UNCOMMON CACAO SOURCE & TRADE

2017 Transparency Report

Photo: Julio Padilla, working on the farm in Tumaco, Colombia

UNCOMMON CACAO

Our mission is to create transparency, stability, and success across the cacao supply chain.

The problem is, the chocolate system is broken. Cacao is seriously undervalued. The commodity price for cacao is volatile and too low.

Chocolate makers are increasingly held accountable for the relationships they have with suppliers by consumers who want to see impact, authenticity, and transparency in the supply chain. Uncommon Cacao goes above and beyond to support our 150+ makers globally through impact reporting, pricing transparency, quality control and development, best-in-class customer service, and cacao adventures to meet producers.

Uncommon Quality

We closely manage the quality of the beans in our supply chain through rigorous evaluation and ongoing training. Farmers who produce high quality beans achieve greater business stability, as growing chocolate makers depend on these beans and farmers for their award-winning chocolate.

Farmer Prosperity

Decommoditizing cacao is vital to improving farmer livelihoods. While the commodity market treats all cacao identically, costs of production, flavor profiles, and environments vary widely across origins. Paying for the unique qualities of cacao through higher farmgate and export prices brings farmers closer to earning a living wage.



Radical Transparency

Radical transparency is our tool for opening the conversation, building trust, and driving change across the cacao supply chain. We publish our pricing from farmgate to final sale so our customers and cacao producers know how the money flows. We are committed to doing honest business as a new kind of supply chain company.

Uncommon People

Work Ethic

Planting, harvesting, fermenting and drying cacao is no joke. Our team and the farmers we source from all work exceptionally hard across many challenging environments and diverse communities to ensure our cacao tastes great and is produced responsibly.



58% Increase from 2016

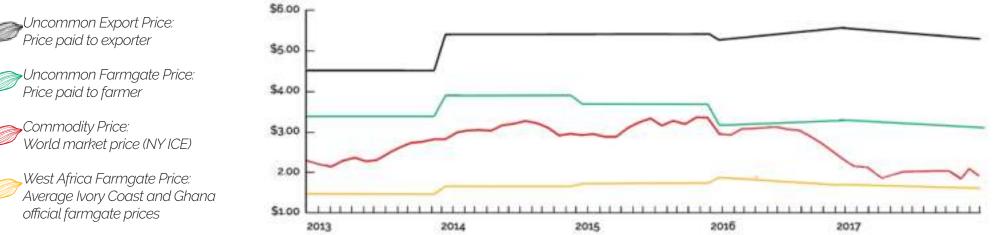


33% Increase from 2016

INDICATORS Metric	2015	2016	2017	
Origins	5			
Ongins	C	11	14	
Countries	2	5	6	
Staff	14	26	16	
Annual Farmer Revenue	\$375	\$604	\$643	
Certified Organic (ha)	209	2,676	4,040	
Total Cacao Purchased (MT)	101	139	228	

Uncommon Pricing 2017

We pay more for hard work done well.



Uncommon Origins

UNCOMMON CACAO

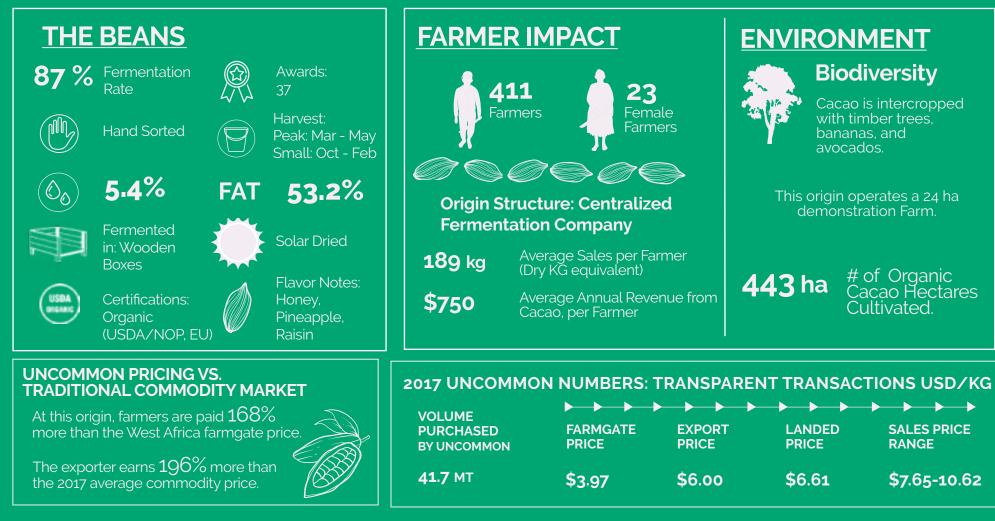
MAYA MOUNTAIN ORIGIN STORY

Maya Mountain Cacao ("MMC") is a pioneer in direct trade cacao sourcing. MMC, founded in 2010, put in the country to produce high-quality, centrallyfarming families in the Toledo District, most of them indigenous Q'egchi' and Mopan Maya. MMC centrally processes all cacao at a post-harvest facility where three unique stages of sun drying create optimal flavor. MMC operates a 24-hectare Demonstration Farm, for research and trainings in best practices for increasing cacao yield and quality; in 2016, the first pods were harvested from the demo farm, just 18 months after term and transparent partner to farmers and producing uniquely delicious and sweet cacao that creates real

A farmer reaches into a freshly harvested cacao pod.

MAYAMOUNTAIN CACAO 2017

BELIZE Region: Southern Belize



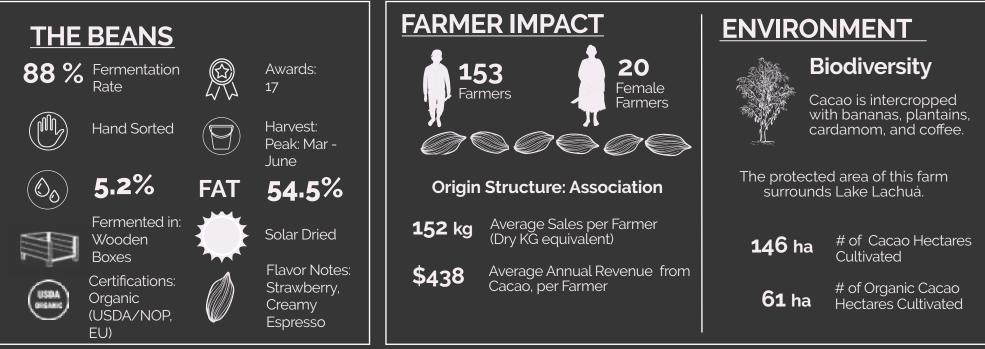
LACHUÁ ORIGIN STORY

Laguna Lachuá is a large pristine cenote lake deemed a national park in 1976 and a Ramsar site in 2006. The "Eco-region Lachuá" around the lake is home to Q'eqchi' Maya families, many of whom live off grid and rely on production of cacao, honey, cardamom, corn and other crops for their livelihoods. Cacao farmers are organized into three certified organic community associations, ASODIRP, ASOSELNOR, and K'AT'BALPOM, each with its own fermentation and drying operation. Lachuá communities have planted over 245 hectares of new cacao since 2014 and improved financial literacy in cacao production through projects supported by the International Union for the Conservation of Nature (IUCN), FUNDALACHUA, and FundaSistemas, with the shared goal of protecting the Laguna and improving their quality of life.

Doña Olga, board member of ASODIRP, on her farm. ASODIRP is one of the three associations that comprise Lachuá.

LACHUÁ 2017





UNCOMMON PRICING VS. TRADITIONAL COMMODITY	2017 UNCOMMON NUMBERS: TRANSPARENT TRANSACTIONS USD/KG						
MARKET			$\rightarrow \rightarrow \rightarrow$	\rightarrow	\rightarrow	- > - > -	→ → →
At this origin, farmers are paid 80%	VOLUME PURCHASED BY UNCOMMON 15.84 MT		FARMGATE PRICE	ASSOCIATION PRICE	LANDED PRICE	EXPORT PRICE	SALES PRICE RANGE
more than the West Africa farmgate price.		ORGANIC	\$2.90	\$4.08	\$6.38	\$5.99	\$7.60-9.80
The exporter earns 189% more than the 2017 average commodity price.		CONVENTIONAL	\$2.67	\$3.92	\$5.86	\$5.86	\$6.70-9.50

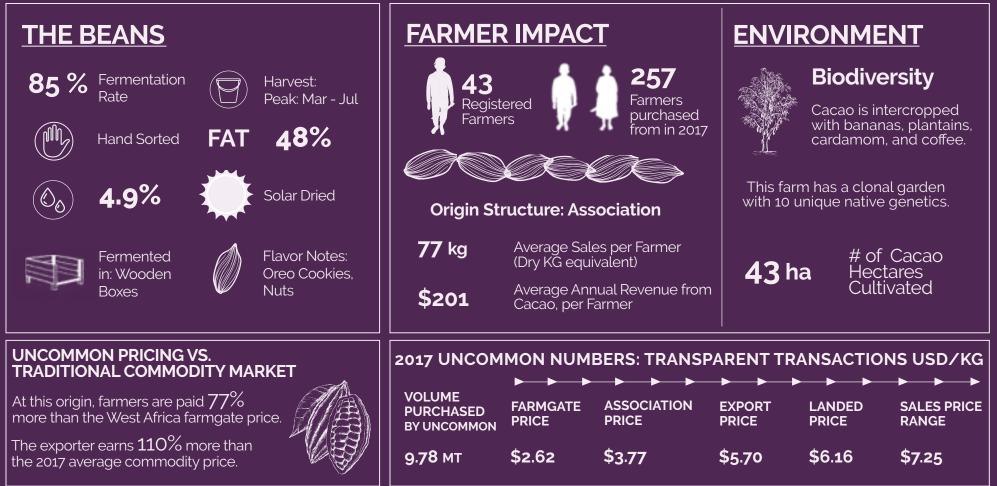
CAHABÓN ORIGIN STORY

The Association of Integrated Development Santa Maria Cahabón (ADIOESMAC), founded in 2004, cultivates and sells cacao, cardamom, cinnamon, coffee and chili peppers. Perched on a mountaintop overlooking the extensive jungled hills of the Cahabón region, the association processes cacao using wooden fermentation boxes and a combination of covered raised bamboo decks and drying patios. This group's first experience in fine cacao export was in the early 2000's with Scharffenberger; in recent times, they were the first association in the Cahabón region to export centrally fermented cacao to U.S. bean-to-bar makers, and have sold exclusively to Dandelion Chocolate through Cacao Verapaz since 2014. Dandelion calls these UF genetics "potato beans," and they are huge indeed, coming in at 46 beans per 100 grams. The association has continued to plant more cacao every year with support from the Ministry of Agriculture and various NGOs; most of the cacao planted is reforesting areas of "milpa" or corn and bean production, and children of the association members are starting to take over cacao production and processing for their parents.

This UF cacao pod creates our iconic large "potato" sized beans from ADIOESMAC

CAHABÓN 2017





CHIVITE ORIGIN STORY

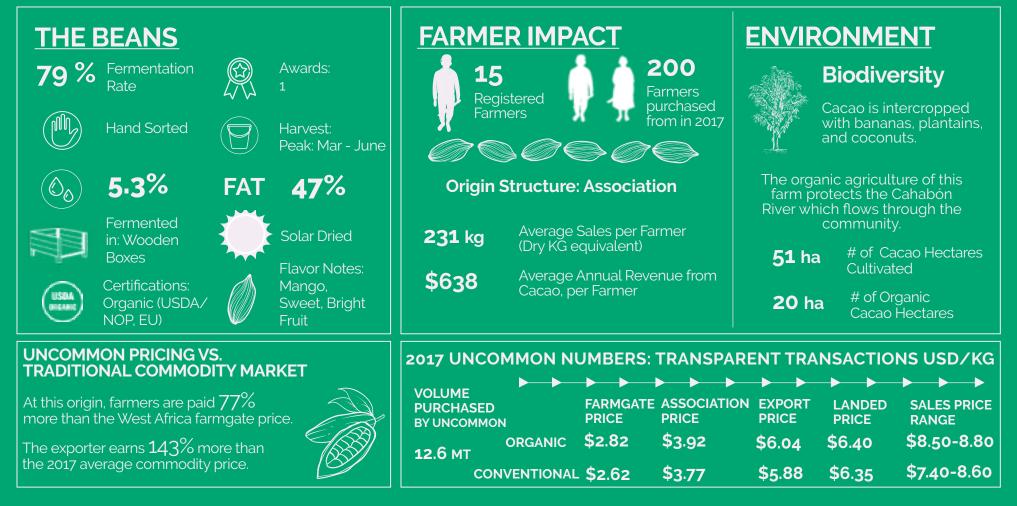
The community of San Juan Chivite is based entirely within a 180-hectare cacao farm, abandoned by its owner during the terrible Guatemalan civil war in the 1980's and handed over in 1985 to the 65 families who were former workers of the farm. In 2002, the families converted a portion of the farm that was formally coffee over to cacao, and as the community has grown from 64 to 125 families today, cacao cultivation remains the source of over 90% of the community's income. The village and farms are accessible only by swinging bridge over the wide, rushing Cahabón river; over the bridge on their backs. In 2016, chocolate maker Goodnow Farms invested a donation into ASOCHIVITE, enabling them to construct the village's first centralized fermentery and drying decks, and sparking catalytic growth and development in the region including the installation of electricity for the village in late 2016. The association earned organic certification in 2016 and in collaboration with Cacao Verapaz exported its first lots in the same year.

Farmers cross the narrow bridge into San Juan Chivite.



CHIVITE 2017



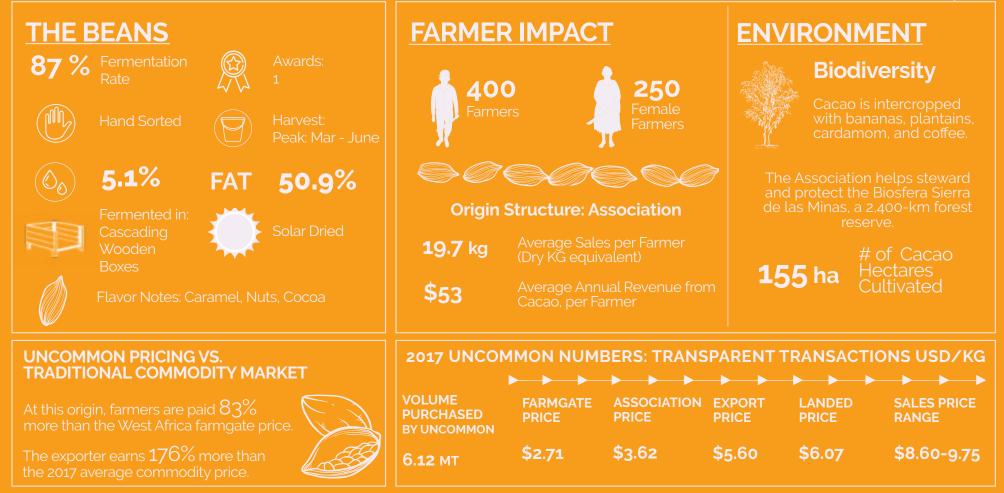


POLOCHIC ORIGIN STORY

Luis Arturo Tun, Quality Manager for Cacao Verapaz in Polochic.

POLOCHIC 2017





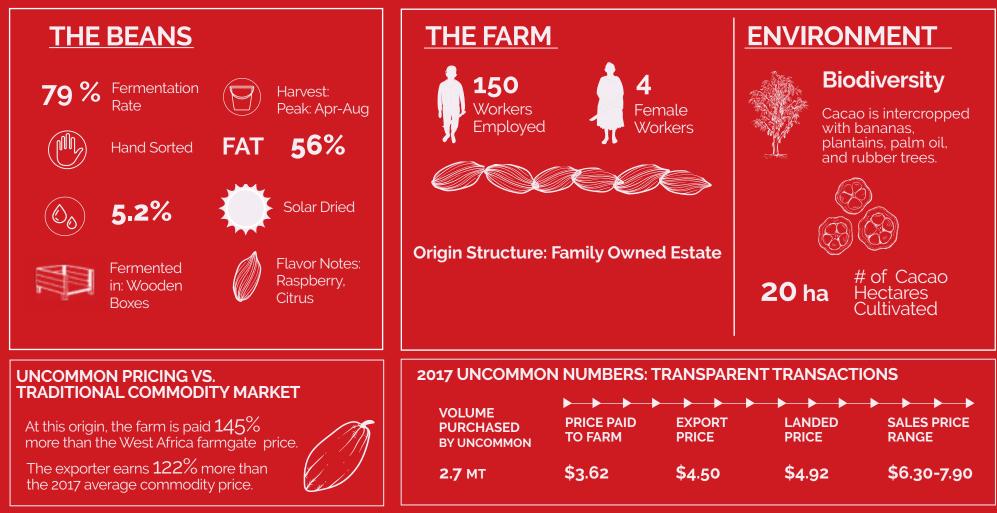
MONTE GRANDE ORIGIN STORY

Drive through the dramatic volcanic highlands of Guatemala towards the Pacific coast and land at Monte Grande, a family-owned farm near the border with Chiapas, Mexico. The farm, which includes cacao, rubber, and palm, was purchased in 1867 by the Conde family with six gold coins. This region of Guatemala, known as "Costa Sur," was historically the country's center of cacao production and genetic research, but when prices dropped in the 1970s most cacao was abandoned. Since 1984, the Conde family has been planting new varieties and propagating selected trees from the farm. Today, the cacao farm is 19 hectares and expanding with 11 hectares of seedlings grown in the farm's own nursery designed for water conservation and multi-crop propagation. Antonio Conde, 26 years old and a graduate of Earth University in Costa Rica, manages the farm on behalf of his family and seeks to replace as many of the farm's former palm and rubber plots as possible with cacao agroforestry, setting an example for other estates in the region.

Ricardo Carreto, manager of the nursery at Monte Grande.

MONTE GRANDE

GUATEMALA Region: Costa Sur

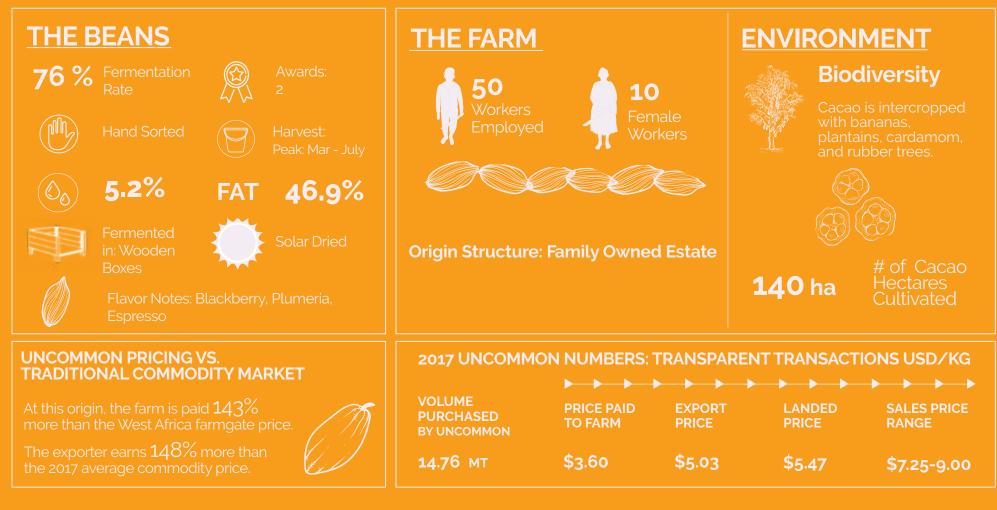


CHIMELB ORIGIN STORY

A glimpse of the stunning landcape at Finca Chimelb.

CHIMELB 2017

GUATEMALA Region: Alta Verapaz





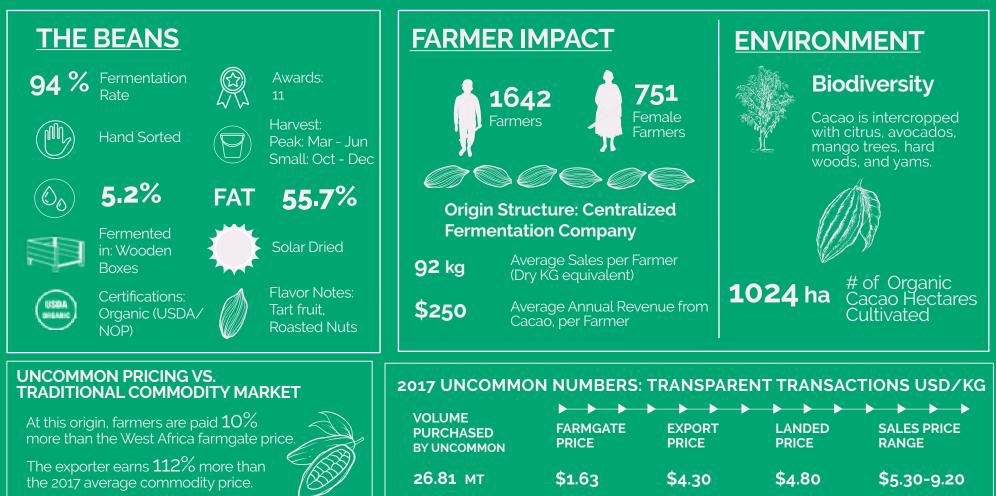
PISA ORIGIN STORY

Produits Des Iles SA (PISA) is committed to changing the way cacao is processed and exported from Haiti. Historically, large export companies have purchased dried, unfermented, low quality cacao from smallholder farmers at prices below the commodity market. PISA's launch in 2014 of their centralized processing facility represented a revolutionary change in Haiti's cacao production system. Now, PISA is the only company purchasing and centrally fermenting wet cacao, and as a result are able to sell it at a higher price for its higher quality. Farmers now earn approximately four-times as much money as they did before PISA, and are simultaneously incentivized to protect their trees from the environmentally degrading charcoal market.

Nocelyn Preval, aka "Chiquito", has worked with PISA since the company was founded. Here he is pictured with the PISA drying decks in their centralized fermentation facility.



HAITI Region: Cap Haïtien



ÖKO-CARIBE ORIGIN STORY

Nestled in the heart of the cacao rich Duarte province in the Dominican Republic, Öko-Caribe (or "eco-Caribe," more than 50 years of combined experience in cacao, Acebey Torrejon have fine-tuned their systems to ensure consistent, superior quality in their 500+ tons of annual production. Öko Caribe maintains close relationships with its 165 farmers through technical training, in agronomic practices and organic certification. In addition, owners Adriano and Gualberto have personal relationships with all farmers, offering microfinance loans for cacaorelated expenses, as well as personal loans for family emergencies or other community needs. The loyalty between Öko Caribe and the farmers they work with is not only evidenced in daily interactions between staff, management and farmers, but also in their best-in-class, award winning final product.

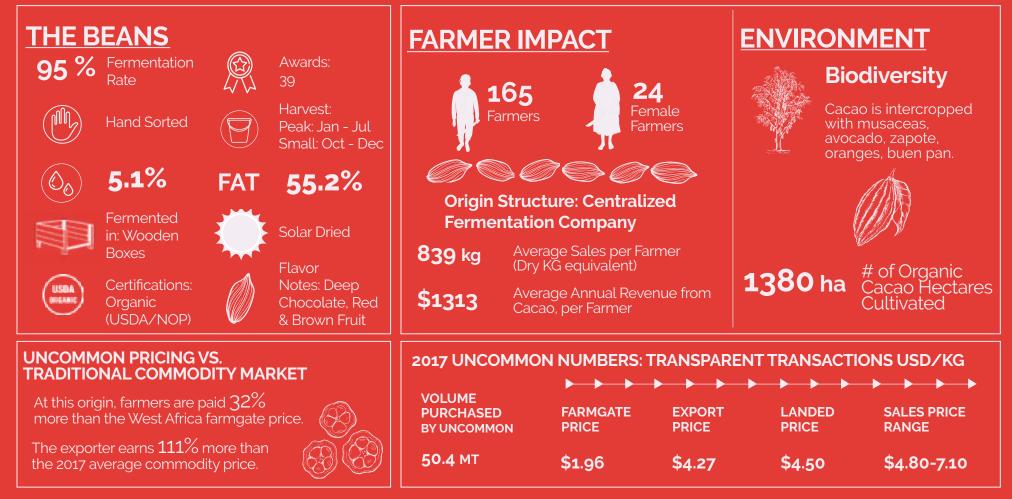
Gualberto Acebey Torrejon and Adriano de Jesus Rodriguez, the owners of Okö Caribe.



ÖKO-CARIBE

DOMINICAN REPUBLIC

Region: Duarte Province



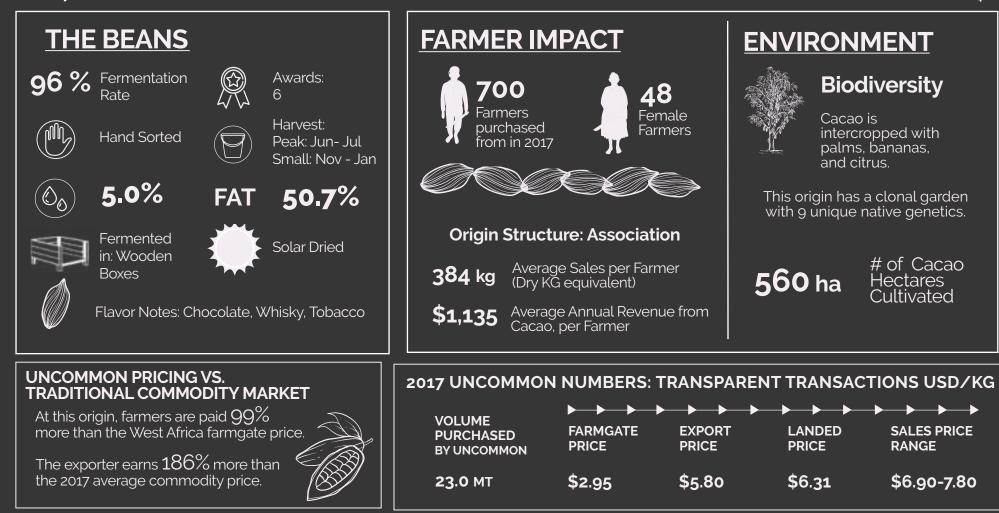
TUMACO ORIGIN STORY

On the southern pacific coast of Colombia, Tumaco is a region that has been hard hit by historic political conflict and plagued by narcotrafficking. The predominantly Afro-Colombian population has faced a great deal of prejudice and sustainable local development has been hijacked by extensive penetration of paramilitary and narco groups. When Cacao de Colombia first explored the region back in 2011, they found cacao everywhere; drying on any flat surface farmers could find, including the road. The sheer volume of cacao was overwhelming, and the opportunity for quality and systemic improvement was obvious. Cácao de Colombia has worked with three community cooperatives to introduce centralized processing and drying. Because of the introduction of centralized processing and Cacao de Colombia's expertise in high-quality flavor development, farmers today earn 70% more income from cacao today than they did when selling dried beans to the commodity market supply chain, and have a true sustainable alternative to coca production or involvement in the narco groups.

Julio Pineda, member of Corpoteva cooperative in Tumaco (Corpoteva is one of the three cooperatives that comprise Tumaco)

TUMACO 2017

COLOMBIA Region: Tumaco





SIERRA NEVADA ORIGIN STORY

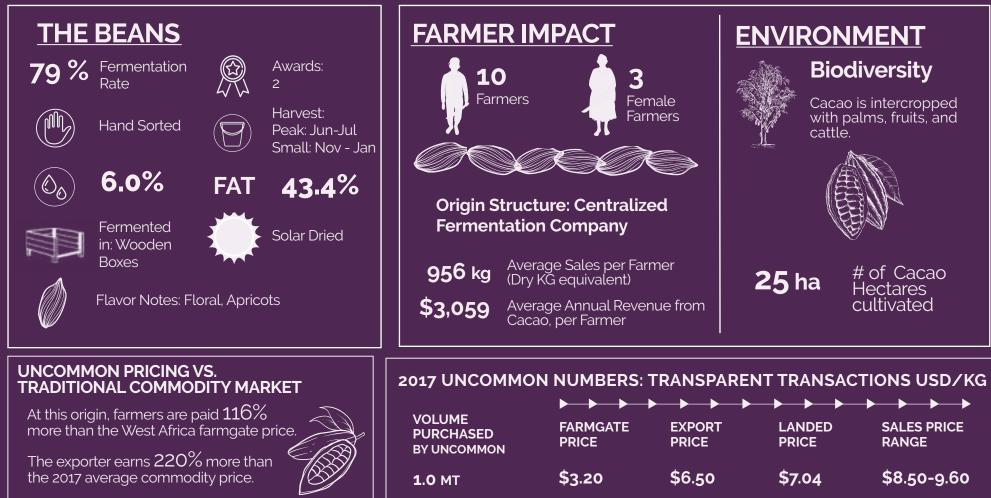
The Sierra Nevada is a majestic mountain range in the northern part of Colombia, bordering the stunning beaches of the Caribbean coast and reaching up to 18,700 ft in altitude. Cacao de Colombia recently installed a state-of-the-art fermentation and drying center in the lower-altitude community of Macondo, where they primarily source cacao from approximately 10 farming families in the department of Magdalena. Farmers' degree of technical expertise stands out as outstanding: farmers are even running their own pollination trials to improve quality and yields, which are currently around 700 Kg/hectare in the region. Cacao de Colombia has been providing technical assistance and a stable market to farmers in the Sierra Nevada for the last 6 years, and the results are clear in both the quality of the cacao and the impact on farmers. Farmers are reporting a 72% higher annual income than before this new market existed, and Cacao Hunters' Sierra Nevada 64% bar with this cacao won the gold award for best chocolate in the world in 2016.

José Gregorio Gómez, regional manager for Cacao de Colombia in the Sierra Nevada, tests humidity level of drying cacao beans at the Macondo fermentation center.

SIERRA NEVADA 2017

COLOMBIA Region: Sierra Nevada





ARHUACOS ORIGIN STORY

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Francisco Villafania, manager of the Arhuacos fermentation facility in Sierra Nevada, with José Gregorio from Cacao de Colombia.

ARHUACOS 2017

COLOMBIA Region: Sierra Nevada

