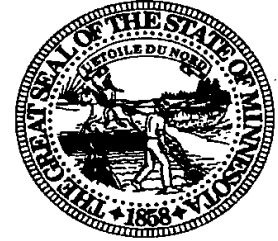


84-445



Office of the Minnesota Secretary of State
Minnesota Public Benefit Corporation / Annual Benefit Report
Minnesota Statutes, Chapter 304A

Read the instructions before completing this form
Must be filed by March 31
Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) Peace Coffee

2. The public benefit corporation's board of directors has reviewed and approved this report.

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

See attached

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

[Signature]
Signature of Public Benefit Corporation's Chief Executive Officer

3/27/17

Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

anne@peacecoffee.com

[X] Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

Anne Costello 612-870-3410
Contact Name Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?
Yes [] No [X]



Peace Coffee SBC 2016 Annual Report

Peace Coffee was founded on the conviction that it is possible to pay coffee farmers a fair price, support the communities where we do business, and run a thriving business. 2016 marked Peace Coffee's twentieth year in business, and this conviction continues to drive our work as strongly as the day we started.

Every bean of coffee that Peace Coffee purchases is organic, fairly traded, and produced by small farmer cooperatives. More than half the world's coffee is grown by farmers who tend small plots of land, and by joining forces to form cooperatives, farmers can make their own business decisions about each step of this complex product. Cooperatives offer powerful economies of scale for otherwise marginalized producers.

In 2016, Peace Coffee purchased a total of 834,995 pounds of coffee from a total of 12 countries and over 20 small farmer cooperatives. We paid over \$410,000 in fairtrade and organic premiums directly to our cooperative partners. These premiums are used for various projects chosen by the cooperative members. Premiums can help to provide health clinics, schools, and organic agronomy assistance along with quality improvement measures.

In addition to the organic and fair trade premiums, Peace Coffee contributed over \$27,000 into the Coffee Farmers Resilience Fund. This fund helped to support eleven coffee cooperatives in finding sustainable solutions to climate change. By helping farmers find ways to deepen organic and climate resilient farming practices, we hope to help make coffee more sustainable today and into the future.

Additionally in 2016, we purchased our first container of coffee from the Apecaform cooperative in Guatemala, which shipped directly to our roastery door, bypassing other stops along the way. This container is significant to us not only because it came from our longest standing trading partner, but it is also our first whole container purchase since the first shipment from Mexico that got us started in 1996. That initial similar-sized purchase took over 9 months to sell. Fast forward 20 years, and 40,000 pounds represents a small fraction of what we purchase.

In 2016, Peace Coffee staff members visited Ethiopia, the Democratic Republic of Congo, and Peru to have face to face conversations with our partners. From building an understanding of quality potential in the Democratic Republic of Congo to leading a barista training for cooperative staff in Peru, we work to build equitable, transparent, and responsive relationships. We engage throughout our supply chain to understand the realities of our farmer partners and how we can best work together.

2016 was an exciting year for Peace Coffee, and we continued on our mission to make exceptional-tasting, organic fair-trade coffee that sustains the livelihoods of the people who grow, roast, and sell it; preserves and protects the environment that produces it; and delights the taste buds of those who drink it. In 2017 and beyond, we look forward to continuing to help support the communities where we do business around the globe!



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OFFICE OF THE SECRETARY OF STATE
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Steve Simon

Steve Simon
Secretary of State