

ANNUAL REPORT 2022/23



**Fair für mich.
Fair für alle.**





FOREWORD

Last year saw major further developments in our company, which are reflected in optimised internal procedures, enhanced efforts towards sustainability, and a new management.

I am the new General Manager and would like to extend a warm welcome to you. I joined EZA in 2021 and have since then gained much insight into its structures and tasks. Before I took over from Daniela Kern, I was EZA's Head of Purchase and Category Management of Food.

In spite of temporary liquidity challenges we can look back on successful developments: we have introduced an efficient time registration system, launched new products, and our citrus fruit project has achieved another record high.

It has for the first time since the pandemic been again possible to visit our partners, to invite partners to EZA – and to support them with sustainable projects. We have also intensified our cooperation with our partners in Austria and implemented promising marketing activities.

We will join forces for a good start into the next year – always with the focus on Fair Trade. It is a great delight for me to take on responsibility and lead EZA into the future.

I hope that this Annual Report will offer you some interesting insights.

Michael Scherndl
General Manager

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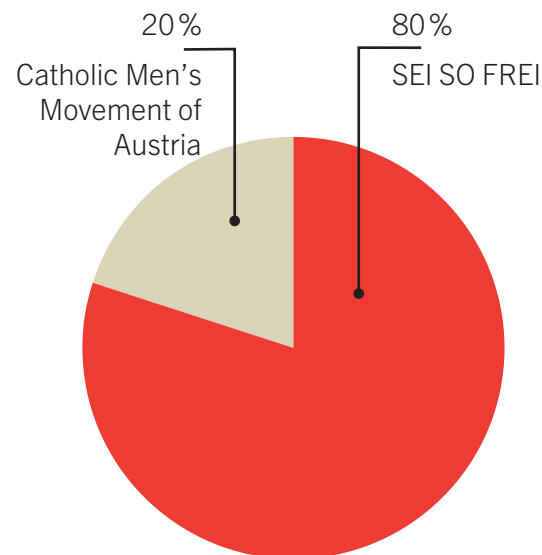
A NEW OWNERSHIP STRUCTURE

In the past business year, we were facing two important external challenges: on the one hand, the costs of purchases, logistics and energy were rising, and on the other, price increases in Austria took their toll on the customers' willingness to buy. These factors, paralleled by a record high in green coffee prices, brought about temporary liquidity issues. However, we are happy to reassure you that this bottleneck has meanwhile been cleared through securing a long-term financing option.

Finally, EZA's ownership structure has also seen modification, which has helped us to enable funding through our regular banks.

EZA's owners are now organised as follows: the A3W association, which used to be a 40 % shareholder of EZA, sold its shares to SEI SO FREI of the Catholic Men's Movement of Upper

Austria. We would like to thank A3W for many years of cooperation, and we will continue to join forces in our commitment to the cause of the global South.



GETTING READY FOR THE FUTURE

We have determined an economic framework and a number of measures to ensure good prospects for Fair Trade. We will optimise our range of goods, put our brand centre stage and enhance its impact. This will be paralleled by taking redimensioning steps in order to define the orientation of our company.

Our highly committed owners, who play an active role in development assistance in the global South themselves, will maintain a close relationship with Fair Trade. In cooperation with the relevant organisations, we will continue to live our key values and help to ensure that our trading partners can make fair livelihoods and live in dignity. We are highly motivated and full of optimism – and looking forward to our continuing, interesting cooperation.

FRESH MOMENTUM IN OUR MANAGEMENT

On 31 August 2023, former General Manager Daniela Kern stepped down. Over the past four years, she contributed her expertise and fulfilled her role with great commitment and drive. Her accomplishments have been particularly impactful in the areas of digitisation, finances and process management, where she has provided invaluable input.

Since August, Michael Scherndl has been our new General Manager. He joined EZA in 2021, and prior to this move was working as Head of Purchase and Category Management of Food. Michael can look back on many years of experience in retail trade, marketing and sales, thus bringing ideal know-how for EZA's further development as a Fair Trade leader in Austria. In his function, he will share his responsibilities with Christine Etzer, who holds power of attorney. Christine has been part of the EZA team since 2022, and is in charge of financial matters. The new management will focus on product range development, brand enhancement and process management.





CREATING SYNERGY TO INCREASE EFFICIENCY

Efficient processes are of key significance for a company's success, they save time and resources and improve productivity. We have therefore established a process management team to optimise our internal processes and make them more flexible. We are facing important questions here: how can we orient our activities more clearly towards our customers' needs? Do all our processes reflect our vision and corporate culture?

Staff members from various departments made their work routines transparent. At first, departmental processes were analysed and compared. As a next step, existing processes were critically examined, and decisions were made on ways to create synergies between different departments.

The relevant processes are being implemented consistently in order to enable a coordinated collaboration between departments and avoid errors and communication problems. Regular revisions and evaluations are being conducted to allow continual improvements.

These measures have not only created a productive internal working environment but will also be felt at the external level: they enable us to offer our customers a perfect shopping experience and to cooperate efficiently with our partners.

A WORKING TIME MODEL FOR THE FUTURE

In 2021, we replaced the outdated Microsoft Navision ERP system with the modern Microsoft Dynamics 365 Business Central software. As Navision was no longer being serviced by Microsoft at that time, we continued to use the working time registration of that system as a temporary solution. In 2022, we started to look for a new time registration system that meets the requirements of a flexible trading company. The system was to cover both office and storeroom operations, and had to function for worldshops as well as field work.

FLEXIBLE WORKING TIME REGISTRATION

We decided in favour of the modern Atoss system, which takes into account all legal requirements and collective agreement provisions of the

Austrian trade sector. During a comprehensive test stage of approximately two months, staff from several areas of our company tracked their working time using both the old and the new system. Their feedback and any errors that were detected were communicated to Christine Etzer, who was in charge of the project. Then, customised solutions were devised in close cooperation with Atoss.

Since 1 January 2023, the system has been available for all employees. It has numerous advantages – for instance, working-time registration by the minute, as well as an individual overview enabling each staff member to keep track of hours worked, any overtime, hours absent and holiday entitlement. At the offices and worldshops, the system can be accessed via a user-friendly web application. The storeroom staff

use individual chips in terminals, and field workers have a special app that enables an uncomplicated working time registration via smart phone.

WORKING TIME REGULATION BASED ON WORKS AGREEMENT

In the context of the new flexibility in working time registration, the management and the works council jointly drew up a new works agreement on working time regulation. The agreement has been in force since April 2023 and defines working time as flexitime with a core period in the morning. The flexitime schedule covers both full-time and part-time staff and permits a flexible organisation of working hours. These new regulations mark a decisive step for our company's future. They are our specific response to changes in working life and to our staff's needs.

FACTS AND FIGURES: OUR PARTNER ORGANISATIONS

125 Partner organisations



74 Food partners

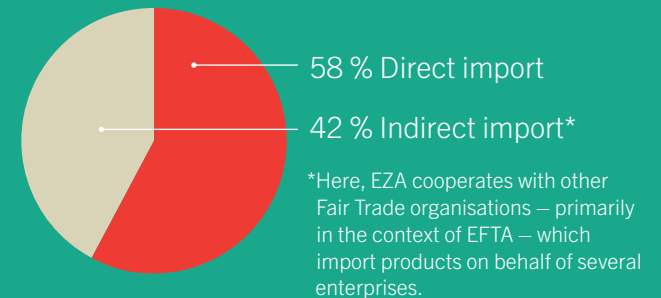
62 Partners carrying organic certification

51 Handicraft partners

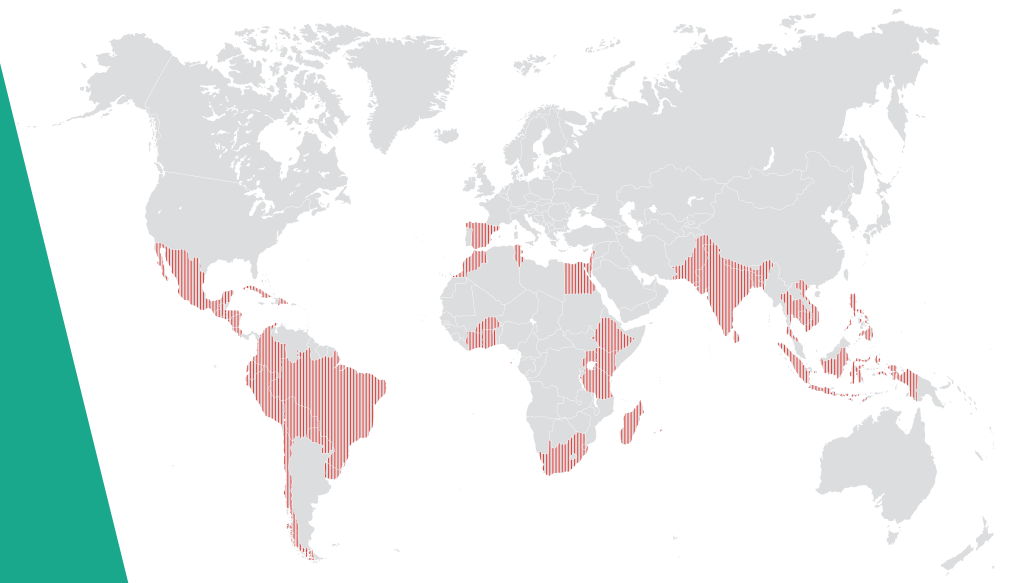
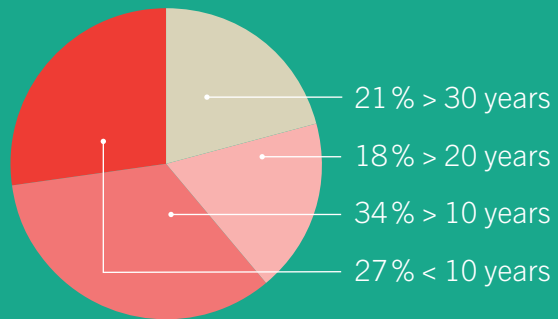
CERTIFICATION/MONITORING



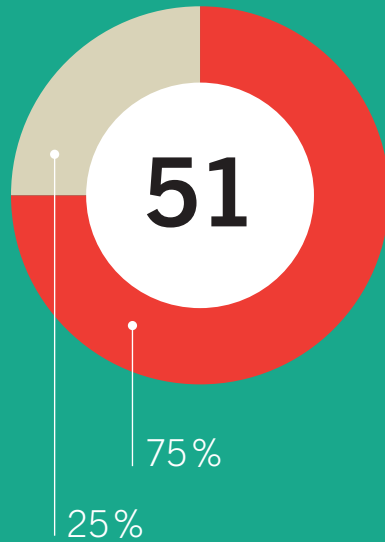
TYPE OF IMPORT



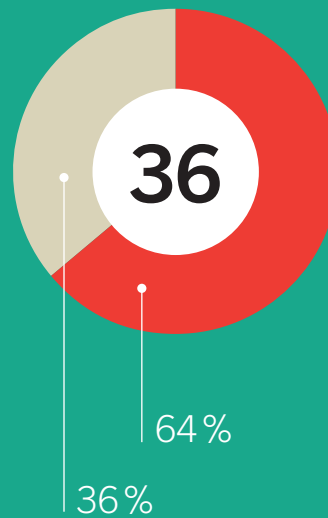
DURATION OF PARTNERSHIP (DIRECT IMPORT)



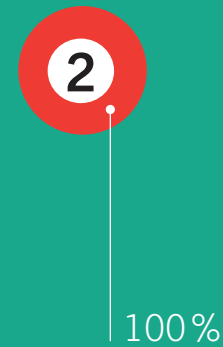
LATIN AMERICA



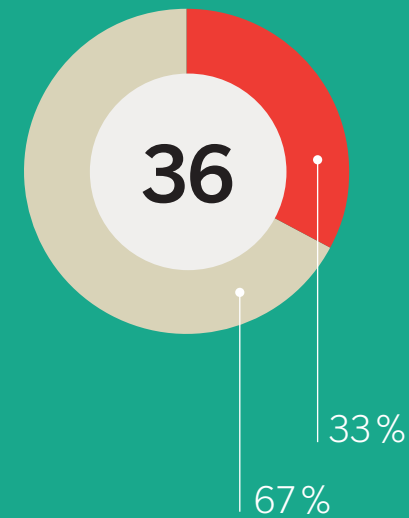
AFRICA



MIDDLE EAST



ASIA



Food partners



Handicraft partners

SOLAR POWER FOR CREATIVE HANDICRAFTS

India's large cities are struggling with the problem of smog and air pollution. Our Mumbai-based partner organisation Creative Handicrafts finally decided to actively contribute to improving air quality while at the same time achieving energy self-sufficiency. The solar irradiation in Mumbai is strong enough to enable the constant operation of a solar power unit. The main building of Creative Handicrafts had already been equipped with solar panels several years before, with very positive results: after five years, the project had paid off.

SUNNY ENERGY FOR ALL

This successful project has now been expanded to include an additional location. Three sewing centres, a training centre for seamstresses and a daycare centre for their children will soon also be powered by solar energy. The above centres are supplied with energy from a single photovoltaic unit, and a special agreement was concluded with the electric utility: the solar unit feeds surplus into the local grid, with 100 % of

the surplus going into a solar storage system, and 80 % of it is returned in periods when Creative Handicrafts does not produce solar energy, for instance, during the monsoon season in summer. Step by step, all five locations will be connected to the grid in order to enable a 100 % clean energy supply.

SUPPORT FROM AUSTRIA

The cost of the entire solar project for Creative Handicrafts amounts to approximately 40 000 euro. Due to effective funding through the Austrian worldshops, a total of around 11 600 euro had been made available in spring. In addition, the Development Policy Advisory Board of the Province of Salzburg provided a generous 15 000 euro. The first tranche has already been transferred to Creative Handicrafts, and another will follow: in the context of the Climate Justice Campaign run by the EFTA organisations, 5 000 euro will be made available, and possible further financial support will be added to this amount.

AN OPPORTUNITY FOR WOMEN

Creative Handicrafts offers employment opportunities and a secure income to disadvantaged women from the slums of Mumbai. They are trained locally to become experienced seamstresses. We are proud to buy our cotton fashion for the biannual Anukoo collection from this inspiring organisation.

NEW TRADING PARTNERS

- ▶ Sonnenglas (South Africa)
- ▶ HPW Fresh & Dry (Côte d'Ivoire)
- ▶ RAOS (Honduras)
- ▶ AMEPROQUIR (Bolivia)

TERMINATION OF TRADE RELATIONS

- ▶ CAFEL (Honduras)
- ▶ CDP (Colombia)



FOOD PURCHASING: A TURNOVER IN THE TEAM



In November 2022 our food purchasing team travelled to our partners in the global South – the first journey since the start of the pandemic. Most of the team members had joined EZA not too long ago, and in summer 2023 Franz Denk, our long-standing food purchaser, retired. In order to pass on his ample expertise to the new colleagues, the team visited Uganda.

During this trip, they met all the cooperatives with whom we are collaborating in Uganda. The first leg of the journey took our colleagues to Mbale at the foot of Mount Elgon, where three of our partner cooperatives are operating.

On their visit to United Organic Coffee Growers (UOCG), the team met Canon Michael Lulonde, an experienced coffee farmer whom Franz has known for over 10 years. On the next day, they went to the MEACCE cooperative with 3 200 members, 1 021 of whom are growing organic coffee. In summer 2022, MEACCE built four micro washing stations in order to improve coffee quality. The team were shown one of the washing stations, and followed the entire process from picking to drying and sorting.

The Friends of Mothers Initiative (FMI), a cooperative that has existed for only a few years, has been able to increase its membership from 30 in June 2018 to an impressive 371 at present. FMI is a women-only cooperative whose coffee is grown exclusively by women who own the land they are working on.

From Mbale, the team went to Kasese in western Uganda, where they visited the Bukonzo Organic Farmers Cooperative Union (BOCU), which has over 3000 members and is aiming to switch to 100 % organic coffee farming. General Manager Josinta Kabugho had travelled to Austria in 2017, and in October 2023 she revisited our country, invited by FAIRTRADE. The projects BOCU is planning for the future include a youth project to promote coffee production among young people, the introduction of roasted coffee as of 2026, and the purchase of an electronic sorting machine.

JOURNEYS: HANDICRAFT PURCHASING TEAM

In November 2022 Gerhard Wimmer travelled to Central America to visit our handicraft partners, and in February 2023 Andrea Stehrer went to India.

In El Salvador, Gerhard met members of the La Semilla de Dios cooperative, which has taken up our suggestion to produce small tables and chairs for children. Its members have access to free loans, and all workers carry health insurance and social insurance. The Moje association produces nativity sets and peace dancers for EZA, and has applied for WFTO membership. Our partner Exporsal supplies our hammocks and is working on recycling hammocks. Our Christmas decorations made from gourd shells come from Manos Amigas, whose social work activities are, in large part, funded through handicraft sales.

In Guatemala, Gerhard saw representatives of the Copavic company, from where our glassware made from mouth-blown recycling glass comes. Copavic, which has been heavily affected by the pandemic, relies on EZA as its largest customer. The enterprise is now recovering but has to cope with higher costs. Finally, Gerhard visited the Aj Quen producers of juggling balls, worry dolls and various textile articles.

Andrea's journey to India took her to Manjeen, a company primarily producing jewellery and scarves for EZA, its most important customer. Manjeen is now aiming to become a WFTO member. Noah's Ark produces a great variety of décor and household utensils made of metal and wood. Product finishing takes place at the headquarters, where quality control is carried out and a packaging system is in place. The staff of the Tara company have access to an infirmary, a school and a sewing workshop where young people are trained to become seamstresses. Tara also produces jewellery for EZA. At Asha (see photo), Andrea was shown the woodworking workshop, where décor boxes and small drawer cabinets are produced for EZA. Asha is committed to the cause of disadvantaged craftspeople and aims to improve their market access opportunities.



COFFEE PRICES AT A RECORD HIGH ON THE WORLD MARKET

2022 saw a rapid soar of the coffee prices on the international stock exchange. The orders we had already placed with our partner organisations in 2021 had thus become more expensive. In Fair Trade, it is up to the producers to choose the stock exchange trading day whose price is used as a basis for transactions, provided that this day lies at least three weeks before the shipping date. In addition, 2022 was a high-yield year without any crop failures, so that our entire order was delivered on time and without delay.

As a result, we had a large inventory bought at a higher purchasing price: in 2021 we had purchased 793 tons of green coffee at a total price of approximately 3.3 million euro. In 2022, the respective quantity had risen to 843 tons, amounting to a cost of around 5.1 million euro.

This rise from 4 161 euro/ton in 2021 to 6 050

euro/ton in 2022 represents a price increase of approximately 45 %. Due to this development, paralleled by a reduced willingness to buy as Austrian customers are facing high inflation rates and consumption is subdued, our inventories decreased only slowly. In response, we have planned to reduce the quantities ordered for 2023/24, to approximately 516 tons.

Higher prices paralleled by lower sales figures brought about short-term payment deferrals at our company.

In the next few years, we intend to compensate for this through specific interventions in the areas of sales, marketing and product range management. In addition, we are taking measures that enable better protection against price fluctuations, which will have positive effects on inventories purchased by advance financing and on our liquidity.



A HIGHER FAIRTRADE MINIMUM PRICE

Spring 2023 saw the first adjustment since 2011 of the minimum coffee price by FAIRTRADE International. As of August 2023 the new safety net protecting coffee farmers against price slumps has been in place, with an increase of 29 % for arabica beans and 19 % for robusta beans.



In the context of our focal activities on supply chains in autumn 2022, we invited two guests from Peru: members of the Norandino cooperative with great expertise in cocoa production. We jointly embarked on our annual producers' tour of Austria and held an expert meeting with the focus on fair supply chains.

VISITORS FROM PERU

Domitila Irigoyin Gálvez, cocoa farmer from Peru's Amazonas region, cultivates three hectares of land, with one hectare used for cocoa trees, fruit trees and other trees. Her cocoa is of top quality and enables her to support her family and to pay for her children's education. Santiago Paz López, Co-Director and head of marketing at the Norandino cooperative already played an active role 30 years ago when the cooperative was established. Today, Norandino markets cocoa, coffee and sugar cane. It is strongly

committed to the idea of Fair Trade, organic farming and climate protection.

TOUR OF AUSTRIA AND EXPERT MEETING

During their visit, Domitila and Santiago gave us a vivid insight into their lives and into cocoa growing, and stressed the importance of Fair Trade and sustainable agriculture. Cocoa from Norandino is an ingredient of almost all EZA chocolate brands. In the context of our two-week producers' tour, run in cooperation with the worldshops, Domitila and Santiago travelled all over Austria. As the final event of their journey, we organised an expert meeting focusing on the origin of chocolate, and diligence and responsibility along supply chains. The meeting addressed worldshops and multipliers in Austria who were interested in learning more about supply chains. In addition

TRACING CHOCOLATE BACK TO ITS ORIGIN

to Domitila and Santiago, other experts in supply chain questions were also present.

Sarah Bruckner from the Vienna Chamber of Labour and Bettina Rosenberger from the Social Responsibility Network contributed information about the debate on the upcoming EU supply chain legislation.

Then our colleague Birgit Cálix, who is in charge of partner organisations in the South and of monitoring, presented our monitoring system and the Fair Trade criteria. Finally Marcel Leeman, representing the Bernrain chocolate manufacturer in Switzerland, provided insights into the production of fair chocolate. EZA's first fair chocolate brands were launched around 30 years ago, in cooperation with Bernrain, in a close collaboration that has been continued until today. The majority of our chocolate brands are produced there.

CITRUSES: AN IDEA BEARING FRUIT



The fragrance of fresh oranges, lemons and tangerines has meanwhile become a well-established part of EZA's atmosphere. We have been supplied with citruses through North-North Fair Trade with Spain since 2021. Growing awareness of the general situation in Spain motivated us to lay stress on the need for Fair Trade within Europe as well.

During the past business year, six rounds of citrus fruit orders were placed between November 2022 and April 2023. In Valencia, the centre of orange growing in Spain, exact quantities were harvested in line with our orders, and transported to Austria. By focusing on direct marketing, short supply chains and transport routes, we – as well as our partners – can contribute to a sustainable form of agriculture that guarantees income for the people at local level.

Around 65 worldshops took part in the citrus initiative, taking on orders and serving as pick-up points. A new option established last year has been to place orders via an online form and directly select a pick-up point there. This has resulted in an increase of quantities delivered from approximately 67 tons in the prior year to around 90 tons this year, which represents an increase of over 34 %.

A NEW SEASON WITH NEW PRODUCTS

This year's ordering season has already started and will again extend over six rounds from October to February. All in all, 70 worldshops all over Austria are participating in the project, and customers can either order citruses at a shop or use the online form on our website. We have been able to win additional producers in Spain for this season, who have been encouraged by the great success of last year's citrus project. It will most probably be possible as of January to order other products too: in addition to the proven citrus fruits, avocados and pomegranates from organic farming will also be available and can be ordered as a mixed-fruit basket that also includes oranges and lemons.

A SPECIAL COFFEE BRAND FOR SALZBURG

In 2023, the city of Salzburg celebrated its 10-year anniversary as a FAIRTRADE city. On this occasion, we presented our exclusive 'Salzburg Kaffee' brand to Mayor Harald Preuner. It is a special edition consisting of top-quality arabica highland beans from Central America (Nicaragua, Guatemala and Mexico) and carries organic and FAIRTRADE certification.

Our Salzburg Kaffee combines exquisite highland coffee from Central America with Salzburg's unique charm. We import the beans directly from

the cooperatives for delivery to Salzburg, where it is roasted at the Naturkaffee roaster in Salzburg's lake region. This close partnership has enabled us to shorten supply routes and enhance the cooperation with regional enterprises.

This very special coffee boasting a mild aroma and a full body is perfect for use in espresso machines and automatic coffee machines.

Discover the unique flavour of Salzburg Kaffee, available at Salzburg's worldshops and our online shop!



TAKEOVER OF VIENNA WORLDSHOP

In the past few years, we recorded a decline in turnover at our worldshop in Vienna's 8th district. To counter this development, we took a number of steps such as offering coffee to go and introducing new products. In spite of our efforts, we have not been able to reverse the trend, and by 30 June 2023 it was obvious that we would have to close the shop.

However, we have taken efforts to make sure that the worldshop will be taken over by a new lessee. After a short remodelling period the shop reopened in August 2023 and will now be run with an expanded range of products. We are glad that the shop will continue to operate, and that our long-standing customers can count on a supplier of Fair Trade products in their neighbourhood.



NEW PRODUCTS IN THE FOOD SECTOR

In the past year we incorporated further high-quality foodstuffs into our product range. Autumn saw the addition of Fair Trade tequila from Mexico to our selection of spirits. A high-proof spirit distilled from agave plants, it is produced by the Tequilas del Señor organisation. For its introduction, we placed a test order in autumn. Our selection comprises three different categories of tequila with ageing periods between two months and three years.

Since December 2022, a new cream chocolate with a penguin motif has been available in our range of chocolates for children. The proven flavours of milk, strawberry and banana are now being complemented by a seasonal winter edition with a tangerine flavour.

Our new chocolate gifts – in addition to the well-

established Belgian truffles – include whole-milk and bitter-sweet nougat hearts, a perfect gift for every occasion, presented in a fresh design.

The introduction of our new coffee pods has been particularly successful. In close cooperation with an Austrian producer, we have spent the last few years developing fully compostable pods to meet our requirements regarding sustainability and flavour. Made from organic material, the pods do not affect the scent or flavour of the coffee, allowing it to develop its full aroma when brewed in the machine. Furthermore, the pods can easily be disposed of in your private compost – in contrast to many products from competitors that can only be composted industrially and thus in a less sustainable way. The coffee pods are available as Lungo and Espresso varieties.



BBQ CHARCOAL: SUSTAINABLE AND FAIR

Tropical hardwood, particularly if obtained illicitly, causes considerable environmental problems. It grows in rainforests that are affected by large-scale deforestation, which leads to global warming, loss of habitats for animals and plants, as well as the extinction of species. Regrettably, a large part of the BBQ charcoal that is sold in Austria is made from tropical hardwood.

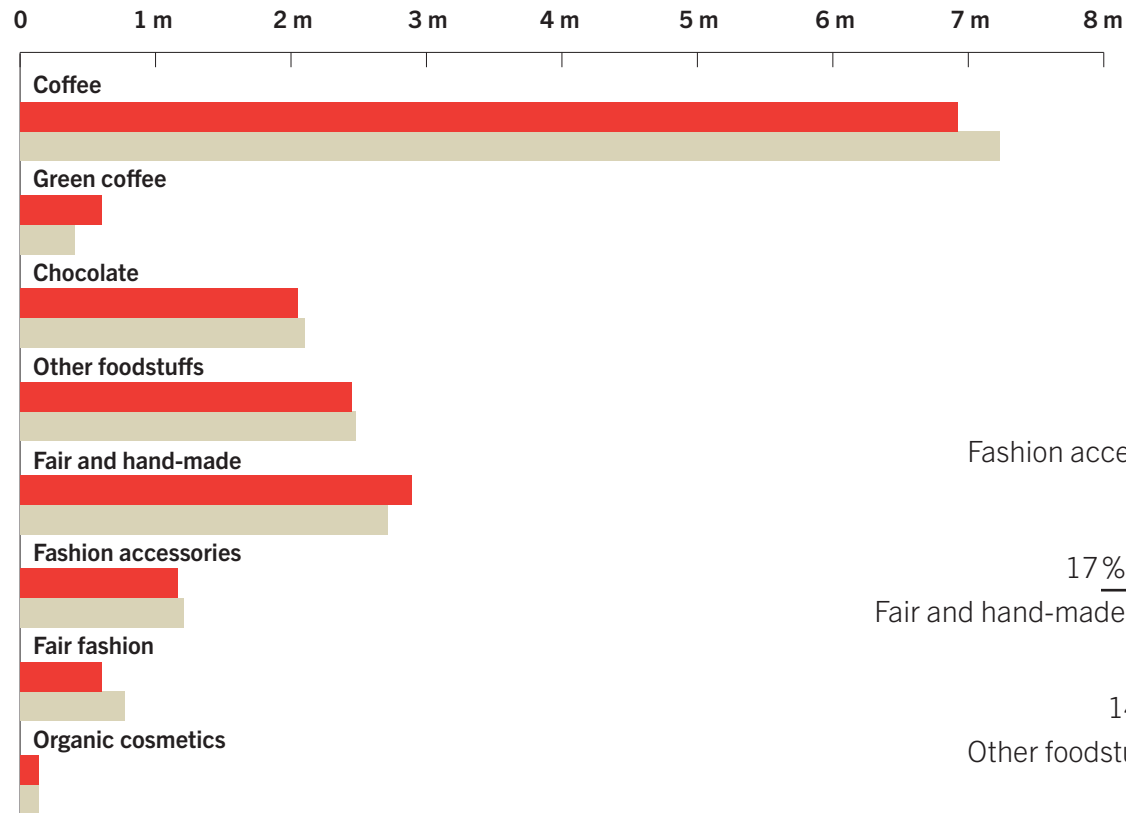
Looking for alternatives to traditional charcoal, we found the perfect product for your summer barbecues: fair BBQ charcoal produced in the Philippines made from coconut production waste. The thick coconut shells that are normally disposed of are heated, and the coal residue is pressed to briquettes and then dried in the sun.

The production of fair coconut charcoal provides a sustainable option that generates a source of income for the local farmers in order to make up for harvest failures, in addition to its qualitative advantages. Its burning behaviour is excellent as its temperature remains at a constant level and its heat is preserved for a long time. It is thus particularly efficient, and you need less coal for your BBQ.

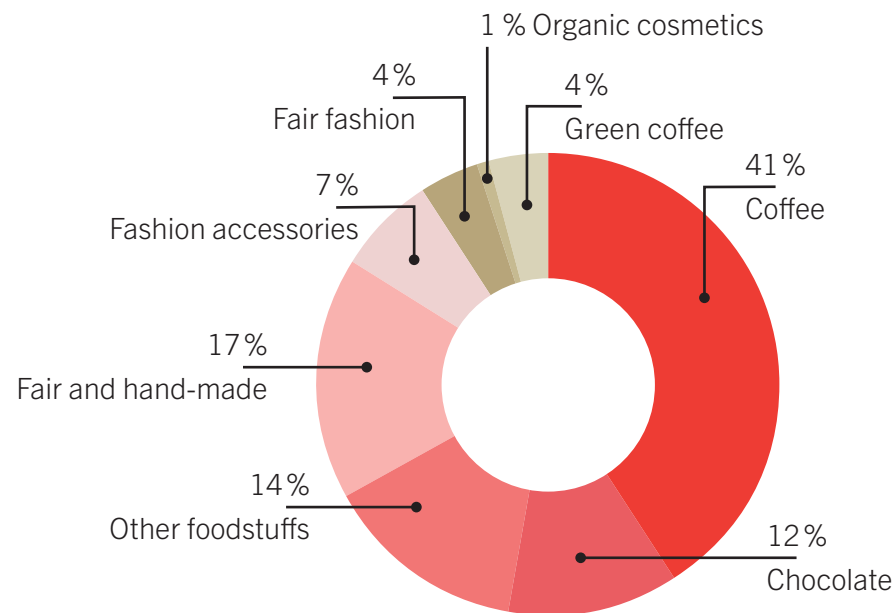
In summer, we cooperated with the worldshops to initiate a fair charcoal offer available exclusively at the worldshops, where the coconut charcoal was sold in 2-kilo bags with lighter sets of 10 firelighters each.



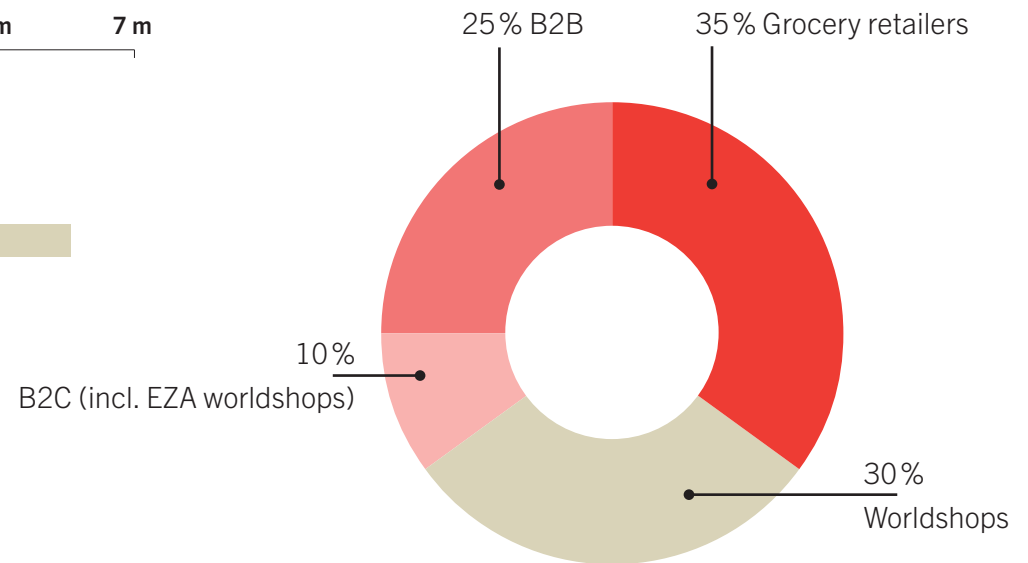
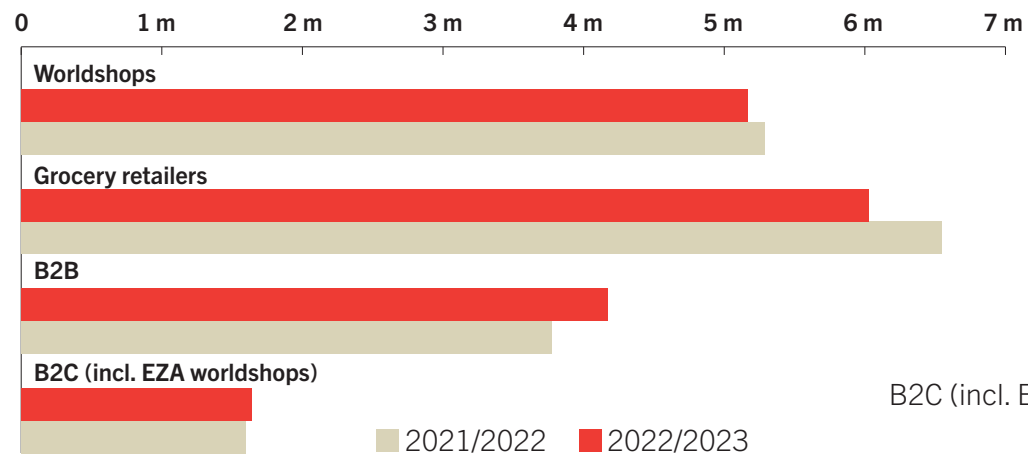
SALES BY PRODUCT CATEGORY



2021/2022 2022/2023



SALES BY DISTRIBUTION CHANNEL



1



Orgánico
ground beans, 500 g
approx.
149 000 packs

2



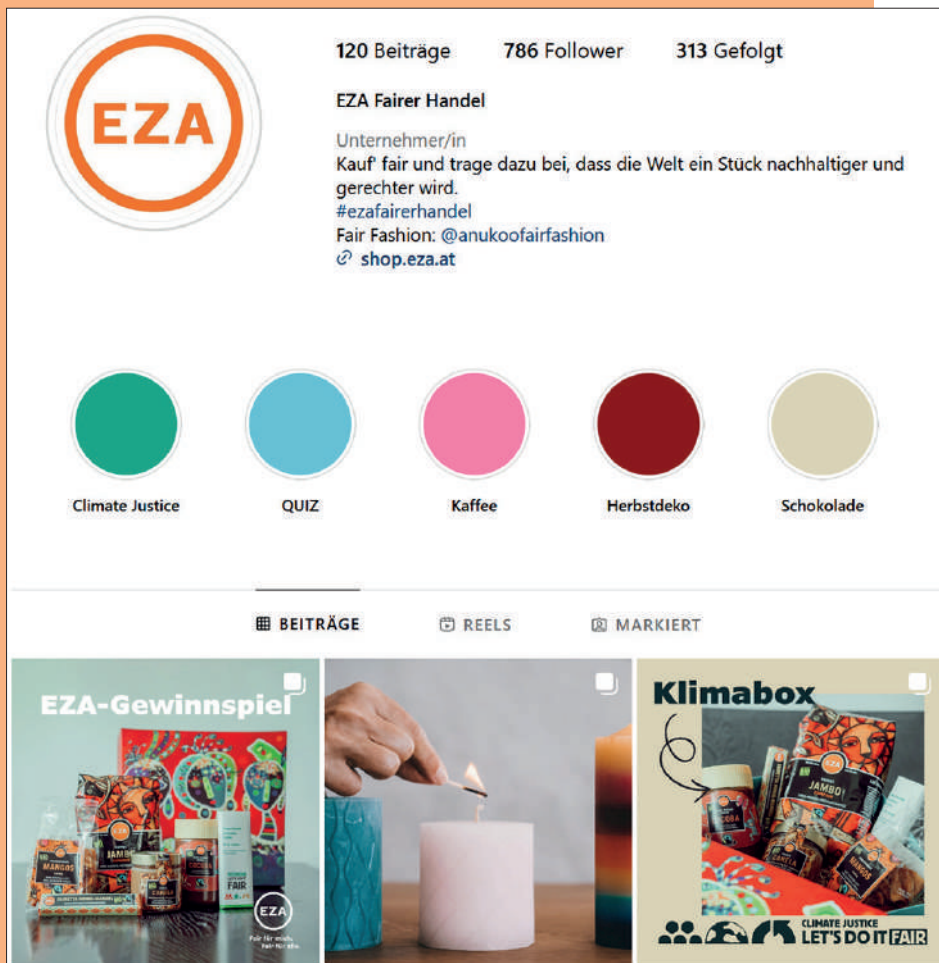
Orgánico Espresso
whole beans, 1 kg
approx.
131 000 packs

3



Nam Om rice
white, 1 kg
approx.
100 000 packs

A LEADING ROLE FOR ONLINE MARKETING



In our newly established marketing department, the focus is on implementing a comprehensive online marketing strategy. One of the first steps has been to intensify our visibility in social media. Based on market and target group studies, we decided to expand our activities to include Instagram and LinkedIn, in addition to the existing page on Facebook.

We chose LinkedIn as the main platform for the professional presentation of corporate information, particularly of topics relevant for other enterprises. LinkedIn is also frequently used for publishing job offers and press releases.

Our existing and potential target groups tend to have Instagram accounts. We have therefore focused on producing content that is customised specifically for Instagram's algorithm. This includes reels (short videos) and high-quality photo material. The way of visualising EZA has been modified to enable a professional presentation, with the focus on high-quality products whose rich colours express their origin in the global South. Under the motto 'This is the colourful world of EZA', we focus on conveying a feeling that attracts people following a sustainable, awareness-oriented lifestyle.

Since the start of our Instagram profile in June 2022, we have been able to win 750 organic followers during the first year, without recourse to advertising. The reels turned out to be particularly successful, among them a video about our solartops and a video with iced tea recipes. The recipes we posted were shared frequently, and the information on Fair Trade has also met with much interest.

Our plans for the future include a further expansion of this strategy and an enhanced orientation towards growth, and we aim to attract new target groups and address a wider public. To attain this goal, we will take a variety of measures including updates of our product packaging and customised advertising.

30 YEARS OF FAIRTRADE PARTNERSHIP

In 1988 we entered into partnerships with a number of coffee cooperatives in Guatemala and Mexico to import coffee to Austria. At that time, the farmers were still selling their coffee to roadside intermediaries. Joining forces in an organisation eventually enabled them to market their coffee themselves. We purchased the coffee directly from the cooperatives and paid them a higher, fair price. This marked the start of fair organic coffee imports to Austria: our Orgánico.

In order to ensure appropriate social standards, it became necessary to establish an independent system that guarantees fair payment to those doing the work: the TransFair association was founded in Austria in 1993. Its goal was to award a quality label for Fair Trade products to distinguish them from conventional goods.

As TransFair's first licence partner, we began selling the first certified coffee in Austria in 1993. The coffee brands carrying certification from that time continue to be part of our product range: Pueblo, Nica, Jambo and Orgánico.

30 YEARS OF COOPERATION

From TransFair, FAIRTRADE Austria finally evolved, as one among many national FAIRTRADE organisations. Our current range of products already includes around 140 FAIRTRADE-certified food articles. In addition, we offer FAIRTRADE-certified cotton under our Anukoo fair fashion label, as well as balls that also carry the FAIRTRADE label.

Our anniversary year started in April, with a FAIRTRADE poster campaign in which our Orgánico Espresso coffee took centre stage. To celebrate FAIRTRADE's 30th anniversary, we invited Josinta Kabugho from the Ugandan BOCU coffee cooperative to come to Austria. BOCU's coffee is used for our Coffee for Future that helps to fund climate protection projects in Uganda and other countries.





BACK TO THE ROOTS OF FAIR TRADE

In the context of the 30th anniversary of FAIRTRADE Austria, the ORF Austrian Broadcasting Corporation planned a documentary on the origin and future of Fair Trade. As the first FAIRTRADE licensee, it has been an honour for us to be part of the documentary. We decided to undertake a journey to Guatemala, the country that marks the start of our coffee-importing history. We travelled to the CIASFA cooperative seated in La Unión in the Zacapa region. Our cooperation with CIASFA began as early as in 1987, when EZA's coffee importers visited Guatemala for the first time in order to bring Guatemalan coffee to Austria.

At that time, coffee growing was unusual in the region since the conditions were better in the western part of Guatemala. Our team learned that there were coffee farmers in the east who wanted to organise themselves. At first, they were growing

coffee for their own use but later they started to sell it as well. The cooperative was established to market the coffee jointly and thus achieve better prices. The introduction of organic and FAIRTRADE certification brought further empowerment to the cooperative. Today, CIASFA exports two containers of coffee to EZA per year. In the course of our cooperation over more than 30 years, we have become close friends. The situation of the local people has seen great improvements: they have been able to enhance the infrastructure, to pay for their children's education and to professionalise their farming methods.

WHAT A DIFFERENCE FAIRTRADE MAKES

The Weltspiegel documentary aired late in September on the ORF2 programme illustrates the

30-year history of FAIRTRADE and the difference it has made to the situation of producers. The focus was on the question as to whether, and in what way, people's life can improve if they join the Fair Trade movement. Our journey to Guatemala was guided by Franz Denk, our long-standing coffee purchaser who played a key role in CIASFA's development into an organic FAIRTRADE cooperative. As Franz sees it, Fair Trade will still have a long way to go before it will no longer be necessary to distinguish between conventional and fair trade. However, that's no reason for us to lose hope but, rather, an additional motivation for continuing our commitment to a better world. The example of CIASFA illustrates that Fair Trade not only enables honest cooperation on a level playing field but can also sometimes be the beginning of a friendship for life.

HUGE STEPS TOWARDS SUSTAINABILITY

Fair Trade and sustainability go hand in hand, as Fair Trade would not be possible without sustainable approaches. For this reason, we are aiming to take effective steps towards sustainability in all relevant areas.

20 years ago, our headquarters in Köstendorf was erected using natural building materials, as a low-energy house with an ecological heating system. In 2019 we installed a photovoltaic system on the building, with support through a citizen participation project, and have since then been able to save an annual 17 tons of CO₂.

However, our CO₂ footprint is primarily caused by logistics. As the majority of our products come from the global South and have to be transported over long distances, the largest CO₂ emissions result from this area. In order to nevertheless enable savings, we initiated a number of measures in our storeroom. In the past year, the entire lighting was changed to energy-saving LED lights. In addition, we replaced the packaging film around transport pallets with a thinner type of film that is equally robust, in order to reduce our use of plastic.

CARDBOARD RECYCLING: AN EFFICIENT STEP

Cardboard is a perfect sturdy transport packaging and also a material made from renewable resources that can be recycled. As online shopping has grown in importance and online orders continue to increase, we decided to reuse the cardboard boxes we receive from our suppliers. The boxes bear lettering in Thai or Nepalese, they are printed with the logos of our partner organisations and it is obvious that they are not new. To ensure transparency, each box gets a label that indicates its prior use. This is a step towards avoiding waste in the area of transport packaging. And we have

already gathered ideas for the future: cardboard boxes with cracks, or which are no longer stable enough for transport, can be used as filling material for other packaging. In the upcoming business year we intend to buy a machine for shredding the cardboard to obtain sustainable fabric. This filler material can then be disposed of in the wastepaper container, together with the packaging.

LESS PAPER USED IN OUR OFFICES

Over the past few years, we embarked on a paper-saving initiative in order to raise our awareness of printing routines at our offices. In addition, all printers were by default set to black-and-white and double-sided printing to save resources. An analysis of our paper use in the past three years has revealed a remarkable reduction of approximately 53 %. This results not just from the care and diligence on the part of our committed colleagues but also from reducing the number of paper mailings in favour of digital communication.

A TEAM FOR GREAT PROJECTS

We would like to stick to this positive course in future as well, and have therefore established an internal sustainability team. The team members endeavour to find further ways of realising savings in resources. In the next few years, the topic of sustainability will be a key concern in our company, and we intend to enable the measurement of emissions generated. Only by consistently reducing the use of resources and paying attention to environmentally friendly approaches can we maintain our high standards and meet the climate goals we have set.



ANNUAL STATEMENT BY 30 JUNE 2023

Figures are in thousands of euro	2021/22	2022/23	Change
Intangible assets	426	393	-7.9 %
Tangible assets	1 480	1 296	-12.5 %
Financial assets	0	0	0.0 %
Fixed assets	1 907	1 688	-11.4 %
Inventories	8 609	7 351	-14.6 %
Accounts receivable and other assets	1 297	1 216	-6.3 %
Cash on hand and cash in banks	71	69	-4.1 %
Current assets	9 978	8 636	-13.5 %
Accruals	42	39	-7.6 %
Deferred tax assets	87	57	-33.8 %
Assets	12 013	10 420	-13.3 %
Capital stock	1 848	1 686	-8.7 %
Investment allowances	43	37	-14.0 %
Accrued liabilities	840	660	-21.4 %
Due to banks	1 646	1 644	-0.1 %
Trade accounts payable	1 993	1 163	-41.6 %
Other liabilities	5 644	5 229	-7.3 %
Liabilities	12 013	10 420	-13.3 %

EZA's business year covers the period from 1 July 2022 to 30 June 2023.

ASSETS

Fixed assets did not see any significant changes. By 1 January 2023, a new high-precision working time registration system that meets the specific requirements of a flexible trading company was implemented.

Inventories decreased by EUR 1 258 000, with the main part of EUR 741 000 accounted for by green coffee inventories and EUR 147 000 by chocolate.

In summer 2023, the international stock exchange prices of green coffee were at a record high, which led to disproportionately high expenditure on green coffee purchases.

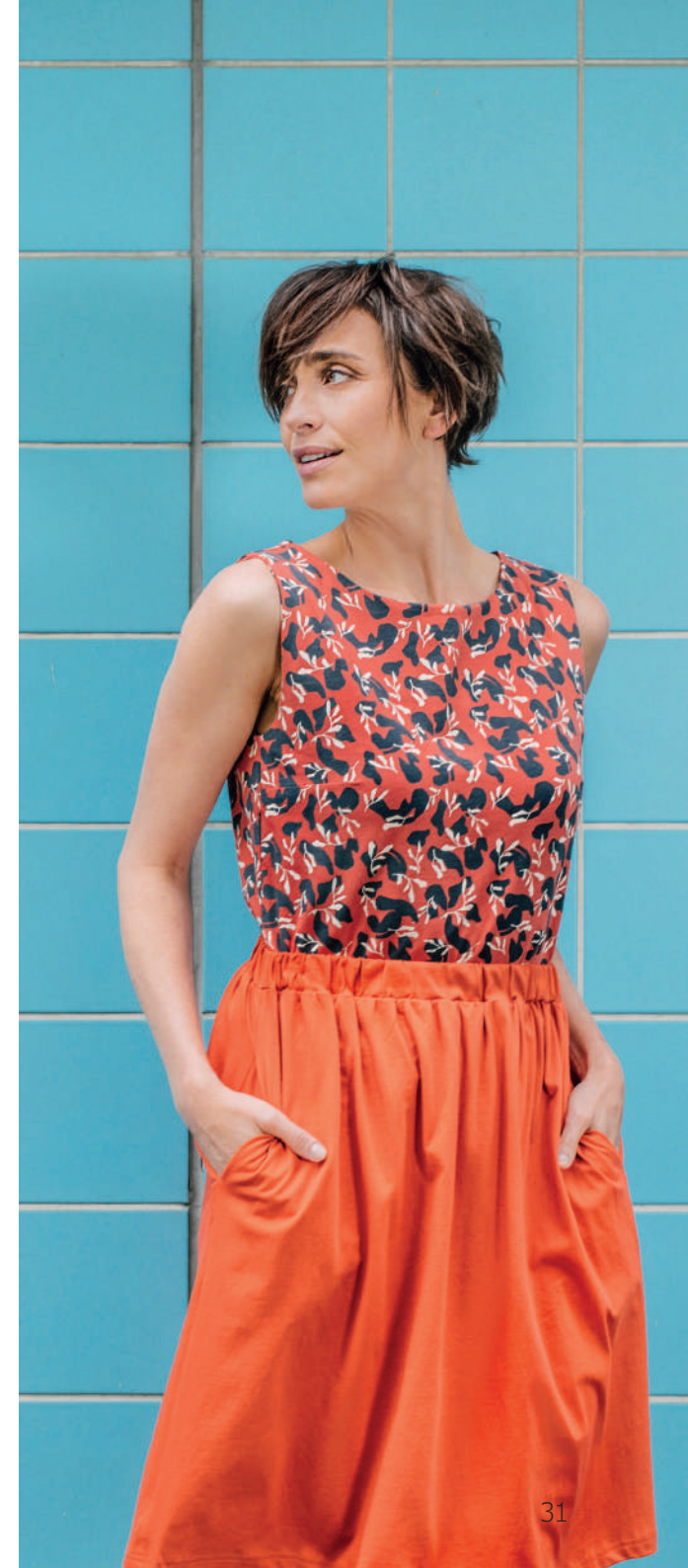
The effects of the war in Ukraine and the resulting economic impact in Austria are also reflected in our sales volumes. In response, we have planned to reduce our coffee orders in the business year 2023/24, which will have positive effects on inventories purchased by advance financing and on the current liquidity situation (for further information see page 16).

LIABILITIES

The share capital amounts to EUR 638 000, and the capital stock-to-assets ratio is 16.2 %.

The change in accrued liabilities is mainly due to the use of provisions for dismissal payments, as well as the reclassification of dismissal payment claims of staff members leaving EZA in the business year 2023/24. In addition, provisions for holidays and for anniversary bonuses have decreased.

The change in Other liabilities is mainly due to the reduction in small loans.



INCOME STATEMENT

Figures are in thousands of euro	2021/22	2020/21	Change
Merchandise sales	17 154.9	16 958.7	-1.1 %
Sales deductions and cash discounts	-847.7	-763.0	-10.0 %
Other operating income	327.4	267.3	-18.4 %
Net sales	16 634.6	16 463.0	-1.0 %
Sales input	-10 920.2	-10 885.5	-0.3 %
Gross yield	5 714.4	5 577.5	-2.4 %
Personnel expenses	-3 444.6	-3 229.1	-6.3 %
Tax writeoff	-290.4	-286.3	-1.4 %
Other operating expenses	-1 903.8	-2 025.9	6.4 %
Expenses total	-5 638.8	-5 541.3	-1.7 %
Operating result	75.6	36.2	-52.0 %
Interest expenses/income	-106.2	-166.7	57.0 %
Result	-30.6	-130.4	326.1 %
Corporate income tax	-1.8	-1.8	0.0 %
Deferred tax	-20.0	-29.3	46.3 %
Annual result	-52.4	-161.5	-208.3 %

EZA's business year covers the period from 1 July 2022 to 30 June 2023.

Merchandise sales remained slightly below the level of the prior year and are in line with our forecast.

By taking measures at an early stage to respond to the economic situation in Austria, it was possible to reduce personnel expenses by 6.3 % without risking any decline in performance quality.

‘Other operating expenses’ comprise various items including transport expenses, rental, leasing and license expenses, maintenance and repair, operating costs, legal and consulting expenses, as well as advertising and commissions expenses.

Economisation was achieved through specific measures in the areas of process optimisation, redimensioning of projects, product range optimisation, as well as a higher turnover of inventories. However, one-off effects have also been felt, for instance, electricity backbilling to the amount of EUR 75 000. Due to significant costs, our agreement with Oekostrom was renegotiated, and we found a good solution for our future energy provision.

In addition, legal and consulting expenses saw an increase. The higher interest payments result from the gradual increase in interest rates as well as a short-term bridge loan in the business year 2022/2023.



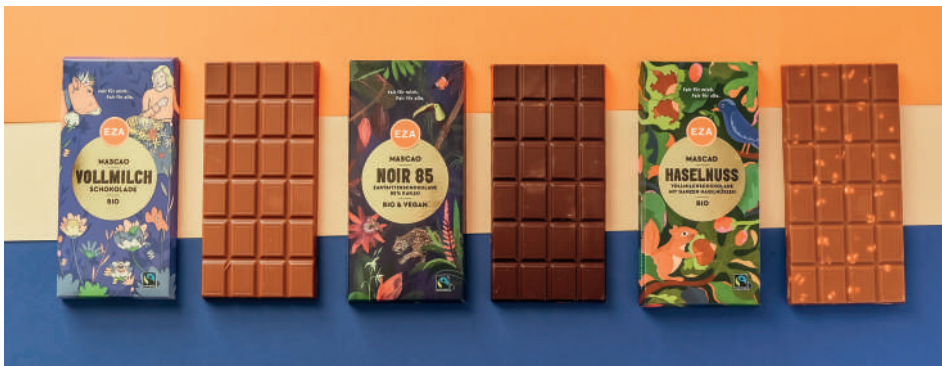
IN BRIEF



February 2023 saw the first-time launch of the Fairbruary campaign run by FAIRTRADE Austria, which, similar to the Veganuary and Movember initiatives, is aimed at raising awareness of a certain topic. In cooperation with the Austrian worldshops, we took an active part in the campaign and, during one month, specifically promoted fair consumption.



In early July 2023, the consumer dialogues on fashion took place in Hallein in the province of Salzburg. The event, which was organised by the Común common-good foundation, specifically focused on sustainable, fair fashion. Our fair fashion purchaser Eva Seiwald sat on the panel to discuss the topic of international supply chains with fashion experts and designers.



A new look for our Mascao chocolates: last year, we were busy working with the d.signwerk creative agency to develop a new design for our most exclusive chocolate line, which will start to appear on the shelves over the next few months.



Since 2022 we have been a partner of the Wir leben nachhaltig sustainability platform, where a great variety of tips and information on sustainability are being made available. In December 2022 we were partner of the month on the platform, with an interview and a prize game.



**Fair für mich.
Fair für alle.**

