diversification. In order to reduce negative effects, additional measures have been identified, such as using renewable sources of energy, sustainable packaging, or reducing carbon emissions in transport and logistics.

THE ROLE OF FAIR TRADE

There are two things Fair Trade can contribute here: firstly, we support sustainable forms of business operation and ensure that the products we buy have been grown and produced in a sustainable, resilient way. Therefore, almost all of our products carry organic certification. Secondly, we aim to raise awareness among consumers and encourage them to use resources responsibly and to buy ecologically friendly products.

In addition, we want to build a network that enables exchange and in which all of us can develop further. "Fair Trade helps us protect the environment and creates a network so that we don't have to tackle this global problem alone. I feel that I'm not alone in my endeavours but part of a large community that looks after the environment and takes care that sustainability is becoming increasingly important as an integral part of our commitment," says Norm Bunnak from our partner organisation Village Works in Cambodia.

In September 2021, the campaign was launched in Austria, in cooperation with the worldshops. A special logo was designed for this purpose, bearing the slogan "Climate Justice – Let's Do It Fair", and was rolled out in a package comprising four short video clips on climate justice, a video clip documenting the survey, images, shop window films and other advertising materials.

A VOICE TO BE HEARD

The campaign will continue to run next year. Its focus will be on raising awareness among the general public and on consumption. Last year GEPA, our German partner organisation, introduced Fair Breakfasts to promote eating Fair Trade products for breakfast. Breakfast is a meal in which we tend to use goods that mostly come from the global South: coffee, cocoa, tea. It's a good starting point for raising awareness of fair breakfasting.

 www.letsdoitfair.org



STATE OF EMER- GENCY IN SRI LANKA



It has been a particularly hard year for our partner organisations in Sri Lanka. In addition to the pandemic that has affected the whole world, the island country of Sri Lanka has faced an economic crisis with a massive social impact. It was triggered by a declaration of sovereign default, followed by an import ban, rising food prices and the declining value of Sri Lanka's currency. Our partner organisations also continue to struggle with scarceness of materials and high fuel prices.

REPORTS FROM SRI LANKA

Gospel House Handicrafts is a producer of wooden toys for EZA. Its members have reported a lack of paints and packaging materials, and due to unfavourable exchange rates, they are facing great financial uncertainty. Shiran Karunaratne, the Managing Director of Gospel House Handicrafts, emphasised how important it was to place orders early as transport takes longer than usual.

"It is difficult to enable transport of our green leaves to the factories. Electricity is cut island-wide for more than 4 hours daily due to the

← *Our food importers meeting Bernard Ranaweera, President of SOFA, at the Biofach organic trade fair in spring 2022.*

fuel problem and it directly affects our daily operations," as Bernard Ranaweera, President of SOFA, reported in spring 2022.

SOFA's staff have nevertheless attempted to continue all main activities and to handle incoming orders. "As a long-term partner organisation, the most important support that we expect from you is continuous orders. It is the only support we need."

In summer 2022, Tyrell Fernando, the Director of PODIE, visited us in Köstendorf. He also pointed to the vital importance of continuing orders: "Amidst all these crises, our hope is to get support from NGOs. However, to be able to develop further on our own accord, we need to sell goods. I therefore ask you to continue to buy our products to help us go on working as an organisation."

KEEPING ABREAST OF THE LATEST NEWS

We do take our partners' requests seriously, and have continued to place orders with them. Of course, we also depend on our partners and will keep track of the situation during the next year. Fair Trade is the instrument we use for supporting our partner organisations in Sri Lanka.

The impact of the coronavirus crisis has again prevented our handicraft imports team from travelling to our partners in the reporting year. The only visitor who was able to come to us was Suntoy from South Africa, in spring 2022. The majority of producer groups have been heavily hit by the crisis. This particularly applies to production: it has been a great challenge to produce the articles ordered according to schedule. Furthermore, delays in sea and air travel especially affected shipments from Asia.

Even though the situation continues to be difficult, maintaining good contact with our partners and freight forwarders has enabled us to receive shipments in time. Another success is

that it has been possible to increase our sales of handicraft products in spite of lockdowns.

Our partner organisation Selyn in Sri Lanka has used the coronavirus pandemic as an opportunity for designing a collection of real-life heroes. It consists of colourful cotton dolls representing people who have become everyday heroes during the crisis and led the fight against the pandemic. Parents can use the dolls in order to show their children how important everyday work actually is: work done by doctors or nurses – as well as by people delivering goods, driving waste collection vehicles or working at grocery stores.



HANDI- CRAFT IMPORTS STILL DOMI- NATED BY CRISIS

THE PRICE OF COFFEE: A KEY ISSUE FOR GROCERY RETAILERS

Coffee prices have taken a roller coaster ride over the past year, shaking up the international market. From January 2021 to January 2022, the price of green coffee doubled at the commodity exchange. In January 2022 it was at USD 240. This price increase has also had repercussions on our coffee purchases.

The price of our coffee had not seen any changes for a period of five years: however, in the past business year price increases for all our coffee brands became inevitable. Until then, EZA had been able to take over all adjustments for inflation and price increases. Still, the high world market prices are not the only reason why our coffees have become more expensive: we have also faced an increasing cost of services, packaging and transport. This has resulted in an average 20 per cent rise in our coffee prices. The market price of coffee has meanwhile decreased again. In view of the volatile international situation, reliable forecasts continue to be difficult.

At first glance, higher coffee prices seem to mean a better income for the farmers. However, when one takes a closer look, it becomes obvious that a large proportion of the increase usually goes to intermediate dealers or multinational enterprises. This is why direct trade relationships with local cooperatives are

so important to us: we buy our coffee directly, not from intermediate dealers, and what we pay goes to the cooperatives themselves, and thus to the coffee farmers. Including organic, Fairtrade and quality premiums, the prices we have been paying are around 60 per cent higher.

A NEW OUTFIT FOR COMPAÑERA

The reporting period saw a relaunch of the packaging for our Compañera chocolates. Our partner agency, d.signwerk, redesigned the entire product line. Compañera is now selling better than ever. In addition, all our top-quality chocolates produced in Switzerland have got a new home-compostable interior wrap. We have thus taken a further step towards sustainability. However, chocolate sales as such have seen a downward trend. After a successful test phase with Compañera chocolate, we decided in favour of a further step-by-step conversion of the coffee and chocolate packaging to a new, modern design.



“THANKS TO EZA’S DIRECT RELATIONSHIPS IN FAIR TRADE, THE COOPERATIVES AND FARMERS DIRECTLY PROFIT FROM HIGHER PRICES.”

Michael Scherndl,
Head of Purchase and Category Management Food



AN EZA DAY UNDER THE MOTTO OF CLIMATE JUSTICE

The annual Austrian Worldshop Conference organised by the ARGE Worldshop Association took place in Salzburg from 24 to 26 September 2021. EZA organised one conference day, under the slogan “Climate Justice – Let’s Do It Fair”. On this occasion, we invited spokespersons who are committed to the issues of climate justice and climate change.

The morning session focused on climate protection initiatives. Florian Schlederer, co-author of a book on climate change and co-organiser of the Austrian Climate Referendum, as well as Brigitte Grahsl, who specialises in the communication of climate change matters, talked about their motivation for becoming actively involved in the climate movement, and about obstacles and opportunities the movement has been facing.

As in the past year, partners from the global South joined the Conference virtually as remote participants. The afternoon started with papers by Suranjit Ratna and Bertha Gity Baroi from EZA’s long-standing partner organisation CORR – The Jute Works from Bangladesh, who reported on the increasing challenges that the climate crisis has brought about for the Bangladeshis. Extreme weather, drought and floods have become much more common, exacerbating the

people’s living conditions. CORR has already been strongly focused on environment and climate protection for many years. It encourages reforestation and has introduced new, natural materials for production, which are more resistant to extreme weather conditions.

Taurino Reyes, Executive Director of Certimex (Certificadora Mexicana), the Mexican organic certification organisation, shared the experiences of small farmers in Mexico. Organic farming and the preservation of biodiversity as a climate-friendly approach to growing products such as coffee are important topics in his work. Rosa Maribel Méndez, daughter of a coffee farmer from EZA’s partner organisation SPOSEL in Mexico, provided insights into her small business, which produces organic fertiliser, and opportunities for young people in her region.

The EZA day at the Worldshop Conference received much positive feedback. Approximately three in four worldshops then took up the topic of climate justice and will in future integrate climate protection into their sales communication.

October 2022 saw the EZA expert meeting with a focus on sustainable approaches to cocoa and the cocoa supply chain – with visitors from Peru taking part in the meeting.

In summer 2021, the former exhibition room at our Köstendorf headquarters was converted into a shop. It no longer displays EZA’s entire product range, but selected articles are especially highlighted. This has been the first step aimed at a more pronounced focus on end customers in Köstendorf.

Our plans for the future include greater regional visibility. We are already a member of the Plusregion initiative (Köstendorf, Neumarkt/ Wallersee and Strasswalchen), which allows us to participate in various activities to reach more people in the region.



“ I’VE SPENT TIME AT OUR NEARBY HOLIDAY HOME FOR MANY YEARS, AND I OFTEN COME HERE.

I’VE BEEN A REGULAR CUSTOMER SINCE EZA OPENED THE SHOP IN THE NEW BUILDING IN 2005, AND I ALWAYS FIND SOMETHING NEW THERE: SMALL PRESENTS, AND OF COURSE, YOUR WONDERFUL COFFEE! ”

**Carla Politzer,
Customer from Kremsmünster, Upper Austria**

FROM EXHI- BITION ROOM TO SHOP



“THE CITRUS FRUIT PROJECT ALLOWS US TO CONTRIBUTE TO BETTER PRICES AND HUMANE WORKING CONDITIONS. AND THE WORLDSHOPS ARE COMMITTED POINTS OF SALE ON OUR SIDE.”

Gerd Haslinger, Head of Sales
World Shops and Large Customers

Oranges, tangerines and lemons are first-rate vitamin C sources in winter. They ripen in autumn and winter and are thus available throughout the cold season. The majority of citrus fruits eaten here come from Spain, where immigrants from Northern Africa are employed as illegal farmworkers to pick fruit. They are not granted residence titles, and suffer exploitation on a daily basis.

For this reason, our Spanish partner organisation Oxfam Intermón is endeavouring to improve the working conditions in its own country. A North-North Fair Trade project was thus launched, in which EZA participated for the first time in winter 2021/22. The project also includes a direct marketing initiative and a foundation for migrants advocating a premium on citrus prices. As the citrus fruits are marketed directly, their higher price really will help to ensure income security for the workers.

A VERY SUCCESSFUL UNDERTAKING

On six dates between November 2021 and March 2022, it was possible to order three-kilo boxes of oranges or tangerines, and 3.5-kilo-boxes of orange-and-lemon mix at the worldshops participating in the citrus project. All orders were then collected and sent to Spain,

where the fruits were directly harvested and shipped. They arrived approximately two to three weeks later to be picked up by our customers.

The high quality of the citrus fruits has turned out to be another point in favour of the new project. They are hand-picked fruits from organic farming, with a perfect degree of ripeness. In addition, they have not been coated with wax and are free from any type of preservative so that their peels can be used too. This has been a further asset contributing to the success of the citrus project.

RERUN IN THE NEXT SEASON

Thanks to easy ordering procedures and an attractive offer, we have been able to sell a total of approximately 67 tons of citrus fruits during the season. We therefore decided to offer citrus fruits again in the 2022/23 season, and to optimise the citrus marketing processes. All citrus pick-up points are listed on our website. Customers can use an online order form to have their citrus fruits delivered to a shop of their choice, and pick up the fruits from there after two weeks.

➔ www.eza.cc/suedfruechte

CITRUS FRUITS: OUR FIRST NORTH- NORTH FAIR TRADE PROJECT

A NEW SALES ARM: GREEN COFFEE FOR SMALL ROASTERS

A new trend has become apparent in recent years: small coffee roasters are booming in Austria. What's special in this new development is the trend towards a slow, light roasting of small amounts of coffee, which thus develops a unique aroma that cannot be achieved by industrial roasting. The coffee is sold at the roasters' own shops and cafés, as well as at regional grocery retailers.

TOP QUALITY MEETING HIGH EXPECTATIONS

However, top-level roasting requires high-quality coffee beans. The roasters wanted to have the best coffee for their creations. They used to order coffee from abroad – with high transport costs and long delivery times. This prompted us to offer, as of 2022, high-quality green coffee sold directly from our storeroom in Köstendorf. The coffee is delivered to the roasters in the typical hessian sacks within a few days.

What we offer our customers is more than just top quality: our coffee comes with high-level certification, carrying both the EU organic logo and the FAIRTRADE label. If the roasters have also been certified, their customers can be guaranteed top organic quality and transparency.

In addition, many of the coffee brands are direct-trade products. They have been awarded EZA's Direct Trade label guaranteeing that the coffee has been bought from the respective cooperative directly and without any detours. It can be traced back to its origin, without unnecessary intermediate dealers. Our range of green coffee includes arabica highland beans and robusta beans from Latin America, Africa and Asia.

ONLINE SHOP AND COFFEE KNOW-HOW

We launched a new website focusing on green coffee sales, and where we also share our coffee know-how and provide information on Fair Trade. A sales field worker has been engaged, who is in charge of customer acquisition and sales exclusively for the green coffee project.

The coffee is available in hessian sacks containing 30 to 70 kilos of beans (depending on origin) and can be delivered within Austria and to Bavaria. Next year we plan to further approach the small roaster scene, to raise their awareness of fair organic coffee.

→ www.rohkafee.at

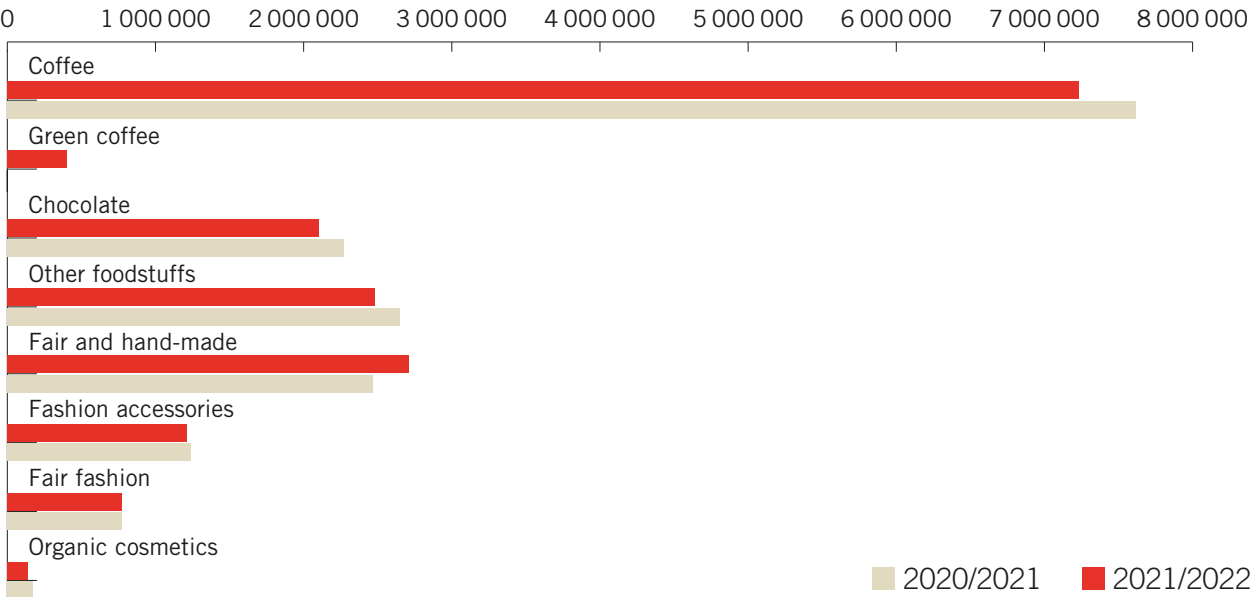
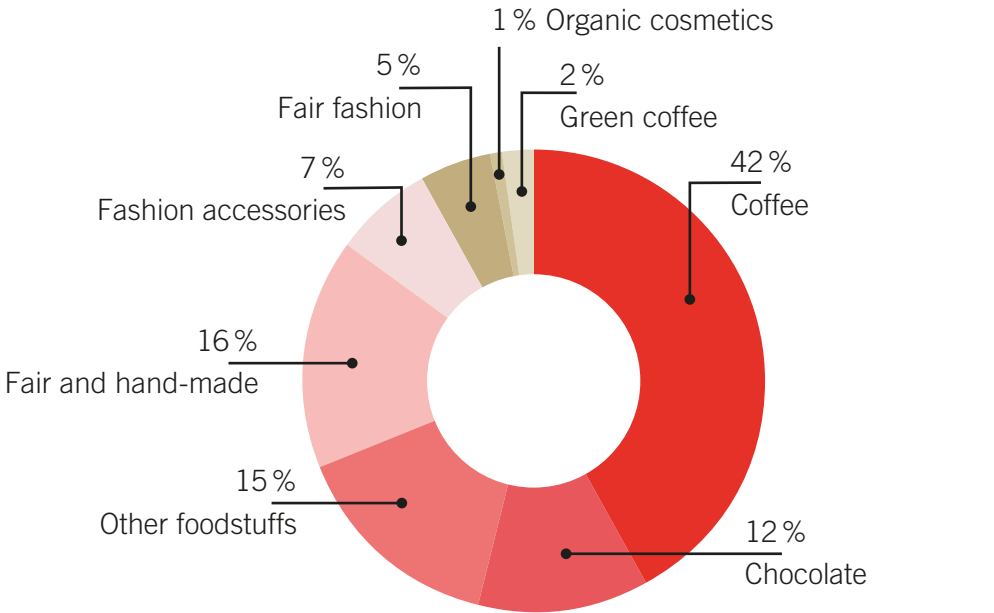
A man with glasses and a beard, wearing a light blue short-sleeved button-down shirt with an EZA logo and dark trousers, stands in a warehouse. He is holding a large, light-colored burlap sack of coffee. The sack has text including "San Francisco de Asis", "ESMERALDA S.C.", "100% ORGANIC GREEN COFFEE", and "CERTIFIED BY CERTIMEX". To his right is a large stack of white sacks on a pallet. In the background, there are metal shelving units filled with various boxes and more sacks. The lighting is bright, typical of a warehouse.

**“ SMALL ROASTERS
REALLY ARE
SPECIALISTS IN
COFFEE MATTERS.
WHAT THEY DO
REQUIRES A LOT
OF PRIOR
EXPERTISE. ”**

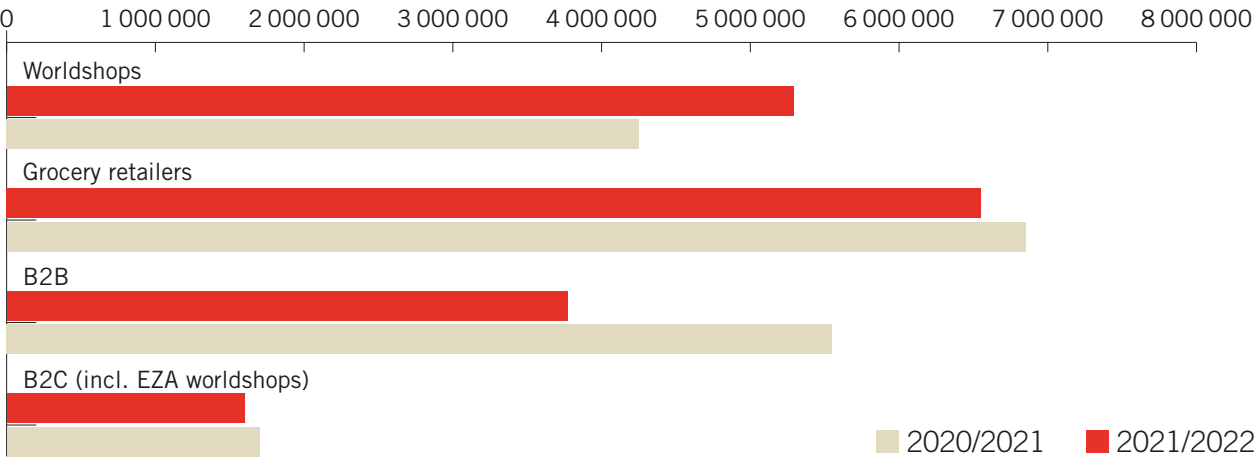
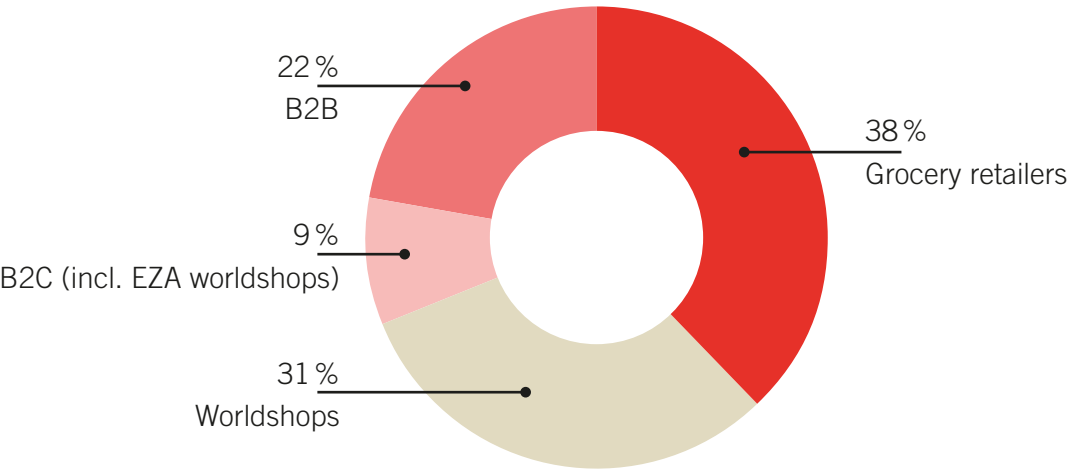
Michael Schölzl
EZA Green Coffee Sales

SALES BY PRODUCT CATEGORY

EZA's turnover is accounted for by the following groups of products:



SALES BY DISTRI- BUTION CHANNEL



ANNUAL STATEMENT AS OF 30 JUNE 2022

Figures are in thousands of euros	2020/21	2021/22	Change
Intangible assets	336	426	26.9 %
Tangible assets	1 628	1 480	−9.1 %
Financial assets	0	0	0.0 %
Fixed assets	1 964	1 907	−2.9 %
Inventories	5 952	8 609	44.6 %
Accounts receivable and other assets	1 363	1 297	−4.8 %
Cash on hand and cash in banks	502	71	−85.8 %
Current assets	7 817	9 978	27.6 %
Accruals	22	42	93.9 %
Deferred tax assets	107	87	−18.8 %
Assets	9 910	12 013	21.2 %
Capital stock	1 900	1 848	−2.8 %
Investment allowances	2	43	2.130.5 %
Accrued liabilities	1 103	840	−23.9 %
Due to banks	1 146	1 646	43.7 %
Trade accounts payable	1 093	1 993	82.4 %
Other liabilities	4 667	5 644	20.9 %
Liabilities	9 910	12 013	21.2 %

ASSETS

As at the balance sheet date, inventories were considerably higher than in the prior year. This results from the rise in coffee prices of up to 100 per cent on the one hand, and from earlier deliveries of containers on the other.

Due to a greater demand for liquid funds, cash in banks has decreased and/or commodity credit lines have been used.

LIABILITIES

Investment allowances include funding by aws Austria Economic Service for the transformation of the ERP system.

The decrease in accrued liabilities is mainly due to a transfer to the “Other liabilities” item of 181 000 euros of dismissal payment claims of staff members who left EZA in the business year 2022/23.

The increase in “Due to banks” results from EZA’s using the merchandise credit line.

Trade accounts payable have seen a rise on grounds of higher food inventories. The increase in “Other liabilities” comes from small loans.

Transfer of liability items: The item “Due to small lenders” has been transferred to “Other liabilities”. The sum of “Other liabilities” has thus increased by 20.9 per cent.

EZA's business year covers the period from 1 July 2021 to 30 June 2022.

“ WHAT I PARTICULARLY LIKE ABOUT EZA IS ITS RESPECTFUL COMMUNICATION WITH PRODUCERS, AND THAT THE TWO PARTIES ALWAYS MEET ON A LEVEL PLAYING FIELD; THE LIVELY EXCHANGE WITH THE WORLDSHOPS; AND THAT EZA PROVIDES COMPREHENSIVE BACKGROUND INFORMATION ON PRODUCTS AND PRODUCERS. SHARING THIS EXPERTISE IS INVALUABLE FOR OUR EVERYDAY WORK AT THE WORLDSHOP.

I ALSO WELCOME INITIATIVES SUCH AS THE CITRUS FRUIT PROJECT: THIS HELPS US WIN NEW CUSTOMERS – AND PROVIDES NEW PROSPECTS FOR FAIR TRADE. ”

Gertrude Jaksch-Fliegenschnee,
Baden Worldshop

INCOME STATEMENT

Figures are in thousands of euros	2020/21	2021/22	Change
Merchandise sales	17 197.0	17 154.9	−0.2 %
Sales deductions and cash discounts	−550.5	−847.7	54.0 %
Other operating income	443.7	327.4	−26.2 %
Net sales	17 090.2	16 634.6	−2.7 %
Sales input	−10 834.1	−10 920.2	0.8 %
Gross yield	6 256.1	5 714.4	−8.7 %
Personnel expenses	−3 594.0	−3 444.6	−4.2 %
Tax writeoff	−280.0	−290.4	3.7 %
Other operating expenses	−2 264.6	−1 903.8	−15.9 %
Expenses total	−6 138.6	−5 638.8	−8.1 %
Operating result	117.5	75.6	−35.7 %
Interest expense/income	−114.5	−106.2	−7.2 %
Result	3.0	−30.6	−1 120.0 %
Corporate income tax	−8.8	−1.8	−79.5 %
Deferred tax	22.8	−20.0	−187.7 %
Annual result	17.0	−52.3	−407.6 %

Merchandise sales have remained at the level of the prior year.

Due to transfers between “Other operating income” and “Other operating expenses”, net sales have seen a decrease of 456 000 euros as against the previous year.

As a result of internal organisational measures, personnel expenses could be reduced compared to the prior year.

Regarding “Other operating expenses” (cost), several items have been transferred to “Other operating income” in the reporting year.



IN SHORT



This year, we have again run our citrus fruit project. We now provide an online form for our customers to place orders directly. This makes ordering easier and has already shown positive results: the first ordering cycle boasts a new record – in November 2022, approximately 25 tons of citrus were delivered.



After Andrea Reitingner's retirement last year, the Press and Public Relations Department was converted into a Marketing Department. Its new focuses include digital advertising in order to address new, younger target groups.



A quality assurance position was already established in 2020. In the past business year, the pertinent processes were introduced, and quality assurance has been firmly consolidated. We can now test the quality of our foodstuff immediately after its arrival at the storeroom, and respond to issues of inconsistent quality at short notice.



Since the business year of 2021/22, we have again been having our coffee roasted in Austria. Helmut Sachers Kaffee, a roaster near Vienna, is now roasting our Orgánico Espresso beans for grocery retailers. This has also reduced transport routes and saved carbon emissions.

