

ASKINOSIE CHOCOLATE COCOA BEAN PURCHASE HISTORY 2006-2017

ORIGIN	CONTRACT YEAR	ADVANCE PAYMENTS TO FARMERS WITH 0% INTEREST	BEAN COST PER METRIC TON	PROFIT SHARE PER METRIC TON ¹⁾	TOTAL PAID DIRECT TO FARMERS PER METRIC TON	COMPARABLE FARM GATE PRICE ^{2,3)}	TOTAL PAID TO FARMERS ABOVE COMPARABLE FARM GATE PRICE	TOTAL US DOLLARS FARMERS RECEIVED	SHAWN'S TRAVELS TO ORIGIN	TOTAL PAID TO FARMERS ABOVE WORLD MARKET PRICE ⁸⁾	TOTAL PAID TO FARMERS ABOVE FAIR TRADE PRICE ⁹⁾
ECUADOR	2006	NO	\$2,300.00	\$319.37	\$2,619.37	\$2,204.59 ⁵⁾	18.81%	\$15,716.20	OCTOBER 2005, JANUARY 2006, MAY 2006	67.53%	52.86%
	2008	NO	\$3,200.00	\$188.30	\$3,388.30	\$2,116.40 ⁵⁾	60.10%	\$23,613.04	DECEMBER 2007	28.83%	21.88%
	2010	NO	\$3,542.86	\$166.10	\$3,708.96	\$2,855.38 ⁵⁾	29.89%	\$14,144.00	APRIL 2010	19.91%	14.36%
	2011	NO	\$3,500.00	\$166.10	\$3,666.10	\$2,855.38 ⁵⁾	28.39%	\$25,830.00	APRIL 2010	12.34%	7.40%
	2012	NO	\$2,960.00	\$532.00	\$3,492.00	\$2,645.50 ⁵⁾	32.00%	\$24,444.00	APRIL 2012	52.35%	40.13%
	2013	NO	\$3,100.00	\$458.47	\$3,558.47	\$2,314.81 ⁵⁾	53.73%	\$28,467.77	AUGUST 2013	32.80%	23.58%
	2014	YES	\$4,065.41	\$285.02	\$4,350.43	\$2,755.73 ⁵⁾	57.87%	\$31,627.61	SEPTEMBER 2014	26.91%	22.32%
	2015	YES	\$4,222.22	\$500.00	\$4,722.22	\$3,086.42 ⁵⁾	53.00%	\$33,055.55	SEPTEMBER 2015	49.64%	40.72%
2016	YES	\$4,290.00	\$200.00	\$4,490.00	\$3,080.00 ⁵⁾	45.78%	\$53,880.00	SEPTEMBER 2016	51.28%	41.73%	
2017	YES	\$4,290.00	\$0.00 ¹⁾	\$4,290.00	\$1,973.00 ⁵⁾	117.44%	\$47,190.00	JUNE 2017	114.45%	94.96%	
TOTAL								\$297,968.17			
AMAZONIA (ZAMORA)	2016	NO	\$3,958.94	\$0.00 ¹⁾	\$3,958.94	\$3,080.00 ⁴⁾	28.54%	\$5,400.00	SEPTEMBER 2016	35.18%	26.54%
	2017	NO	\$3,960.00	\$0.00 ¹⁾	\$3,960.00	\$2,000.00 ⁴⁾	98.00%	\$8,632.80	JUNE 2017	93.28%	76.09%
TOTAL								\$14,032.80			
PHILIPPINES	2008	YES	\$3,150.00	\$436.94	\$3,586.94	\$1,775.92 ⁴⁾	101.98%	\$25,108.59	AUGUST 2008	30.99%	24.19%
	2010	YES	\$3,150.00	\$388.74	\$3,538.74	\$2,183.29 ⁴⁾	62.08%	\$35,387.41		16.99%	11.46%
	2011	YES	\$3,250.00	\$382.83	\$3,632.83	\$2,208.18 ⁴⁾	64.52%	\$43,594.00	APRIL 2011	24.05%	16.12%
	2012	YES	\$2,900.00	\$390.67	\$3,290.67	\$2,676.30 ⁴⁾	22.96%	\$39,488.00	SEPTEMBER 2012	37.91%	27.24%
	2013	YES	\$2,750.00	\$0.00 ²⁾	\$2,750.00	\$2,714.88 ⁴⁾	1.29%	\$33,000.00	NOVEMBER 2013	7.99%	0.12%
	2015	YES	\$3,500.00	\$245.57	\$3,745.57	\$2,918.11 ⁴⁾	28.36%	\$37,455.69	JANUARY 2015	24.44%	16.69%
	2016	YES	\$3,500.00	\$395.59	\$3,895.59	\$2,754.05 ⁴⁾	41.45%	\$50,642.69	JANUARY 2016	12.94%	6.75%
	2017	YES	\$3,500.00	\$0.00 ¹⁾	\$3,500.00	\$3,120.00 ⁴⁾	12.18%	\$45,500.00	FEBRUARY 2017	30.26%	21.24%
TOTAL								\$310,176.38			
TANZANIA	2010	YES	\$2,614.76	\$411.59	\$3,026.35	\$1,544.44 ⁷⁾	95.95%	\$19,066.00	AUGUST 2010	-7.70%	-11.74%
	2011	YES	\$3,491.97	\$323.13	\$3,815.09	\$2,173.50 ⁷⁾	75.53%	\$30,520.72	JULY 2011	26.14%	18.32%
	2012	YES	\$3,000.00	\$340.71	\$3,340.71	\$2,079.00 ⁷⁾	60.69%	\$23,385.00	JULY 2012	31.21%	21.65%
	2013	YES	\$2,750.00	\$184.32	\$2,934.32	\$1,736.00 ⁷⁾	69.03%	\$26,408.92	SEPTEMBER 2013	8.65%	1.16%
	2014	YES	\$3,007.69	\$209.61	\$3,217.30	\$2,040.00 ⁷⁾	57.71%	\$50,189.85	AUGUST 2014	0.65%	-5.28%
	2015	YES	\$3,000.00	\$423.10	\$3,423.10	\$2,295.00 ⁷⁾	49.15%	\$49,635.00	AUGUST 2015	16.85%	9.39%
	2016	YES	\$3,000.00	\$400.00	\$3,400.00	\$2,515.26 ⁷⁾	35.17%	\$49,300.00	AUGUST 2016	7.34%	0.97%
	2017	YES	\$3,000.00	\$0.00 ¹⁾	\$3,000.00	\$1,570.00 ⁷⁾	91.08%	\$43,500.00	JULY 2017	62.66%	46.74%
TOTAL								\$292,005.49			
MADAGASCAR ¹¹⁾	2016	NO	\$1,060.00	\$-	\$1,060.00			\$1,437.80		406.24%	363.78%
TOTAL								\$1,437.80			
INACTIVE ORIGINS											
HONDURAS	2010	NO	\$3,350.00	\$407.00	\$3,757.00	NA ¹²⁾		\$11,271.00	NOVEMBER 2010	NA ¹¹⁾	NA ¹²⁾
	2011	NO	\$3,350.00	\$407.00	\$3,757.00			\$26,299.00	JULY 2013		
	2013	NO	\$2,348.03	\$426.62	\$2,774.65			\$29,954.45			
	2014	NO	\$3,400.00	\$426.62	\$3,826.62			\$34,439.55	JUNE 2015		
	2015	NO	\$3,140.00	\$ 0.00 ¹⁾	\$3,140.00			\$31,400.00			
TOTAL								\$133,364.00			
MEXICO	2007	YES	\$1,750.00	\$251.80	\$2,001.80	NOT AVAILABLE		\$12,010.80	MAY 2006	21.77%	11.58%
	2008	YES	\$2,789.94	\$ 0.00 ²⁾	\$2,789.94			\$13,056.90	JULY 2007	45.40%	34.86%
	2009	YES	\$3,590.05	\$ 0.00 ²⁾	\$3,590.05			\$14,791.00	JANUARY 2008	28.85%	22.27%
TOTAL								\$39,858.70			
VENEZUELA	2006	YES	\$3,196.71	\$ 0.00 ²⁾	\$3,196.71	NA ¹⁴⁾		\$22,377.00	MAY 2006	77.56%	63.91%
TOTAL								\$22,377.00			
GRAND TOTAL								\$1,111,220.34			

FOOTNOTES

- 1 Profit share is planned in 2017/2018, which will increase this number.
- 2 No profit share distribution due to not meeting contract requirements.
- 3 Currency conversion www.x-rates.com.
- 4 Source for Philippine comparable farm gate prices - ACDI/Voca and Peter Cruz. All farm gate prices are stated at contract date.
- 5 Average of 4 Sources for Ecuador comparable farmgate prices - MAGAP, ANECACAO, CECAO, EL UNIVERSO.
- 6 Currency conversion - www.xe.com.
- 7 Source for comparable farm gate - Convoy of Hope field technician.
- 8 Source for World Market Price www.icco.org and stated at the contract date. As explained above in appendix A, farmers around the world do not actually receive the world market price or the Fair Trade price. Instead, they receive a fraction of that price otherwise known as farm gate.
- 9 2006 - 2010 Fair Trade Price is the world market price per metric ton + \$150 per metric ton. 2011 to present Fair Trade price is the world market price per metric ton + \$200 per metric ton.
- 10 Profit share per metric ton and profit shares in general have fluctuated over the past 10 years because we've adapted and improved how we calculate that number. In previous years we calculated it based on depletion of beans from that origin. If in one year we used more Davao beans and then used fewer beans the next year, that explains the decrease in profit share from the first year to the next. Currently, we calculate profit share based on the actual sales of those beans (turned into chocolate), so profit shares will also fluctuate based on sales of the origin.
- 11 This was a one time purchase of special criollo beans.
- 12 This is one farm and the employees receive fair wages. Farm gate is not applicable to the wages that employees receive.
- 13 This is one farm and the employees receive fair wages. World market price is not applicable to the wages that employees receive.
- 14 This information is not applicable due to the theft of beans detailed in chapter 4.
- 15 Source for Amazonia, Ecuador comparable farmgate prices - Monica & Walter.

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Conclusions

1. The contract price we pay plus the profit share we pay, is on average 52% greater than the average farm gate price.
2. Including the profit share we pay to farmers, every purchase we've ever made has exceeded the average farm gate price by at least 18.8%.
3. In the past 10 years we've paid farmers on average 46% above World Market Price and 36% above Fair Trade Price.
4. The profit share at each origin is essentially 10% net profit or 1% gross revenue for that year's crop.
5. At the time of writing, we have profit shared nearly \$85,000 with farmers on 26 crops of beans.
6. Since 2005, we have paid over \$1,100,000 to farmers in total (cocoa bean purchases plus profit shares).
7. We've provided financing to farmers in 64% of all bean transactions over the last 10 years by making advance payments with zero % interest charged to the farmers.