

# Commitments for the coming years

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# Introduction

Verstegen has been a family owned business since it was founded in 1886. We are located in Rotterdam, the Netherlands and have sales offices across Europe. In totally we have around 400 people working. We supply the highest quality herbs and spices and we take great pride in our long-standing, mutually beneficial relationship with local farmers, all around the world. We feel that it is our shared responsibility to take care of the world.

Our high quality spices and herbs are sourced all over the world and key origins are Indonesia (which is the most important), India, China, Morocco and Turkey.

There are two main sustainable issues that we would like to address:

### 1. Climate positive

We monitor our scope 1 and 2 emissions since almost 15 years and use green electricity from Dutch windmills since 2018. We have implemented a rainwater system for sanitation and thus save 500.000 L water annually. Our Verstegen trucks have the cleanest engines and we have 867 solar panels on our roofs. We compensate all of our scope 1 emissions through carbon credits and have joined recently the Leadership on Climate Transition and the SBTi. The plan is reduce our CO2 emissions in the coming years by 30 % and become net zero positive in 2050.

## 2. The farmer as an entrepreneurial partner

At the base of everything we do is the farmer. To ensure the availability of spices for coming generations all farmers need knowledge and income. We want farmers to have a financially healthy business now and in the future. In order to achieve this we work on traceability in the supply chain and improving quality and productivity. The aim is to increase bargaining power and living income. The instruments we use are:

- Blockchain:
  - Training farmers and making the value chain transparent. Reaching out to 500 nutmeg farmers.
- SpiceUp:
  - Connecting geodata and pepper farmers through an app. Goal is reducing the use of agrochemicals and increasing living income with 10 %. Introducing microfinancing is planned for 2022. Reaching out to 5000 farmers in 2023.















### Agroforestry:

- Gula Gula food forest program: CO<sub>2</sub>-compensation through Cassia and coffee agroforestry implementation in Sumatra. Sequestering 19.800 kg CO<sub>2</sub> by planting 128.000 trees on 66 hectares of land impacting 102 farmer families. The Food Forest Program aims at restoring forest ecosystems on unused or degraded land while achieving three main objectives: poverty reduction, biodiversity enhancement and carbon sequestration (Link to dashboard: Verstegen · Sponsorships explorer.land)
- Costa Rica: Project aims to source at least 1.5 tons of vanilla per year from agroforestry systems. training of farmers and promoting forest farming/ diversification is facilitated by our partners on the ground Preta Terra, Aromas de Osa and farmers cooperative OSACOOP. A model farm is installed as a proof of concept for farmers and investors.
- **Bangka Indonesia:** The project aims to source 20% of Verstegen's white pepper volume from agroforestry systems by 2025. In the process planting 800.000 trees on 400 hectares of land impacting 500 farmers. Our supplier opened a training centre for farmers including instalment of a model farm as a proof of concept for farmers and investors (link to dashboard: Agroforestry Verstegen Spices & Sauces).
- **India:** Project aims to procure at least 50 tons of chili product by 2022 from agroforestry systems, after success upscaling to 150 tons annually from approximately 130 farmers in the region of Andhra Pradesh planting 40.000 trees on 80 hectares of land in the process.

Our impact team consists of 6 people and we work hard to reach our sustainable goals. We use Ecovadis as our reference (silver level). Besides the mentioned issues we embraced the fight against Child labour. Due diligence in general and more specific on CL is integrated in our daily business. Risk management, auditing and on the ground projects are part of this system.