



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

3/15/22

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

Contact Name

952-201-4288

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 2022

History

Vetiver Solutions began in Minnesota in 2016 and is composed of a team of passionate individuals with a vision for a better world. Our company grew out of a semester-long project in a Grand Challenge Course offered at the University of Minnesota. After completing the Acara challenge, in March 2017, we were awarded our initial funding through the University of Minnesota to implement the Vetiver Solutions pilot project— a business that turned vetiver grass into a cash crop: improving soil quality of farm fields and roads in rural Haiti while simultaneously providing Haitian farmers with a new source of income. This support from the Acara Institute and later the Institute on the Environment (at the University of Minnesota) allowed our team to make two more trips to Moreau, Haiti for research and development of vetiver fiber products.

In spring 2018, we 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, the Moreau Farmer's Association, 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. They recently began keeping bees to supplement their income and improve the health of their crops. We decided that honey and bee products were in-line with our mission of promoting sustainable farming practices and we began purchasing small amounts of honey and beeswax from the Farmers Association in 2019.

In 2020, we expanded our partnership with beekeepers in Moreau by purchasing our first bulk order of honey and beeswax (over two-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. Additionally, the entire beekeeping operation continues to be completely community-developed and community-run.

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, 2021 to December 31, 2021, Vetiver Solutions pursued the specific public benefit purpose stated in its articles of incorporation in the following ways:

1) Sustainably decreasing poverty and malnutrition

We strive to alleviate poverty and malnutrition by creating reliable income opportunities for our Haitian partner community. We purchase all our beeswax and honey from Haitian farmers, increasing sustainable income and promoting long-term environmental sustainability. In 2021, we spent \$4,849 in Haiti, which was a 64% increase from 2020. That equates to approximately 37% 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 a local non-profit, MIJABA, we successfully funded the installation of solar panels on the local school in 2019. In 2020, we helped to fund 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. In 2021, we funded the expansion of the solar panel system on the local school, funding the purchase and installation of additional panels and four additional batteries. The entirety of these funds were donated to MIJABA from Vetiver Solutions through our community development fund. These projects are chosen by the community and our only requirement is that the project benefits the community as a whole. Beyond that requirement, the community is welcome to choose any project they feel fills the greatest need in the community and/or will provide the largest benefit for the community.

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. Since 2018, the SPAM FC Scholarship Foundation has been financially supporting the rental of a soccer field for the community in a nearby village. This year, SPAM FC Scholarship Foundation committed to supporting the field for an additional three years.

3) Sales of Haitian-based products

2021 was our first full year of sales of Haitian-based products nationwide. From January 1 to December 31, 2021, we sold over \$10,500 in Haitian-based products. This includes more than nine gallons of Haitian honey and over 25 pounds of Haitian beeswax used in personal care products. Combined, we spent \$1,600 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 more than 50 hives. We have already purchased another order from the farmers in Moreau and will ship the raw materials once conditions are safe and appropriate.

4) Raising awareness

Through our website and social media channels, we share our story, products, and educational content about Haiti with our customers and followers. In 2021, we engaged 6,063 unique web visitors who viewed our online store, blog posts, and news updates. By posting 104 Facebook posts in 2021, we reached 20,471 unique users, while our 90 Instagram posts reached 12,968 unique users. These digital platforms allow us to reach thousands of people around the world each year to share the natural beauty of Haiti, highlight sustainability initiatives, and raise awareness of the history of Haiti.

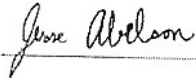
Ongoing Challenges

This year posed many challenges to our company. Due to the ongoing COVID-19 pandemic, we were unable to travel to Haiti in 2021 to work with the farmers of Moreau in person, and instead relied heavily on cellular communication to check in with our partners. Additionally, due to natural disasters and political unrest in Port-Au-Prince following the assassination of President Jovenel Moise, we have been unable to ship additional beeswax and honey to the US. We are thus limited to our existing inventory previously shipped in 2020. As a result, we have not been able to continue research and development efforts to expand our product offerings, instead conserving limited raw materials for sales. Until safety is assured in travel between Moreau and Port-Au-Prince, we cannot ask our partners to travel in order to ship the already-purchased order of honey and beeswax.

As a small business, we posted our first profitable year in 2021. While we are extremely proud of this milestone, our greatest expenses were eliminated due to the pandemic. We did not spend money on international shipping or travel, which are historically two of our highest expenses. As we continue to work in 2022, we hope to be able to ship beeswax and honey as well as expand both our sales domestically and our sustainable farming initiatives in Haiti. As a result, we continually face the challenge of ensuring fair payment to our partner farmers while remaining a profitable company.

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.



Jesse Abelson, President



Dalton Schutte, Vice President



Leeore Levinstein, Vice President



Elizabeth Alonzi, Treasurer



Rebecca Desens, Secretary



Van Hong, Board Member

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.

Jesse Abelson



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STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
FILED
03/24/2022 11:59 PM

Steve Simon

Steve Simon
Secretary of State