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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) Vetiver Solutions SBC
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.

Jesse Abelson

Signature of Public Benefit Corporation's Chief Executive Officer

03/09/21

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:

info@vetiversolutions.org

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:

Jesse Abelson

(952) 201-4288

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

Annual Benefit Report
of
Vetiver Solutions
A Minnesota Specific Public Benefit Corporation



March 2021

History

Vetiver Solutions began in Minnesota in 2016 and is composed of a team of passionate individuals with a vision of a better world. Our company began through a University project in a Grand Challenge Course offered at the University of Minnesota. In March 2017, Vetiver Solutions was awarded its first funding through the University of Minnesota to implement its pilot project— a business that turned vetiver grass into a cash crop, while simultaneously improving farm fields and roads in rural Haiti and also providing Haitian farmers with a new source of income. This support from the Acara Institute and later the Institute on the Environment allowed the team to make two more trips to Moreau, Haiti for research and development of vetiver fiber products.

In spring of 2018, Vetiver Solutions participated in the Schulze Entrepreneurship Challenge, winning the Social Impact prize and Fourth Place overall and \$25,000 in cash prizes. This incredible award allowed Vetiver Solutions to officially launch as a public benefit corporation in Minnesota.

During one of our trips to the village in January 2019, our partners proposed another way to grow our business and support their sustainable farming efforts — bee products. The Farmer's Association in Moreau is a cooperative group that works together to provide for the community and innovate solutions for the environmental and economic challenges they face. The head of the Farmer's Association, Citadel, started raising bee populations to supplement his income and improve the health of his crops. He has partnered with us to sell the honey and beeswax from his hives in the U.S. to invest in his farming efforts and increase income for the Farmer's Association.

In 2020, we expanded our partnership with beekeepers in Moreau by purchasing our first large order of honey and beeswax (over a hundred pounds of total raw material) and shipped it from Haiti to Minnesota. This involved purchasing these natural products from new farmers in the community, working with a logistics company in Port-au-Prince, and growing our Minnesota-side operations to support more production of final goods. We continue to expand and evolve to meet the needs of the community in rural Haiti. We incorporate vetiver, honey, and beeswax into many different types of products, continually investing in sustainable farming that improves soil health and reduces the effects of deforestation.

Specific Benefits

Vetiver Solutions was incorporated on June 5th, 2019 as a Specific Benefit Corporation with a Specific Public Benefit under Minnesota's Public Benefit Corporation Act (the "Act"). Pursuant to Section 304A.101 of the Act, Vetiver Solutions' public benefit purpose as stated in its Articles of Incorporation is:

- Promoting sustainable agricultural practices in Haitian communities through the sales of Haitian-based products;
- Decreasing poverty and malnutrition through community projects and local partnerships;
- Partnering with local organizations to promote self-sustainability; and
- Raising awareness of the beauty of Haiti within local Minnesota communities

With regard to the period covered by this report, January 1, 2020 to December 31, 2020, Vetiver Solutions pursued the specific public benefit purpose stated in its articles of incorporation in the following ways:

1) Decreasing poverty and malnutrition

We strive to alleviate poverty and malnutrition by creating reliable income opportunities for the farmers we work with and by being intentional about how we spend our business expenses. In 2020, we spent \$2,942 in Haiti. That equates to approximately 40% of our total expenses. Of the funds we spent in Haiti, 100% of these funds went directly to individuals in Moreau, helping decrease the poverty rate in Moreau. We offer our partner farmers a fair and competitive price for the honey and beeswax, which are significantly above Fair-Trade standards.

2) Sustainable business partnerships

We have formed several sustainable partnerships, both in Haiti and in Minnesota. Through MIJABA, our partners in Haiti, we successfully funded the installation of tile flooring in a local community center. This flooring provides the community with a resilient space for gathering that is not at risk of flooding, which is especially important during hurricane season in Haiti. The entirety of these funds were donated to MIJABA from Vetiver Solutions from our community development fund.

In addition, we have formed a partnership with SPAM FC Scholarship Foundation, a Minnesotan organization that has supported soccer teams in Moreau with funds to rent a soccer field as well as many in-kind donations of soccer gear. Through SPAM FC Scholarship Foundation, we connected with the Minnesota Youth Soccer Association as well as the local youth soccer club, Park Valley United, who combined to donate 150 soccer balls and over 100 brand new soccer jerseys to the local soccer teams in Moreau which were originally planned to be delivered in 2020. Unfortunately, due to COVID-19, we were unable to deliver the donations and plan to deliver them in 2021. Investing in local sports options keeps rural youth in their communities and keeps children in school - they cannot play on the team if they are not in school.

3) Sales of Haitian-based products

In September 2020, we launched our online store, selling our products nationwide. Between January 1st, 2020 and December 31st, 2020, we sold over \$3,700 in Haitian based products. This includes over 3 gallons of Haitian honey and over four pounds of Haitian beeswax. Combined, we spent \$1,500 on raw materials, purchasing straight from the farmers of Moreau. Supporting bee-based products in Haiti is incredibly important as bees play a vital role in the farming ecosystem. Between all the farmers, we estimate that we are supporting over 50 hives. We have over 30 pounds of beeswax and 15 gallons of honey remaining from our purchases from farmers in 2020.

4) Raising awareness

Through our online presence, we have been able to engage over 16,310 unique users. Through our 68 different Facebook posts, we engaged 37,683 users, while our 59 Instagram posts reached 6,686 users. Additionally, we received 1,941 unique visitors to our website from 75 different countries in 2020. Through our posts on Facebook and Instagram, we were able to show the natural beauty of Haiti, highlight famous Haitian artists, and raise awareness of the history of Haiti.

Ongoing Challenges

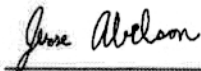
Due to the outbreak of COVID-19, we had to cancel a March 2020 trip to Haiti and have not determined it is safe for our US staff or Haitian partners to reschedule yet. This made it difficult to grow our supply chain, but helped us establish freight shipping between Haiti and the US without the presence of US staff in Port-au-Prince. As a small, but growing, business, we operated at a net loss in 2020 -- though a smaller loss than our operations in 2019 -- due to delays in our retail launch and expensive freight costs related to COVID-19 and the corresponding economic recession. We are prepared to tackle these challenges in 2021 and address new ones as they arise in the rapidly evolving business environment.

CERTIFICATION BY THE BOARD OF DIRECTORS

The undersigned, being all the directors of Vetiver Solutions, hereby acknowledge and certify that we have reviewed and approved the enclosed Annual Benefit Report.



Dalton Schutte, President



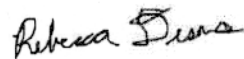
Jesse Abelson, Vice President



Leore Levinstein, Vice President



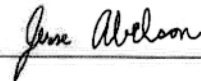
Elizabeth Alonzi, Treasurer



Rebecca Desens, Secretary

SUBMISSION

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 provided all required information 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.





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Original File Number 996937300028

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
FILED
03/18/2021 11:59 PM

Steve Simon

Steve Simon
Secretary of State