

# Sustainable Eosta: Leading Organic Trade by Valuing People and Environment



## Introduction

The outset of 2020 was an exceptionally challenging period in world history. The Covid-19 pandemic affected most countries on Earth, including the Netherlands, forcing people and companies to adjust quickly to an array of new conditions. Many companies didn't survive. Some, however, managed to thrive. For Eosta B.V. (hereafter Eosta) – Europe's leading distributor of organic and fair-trade fruits and vegetables – April 2020 meant not just a 40% explosive growth but also an opportunity to increase attention for sustainability. Founder and CEO Volkert Engelsman said, 'The demand for organic products grows exponentially during periods of crisis... But we have been pushing agriculture in the wrong direction for too long with the focus on productivity. Covid-19 has been a wake-up call for us to also focus on biodiversity and health'.<sup>1</sup>

Since founding Eosta in 1990, Engelsman had become a trendsetter in environmental and socially responsible behaviour. Eosta had embarked not just into sustainable organic production and distribution, but also into soil conservation, transparent supply chains, and redefining profit to include the impacts on people and planet. Eosta had furthermore been a frontrunner by actively incorporating the United Nations' Sustainable Development Goals (SDGs) into the core of its business. Aligned with the company values of social idealism and commercial realism, Eosta's newly built headquarters in Waddinxveen were operational, but also had a reusable, circular design, including recycled materials, sustainable wood, solar panels and rainwater collectors, among other sustainable features. A cello player himself, Engelsman believed in music as an instrument for leadership and co-creation, often hosting Verdi operas or Schubert trios' performances at the heart of the building. From there, the company's 300 employees traded organic produce from more than 1000 growers on six continents and developed sustainable projects covering the whole supply chain.

Eosta's purpose was to show by example that a more transparent, cleaner, greener world was possible. Engelsman's utmost ambition was to make the food and financial sectors understand that sustainability and profitability were inseparable concepts, the first boosting the second in the long term. This ambition carried several challenges. How could Eosta manage its explosive growth while producing greater and lasting sustainable impact? How could Engelsman tackle the perverse incentive models for unsustainable, short-term profit that still guided the flow of capital in the food and financial sectors? And how could both company and leader further influence the world towards a greener and more inclusive economy?

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## A Vision for Sustainable Trading

Volkert Engelsman (**Exhibit 1**) graduated from economics and business administration at the University of Groningen in the Netherlands, but he worked at Cargill Inc. USA for six years before founding Eosta back in his native country in 1990. He recalled learning a lot about entrepreneurship, pragmatism and tenacity at Cargill, but also being critical of its business focus and politics. At that time, he met and was inspired by people from the sustainability movement and growers in the southern hemisphere who wanted to work organically. 'The Berlin Wall fell the year I left [Cargill]. Al Gore then wrote in his book *Earth in the Balance* that this did not mean that capitalism had won over communism, because a free market does not exist as long as capitalism shifts the costs of people and planet onto society. I then thought: a sustainable company requires transparent chains'.<sup>2</sup>



**Exhibit 1:** Volkert Engelsman, Eosta's CEO  
Source: [www.eosta.com](http://www.eosta.com)

Engelsman founded Eosta together with his college friend Willem van Wijk. They chose a name derived from 'Eos' – the Greek goddess of sunrise – to symbolise how Eosta was born anew every day by combining social idealism and commercial realism. The company's mission was to contribute to healthy food, a sustainable environment and social responsibility. At the heart of everything Eosta did were its core values: Responsibility – delivering its services in a conscious and sustainable way by redefining the concept of profit, asserting that true profit was only possible if everybody won: farmer, company, client, consumer, planet and society; Togetherness – using the power of partnerships to align views in the pursuit of sustainability, freedom, justice and solidarity; and Authenticity – striving for the genuineness of its products, growers and coworkers, as well as empowering consumers to make well-informed purchasing decisions through transparency in its packaging labels. 'Our core values are the foundation of our leadership vision (**Appendix 1**). They are the guiding principles behind our main competences: dream, dance and deliver. They influence our interaction with suppliers, customers, consumers and employees. They embody what makes us unique: that we operate where ecology meets economy', said Engelsman.

## Consolidating and Refocusing

During its first seven years, Eosta grew at a rapid pace, diversifying into businesses ranging from organic seeds to textile cotton, juices, purees and frozen concentrates, and opening offices in many countries. However, according to Engelsman, this growth

lacked structure, focus and expertise, and Eosta risked losing a lot of money because of the failure of a Costa Rican subsidiary. 'We got overexcited about sustainability and just attacked any opportunity that crossed our path. But the bitter truth was that we were not very good at it. The entrepreneurial risks we took were way beyond our capacity... The lesson I learned from it was to be more realistic and to spread our risks, to avoid becoming a Jack of all trades and a master in none'. Fortunately for him, the loss was offset by a big Dutch firm who bought an organic seed company owned by Eosta at that time.

In 1997 a second phase, one of development and differentiation, began for Eosta. Engelsman parted ways with van Wijk and realised that a profound reorganisation and new skills were much needed in the company. He made a strategic move to hire a commercial director and a financial director. Peter Stijkel took office then as chief financial officer (CFO) and became the orchestrator of the huge restructuring that followed, including operations, logistics, management and the creation of middle management, objectives and evaluation.

In 2003, Eosta was still spread among different businesses, so the directors decided to downsize and refocus to the core activity, organic produce. At the same time, Cornelia Eichelsheim arrived at Eosta with a renewed leadership vision for the HR management, self-organising teams and purpose driven objectives. 'Superman only exists in movies, not in real life, so you need to embrace constellations of leadership teams where you complement your skills with each other in that the whole is bigger than the sum of the parts... We also need to address HR in becoming the corporate identity of this company. We have identified different levels of vitality: performance in the market, resilience and agility, but also social and mental vitality that is purpose driven', said Engelsman.

More recently, Eosta entered an integration phase, consolidating its business, teams and management, and emphasising leadership and personal development in the company. Engelsman explained: 'We have our weekly inspirational talks. It's not just leaders, but also imams, or rabbis or native American chiefs, or people who talk about music, or spiritual challenges, or meditation, or Buddhism, who challenge the team here about what drives us in life, where you draw inspiration and how to become who you are... If you have something that unites you, it's easier to accept each other when there's social tension. That contributes to social resilience, which in the end leads to commercial and entrepreneurial resilience. If you want to integrate, you need to unleash the unique potential of everyone and accept the idea of diversity as vitality'.

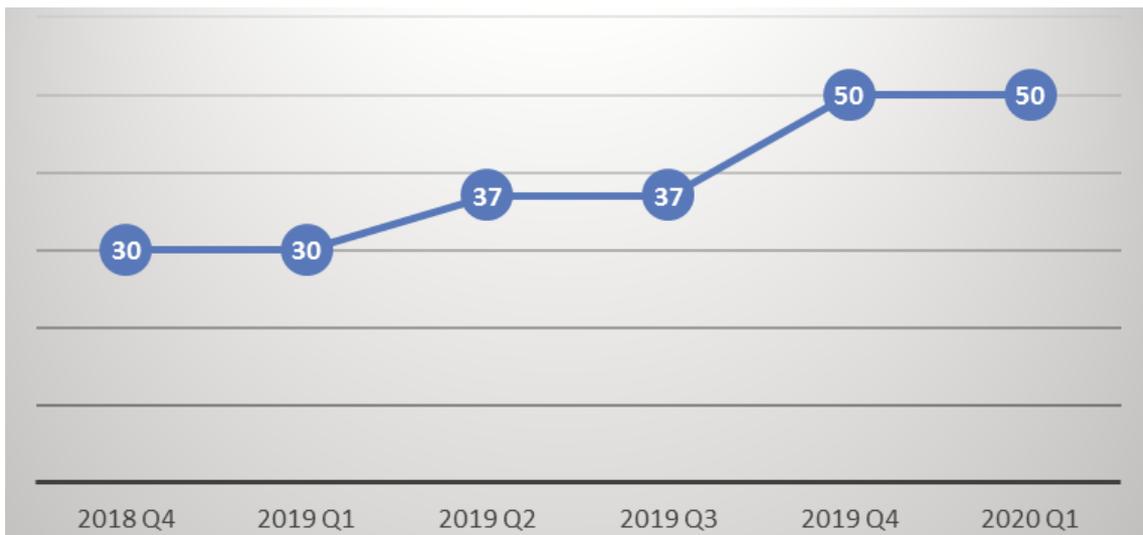
## Proving Resilience

Engelsman remarked that 2019 had been a very bad year for the organic market, causing Eosta to experience its first loss and all of its competitors to lose money as well. However, for him the real reason behind the loss was an exacerbated complacency due to their past successes: 'The obstacles in our path made us aware of that complacency, and our resilience was tested and challenged. We quickly

reacted and responded, cutting costs, repositioning our product range, becoming more independent from on and off years, introducing more year-round tropical fruits, putting more emphasis on packaging, introducing robotisation, etc. It was phenomenal how the team responded, and within the first few months of 2020 we compensated the entire loss of last year. I am very proud... I think resilience is inside this self-organising team. We responded quickly to the changing environment, and we owe that to the new leadership that we started implementing years ago’.

In the first months of 2020, demand for organic products skyrocketed. Engelsman was not surprised to see people shifting to healthier foods during periods of crisis like the Covid pandemic, because organic food was considered to enhance immune systems and health. The company adjusted to this increased demand and was able to accommodate markets, hire people, and expand into new warehouses and offices in multiple locations. Eosta experienced a 30-40% explosive growth in turnover compared to the last quarter of 2019; its revenues rose from US\$30 million by at the last quarter of 2018 to US\$50 million by in the first quarter of 2020 (**Exhibit 2**).

**Exhibit 2:** Eosta revenue per quarter in US\$ million



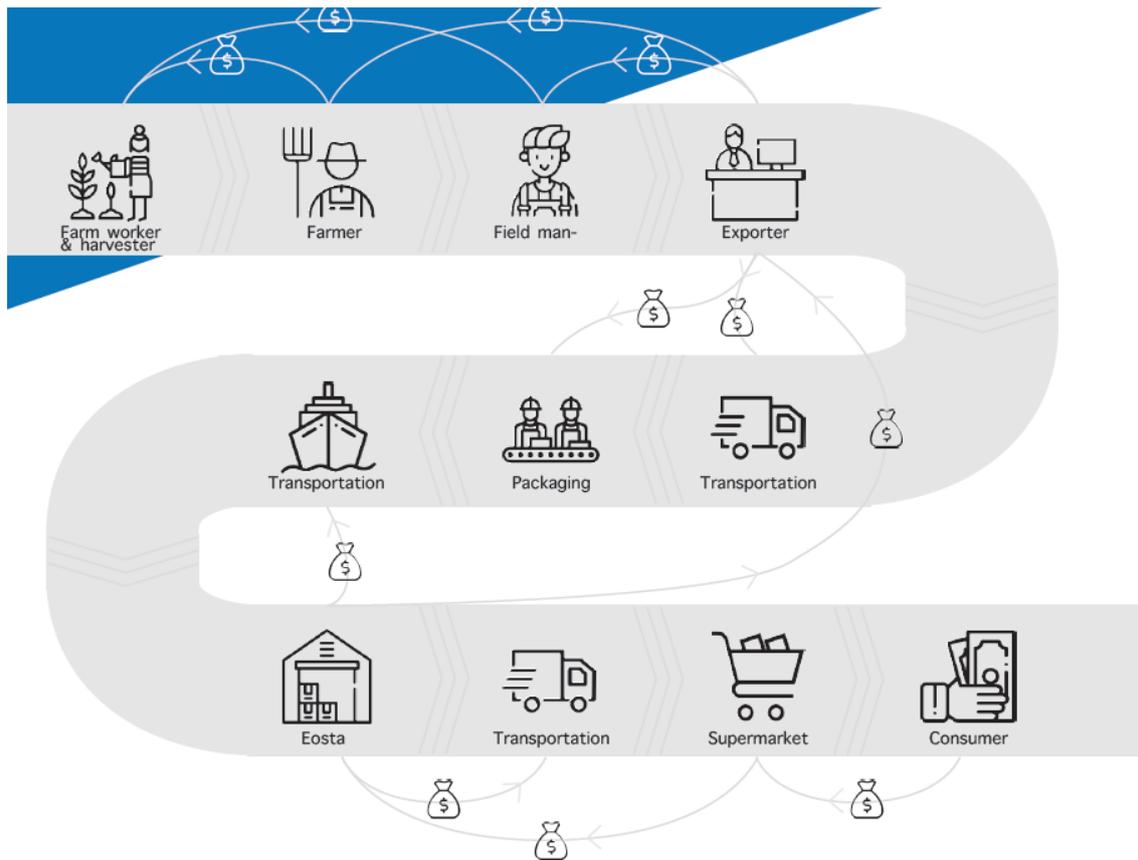
Source: [www.zoominfo.com](http://www.zoominfo.com)

### Eosta’s Business Model for Organic Trade

Privately held by Rhea Holding B.V., Eosta distributed shelf-ready and fresh organic produce to major wholesalers, retailers and natural food stores in Europe, the USA, Canada and the Far East. The company managed an integrated supply chain from farmer to retailer (**Exhibit 3**). All of its imports and exports were carried out in vessels and handed through logistic partners for whom speed, handling quality, and climate control were essential. Engelsman described Eosta’s business model this way: ‘The consumer can get to know the producer and its sustainability performance through the Nature & More<sup>3</sup> label. We ourselves make a programme with retailers where the grower sits at the table, sometimes literally. We ask the retailer to translate the

grower's value creation into economic value, and an amount is put on the table. So, the grower knows how much the retailer pays us. Then we deduct all costs from the sales price: for small packaging, on and offshore transport, we organise everything, we cover the entire chain. We charge a fee for that service; that is our income. So, we have no loss or profit potential, we can only earn more by delivering our services even more efficiently'.

**Exhibit 3:** Eosta's typical supply chain and financial flow



Source: Living Wages in Practice, Eosta, 2018

The company specialised in distributing certified organic greenhouse crops and overseas fruits produced year-round, grown according to organic international standards, and traceable through Eosta's trace and tell system Nature & More. Their core organic product lines were: avocado, mango, lime, pineapple, pomegranate, passionfruit, dates, papaya, ginger, curcuma, apples, pears, oranges, lemons, grapefruits, kiwi, berries, and grapes. Other special products included fair-trade, Demeter, heirloom vegetables, specialty tomatoes and exotic fruits.

Eosta led the European market, followed by large distributors such as OTC Organics, DO-IT, UDEA, and Odin International B.V., managing warehouses and packing facilities in the Netherlands and in Europe's main fresh produce centres. In 2019 the company started logistic platforms with partners in Spalding (UK), Bancourt (France), Livorno (Italy) and Spain in order to provide service to larger retailer depots in these

countries. The largest markets for organic food in Europe were Germany, France, Italy and Switzerland.

The company's trading strategy was partially decentralised. It combined a global network of logistical and commercial hubs with central management in the Netherlands for product development, marketing, logistics, finance, controlling, administration, information & communication technology and human resources. Eosta's activities and services included: agricultural advice and expertise, export financing, packaging, product innovation, logistics, marketing and distribution. It worked with a wide range of partners to develop its activities within and outside the value chain (**Exhibit 4**).

**Exhibit 4: Eosta's Partners**

Growers or import partners	Organic certified and fair-trade growers in Africa, South America, Central America, Asia, New Zealand, the USA, Canada and Europe. Many growers used biodynamic (Demeter) agriculture, guided by the principles of healing and balancing the ecosystems.
Customers or export and commercial partners	Wholesalers, retailers, and most of the leading European supermarket chains, such as Rewe, Carrefour, Coop Zwitserland, and Sainsbury. Eosta was also a leading exporter of Dutch organic greenhouse crops to the USA and the Far East.
Packing partners	Eosta owned 40% shareholding in International Quality Packing (IQ). Biopack, the organic packaging division of IQ, packaged most of Eosta's organic produce in compostable and renewable materials. Since 2005 Eosta had developed research on sustainable packaging solutions such as Bioplastic, a biodegradable alternative to plastic.
Certification and protocol partners	Eosta had been a member of international certifying organisations to help develop global standards for organic production. In 2004 Eosta founded Nature & More <sup>4</sup> – a company, label, and trace and tell system – through which it developed its own set of protocols on product quality and ecological & social responsibility. Nature & More was created in response to a consumer demand for healthy and fairly traded food. It provided the organic marketplace with a transparency system through which retailers and consumers could access the background of growers and their ecological and social commitments.
Consultancy partners	Eosta founded Soil & More Impacts <sup>5</sup> in 2007, a company based in the Netherlands and Germany, dedicated to conserving and rebuilding fertile soils worldwide. Through Soil & More Impacts, Eosta offered expertise in assessing water footprints (accredited member of the Water Footprint Network), carbon footprints (registered footprint expert consultant for the Carbon Trust), and soil erosion (Climate Neutral Standard Verification Advisor for the TÜV Nord Cert GmbH). Eosta also offered agricultural services— advice, training and assessments – to its growers and other farmers who wanted to convert to organic agriculture, in close cooperation with Soil & More Impacts and Farming & More <sup>6</sup> , an

Research and development partners	open source website to support global sustainable farming practices. Eosta maintained working relationships with research institutions, such as the Louis Bolk Institute (the Netherlands), Wageningen University and the University of Twente (the Netherlands), The Research Institute of Organic Agriculture, or FiBL (Switzerland), the University of Kassel (Germany) and the University of Copenhagen (Denmark).
Financial partners	Eosta worked together with Triodos Bank, a Dutch green bank, to finance agricultural projects, ecological projects and to fund organic agriculture, in Europe, the USA and developing countries.

## Building A Sustainable Framework: The Sustainability Flower

More than a decade ago, an international group of pioneers in the organic movement, including Volkert Engelsman, realised that they needed a sustainable business model in which transparency was at the core, and where ecological and social values were united. In 2009, this group allied under the International Association for Partnership in Ecology and Trade (IAP)<sup>7</sup> and developed The Sustainability Flower (**Exhibit 5** and **Appendix 2**), a framework that Eosta began using to monitor, manage, market and monetise its sustainability impacts on the environment and people. The Sustainability Flower had seven petals representing social and natural capitals: society, economy, climate, water, soil, biodiversity and individuals. For each aspect of the Flower, quantitative and qualitative performance indicators were defined on the basis of the Global Reporting Initiative (GRI)<sup>8</sup> guidelines. The sustainability performance of Eosta's growers could then be measured and assessed on three consecutive levels:

- Basic assessment: interview with the grower, review of the farm and standards of its organic practice;
- Formal assessment: audit with key performance indicators (KPIs), resulting in quantification of carbon, water and other footprints; and
- True cost assessment: based on True Cost Accounting<sup>9</sup> (see section Pushing Sustainability Beyond Organic), which evaluated the monetary impacts.

Once the assessments were done, the story of each product, grower and farm could be openly shared online with the public through the Nature & More label. All products carried a three-digit code that made it possible for the customer to know where they came from, how they were produced, and the farmer's sustainable efforts. 'The different aspects of sustainability are intricately linked. The image of the Sustainability Flower illustrates this elegantly. It has greatly helped us bridge the anonymity gap between the farmer and the consumer. We trust it will find broad acceptance in the future. There can be no sustainability without transparency', said Engelsman at the time.

This transparent sustainable business model was applied along the value chain of the company in an operational way: 'We transport everything by ship, but of course we produce greenhouse gases. We make a full footprint of all products according to the Carbon Trust formula, and we compensate everything with certified carbon credits that Soil & More Impacts generates together with our growers by producing biodynamic compost. But not everything that comes from far produces the most emissions; an apple that has been in a cold storage in the Netherlands for six months has a heavier CO<sub>2</sub> footprint than an apple that comes fresh from the tree in Argentina in March and is immediately eaten here after a sea voyage. In addition, transport has less impact on the footprint than small packaging, which we make by using biodegradable materials'<sup>10</sup>, explained Engelsman.

Exhibit 5: Eosta's Sustainability Flower and the UN SDGs



Source: [www.natureandmore.com](http://www.natureandmore.com)

## Eosta and the Sustainable Development Goals

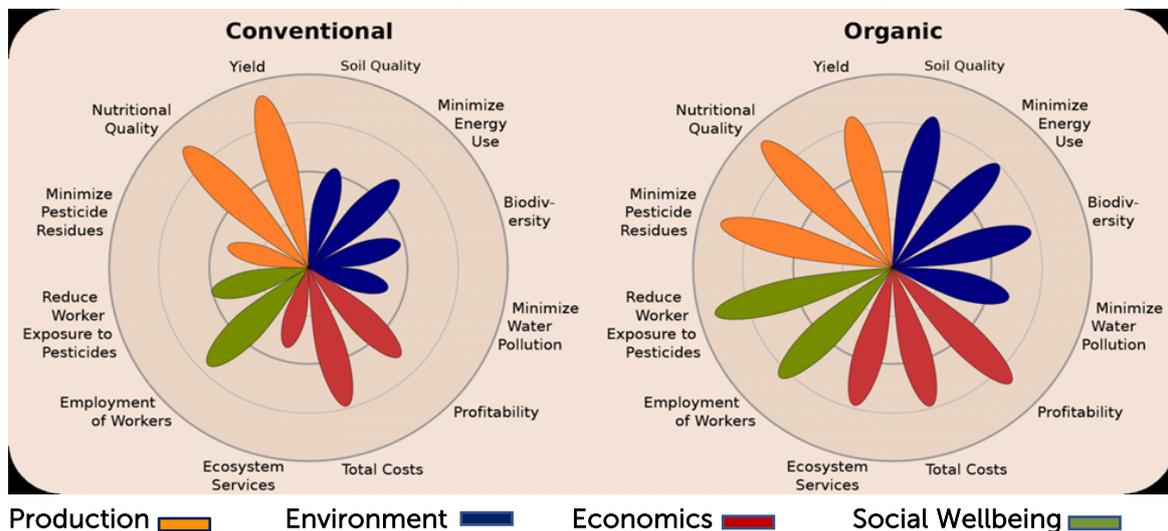
When the UN's SDGs<sup>11</sup> were introduced in January 2016, Engelsman saw them as a natural ally to the mission he had already set for himself when he created Eosta. The SDG framework aimed to end all forms of poverty, fight inequalities and tackle climate change in the world, while ensuring that no one was left behind in 2030. By promoting

and distributing sustainably produced organic food, Eosta was especially connected to SDG 12, Responsible Production and Consumption (**Appendix 3**). In 2017 the company adopted the SDGs into the core of its business<sup>12</sup>, relating them to the Sustainability Flower model (**Exhibit 5**) and into its projects and campaigns.

In September 2019 Eosta, together with the University of Twente, published the report “Organic Agriculture and the Sustainable Development Goals: Part of the Solution”,<sup>13</sup> which underscored that a shift to organic agriculture was crucial to maintaining sustainable food systems for future generations and to tackling the challenges facing the planet. The report noted the importance of organic agriculture in meeting the Goals, along with its positive effects related to SDGs 2, 3, 6, 8, 12, 13, 14, and 15 (**Appendix 4**). ‘We are in the middle of a huge climate, health and biodiversity crisis, and it is important that we focus on realistic, practical solutions. Although not surprised, we are delighted with the conclusion that organic has so much of a positive impact. Together with other organic organisations in Europe, Asia and North America, we will be using the report to further promote and develop sustainable organic agriculture all around the globe’, commented Engelsman.

Organic food was considered healthy and more beneficial (**Exhibit 6**) to the soil and the environment than conventional agriculture, since its production was carried out without the use of chemicals, pesticides, fertilisers, antibiotics, hormones or genetically modified organisms. Organic production was regulated by law and certified by independent institutions.

**Exhibit 6:** Benefits of organic compared to conventional agriculture



Source: [www.eosta.com](http://www.eosta.com)

In addition, Eosta worked with fair-trade certified producers. The fair-trade movement sought to promote greater equity in international trading through dialogue, transparency and respect. It promoted sustainable development by offering better trading conditions to, and securing the rights of, marginalised producers and workers

in developing countries. For Engelsman, fair trade was not only a socially responsible way of trading, but it also offered consumers a way to reduce poverty in the world through their everyday shopping: 'Our basis is organically grown, which is black and white. Fairtrade is a bonus... When a South African grower sets up a beautiful Aids Awareness Center, we turn the spotlight on it. Supermarkets want to support that action and buy from that grower and not another who scored lower on the solidarity [Sustainability Flower assessment] criterion... This is a new business concept, one in which ecology is linked to the economy, and social idealism to commercial realism'.

## Further Campaigns on Sustainability

Even before envisioning the Sustainability Flower and promoting the SDGs, Eosta had already made advancements towards sustainability. Between 2004 and 2012 Engelsman created two of the company's most influential partners: Nature & More (transparency system) and Soil & More Impacts (soil conservation company). Since then, and acting together, the partners embarked into several sustainable projects: One Cent for the Future<sup>14</sup> (social development), Save Our Soils<sup>15</sup> (soil conservation), Natural Branding<sup>16</sup> (sustainable packaging), Hate Waste Love Food<sup>17</sup> (waste solutions), and Dr. Goodfood<sup>18</sup> (healthy eating).

The One Cent for the Future campaign started in 2006 with the aim to invest in social development. In the project, for each kilogram of product sold, one cent was set aside to go to a social, educational or cultural project in a developing country. By 2009 Eosta had already invested €100,000 from trade income into social projects, and by 2020 the company was supporting ten social projects<sup>19</sup> on three continents.

Engelsman explained that their sustainable model was applied not just to the grower, but to everyone involved in Eosta's value chain, meaning that all employees were accountable for their achievements on natural and social capital. If they realised the company was not contributing enough to small holders in third world countries, for example, they adjusted their annual objectives to be more socially oriented. 'We use the Boston Consulting Group (BCG) matrix<sup>20</sup> to segment our supply demands, focusing especially on Africa and Central America to maintain a balance... We sympathise with Robin Hood's approach very much', pointed out Engelsman. 'So, we have Cash Cows — big growers or retailers — and we move a bit of the returns into small cooperatives of suppliers who are maybe not so professional but are adding a lot of value to people and planet. We give discounts and subsidise these small growers by increasing our margins on the big retailers. This model is engrained in the value driven mission of this company... We do not want to become dependent on big retailers. Diversity is vitality, and that applies to ecosystems but also to the economic systems. The wider the spread of growers, crop schemes, retailers, and community supported agriculture, the better, for the future of the planet and for our economic systems'.

Engelsman believed that soil fertility was the single most important entry portal into sustainability when it came to food production and farming. As such, he propelled

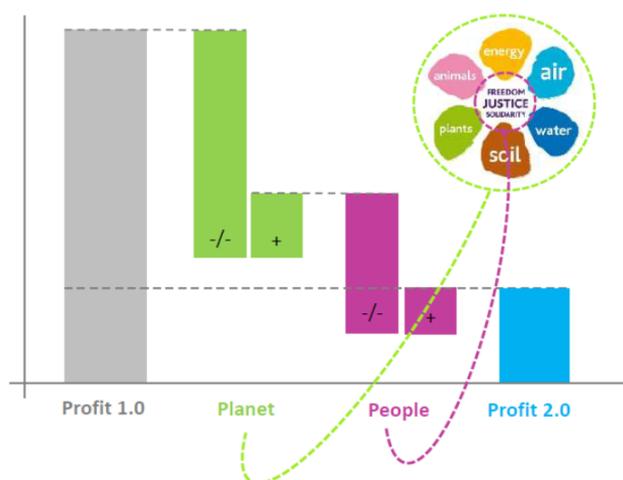
many initiatives to promote soil conservation. In 2012, Nature & More in partnership with the Food and Agriculture Organisation of the United Nations (FAO), the World Wide Fund for Nature (WWF) and 40 other partners launched the Save Our Soils campaign, aiming to raise consumer awareness about the problem of degraded soils and its importance for health, food security and climate. The campaign reached 200 partners in 2015, including Desmond Tutu, Julia Roberts, and the Dalai Lama. Volkert Engelsman explained: 'Consumer decisions can shape the world. Every time you spend money, you're casting a vote for the kind of world you want... Living soils are not just the foundation of our food chain, but of our civilization in general. The condition of our soil affects every other possible aspect of sustainability: climate change, pest and disease resistance, nutritional value of our food and many more'.

Simultaneously, Nature & More had been innovating with sustainable packaging.<sup>21</sup> In 2014 Eosta introduced a new material made from sugar cane waste (recycled residue) which replaced cardboard. Two years later, they introduced 'Natural Branding', which consisted of using a high definition laser beam to remove pigment of the peel of fruits and vegetables, leaving a superficial but permanent mark that had no effect on the product. As the mark was clearly visible, it was not necessary to pack the products in plastic. This solution awarded Eosta the Dutch Packaging Award 2018, and a few months later they announced that in cooperation with 32 retail chains in 13 countries they had saved 22 million units of plastic packaging (equivalent to 6,000 km of plastic film) by using this technology.

### Pushing Sustainability Beyond Organic: True Cost Accounting

The straightforward leadership of Volkert Engelsman had positioned Eosta as a frontrunner in the sustainability field, going even beyond organic production and distribution. Between 2017 and 2020 he had urged the entire food and financial sectors to open up to a different definition of profit (**Exhibit 7**) and an accounting system that included the impacts on the environment and society.

Exhibit 7: Eosta's new profit definition

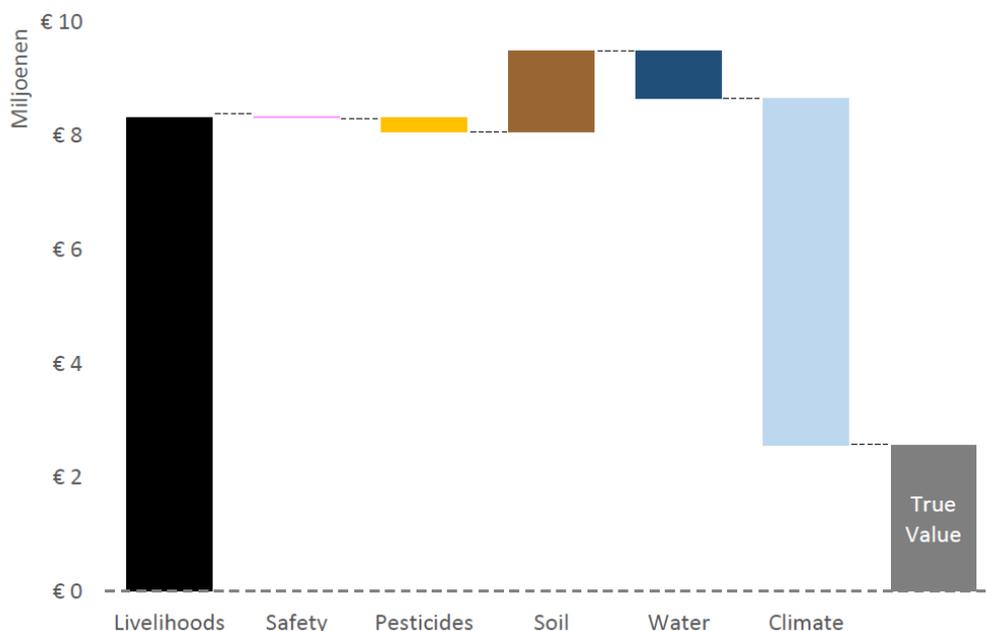


Source: <https://knowledge4food.net/true-cost-accounting-true-pricing-food/>

Labelled as ‘a greengrocer with a radical vision’, Engelsman was awarded first place in the Dutch Sustainability Top-100 list by the newspaper Trouw in 2017. True to winner’s yearly tradition, he addressed the Dutch House of Parliament in 2018 to call for new partnerships in the sustainable movement, especially in the financial sector: “Many financial institutions are starting to realise that there is something wrong with our definition of ‘profit’ if it results in the destruction of our natural habitat and makes life miserable for 90% of humanity, including our children’s children. There’s nothing wrong with profit, but you have to calculate it fairly... As a movement, we need to help financial institutions such as banks, accounting firms and institutional investors to start making better choices. The main flow of capital is still being driven by an outdated profit definition, which is basically killing the planet”.<sup>22</sup>

In his speech, Engelsman was referring to the profit definition and accounting system with which Eosta had been innovating since 2016, that translated into the pilot study “True Cost Accounting for Food, Farming and Finance”<sup>23</sup>, published in 2017 together with partners Nature & More, Soil & More, EY, Triodos Bank, and Hivos. True Cost Accounting<sup>24</sup> (**Exhibit 8**) was a type of bookkeeping that looked at the financial values of the company, but also calculated the monetary impacts on the natural and social environments in which the company operated. The hidden costs of production (impacts on livelihood, health, water, climate and soil), which were externalised (not taken into account) in the old system, were made visible and internalised (monetised and discounted or added) in the new system.

**Exhibit 8:** Eosta’s True Value scheme in 2015

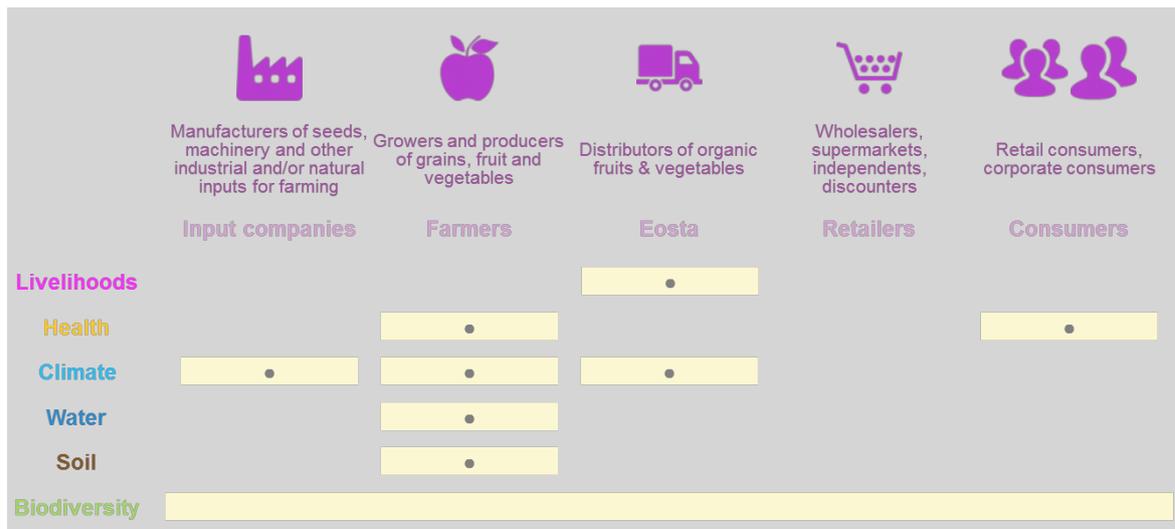


Source: True Cost Accounting for Food, Farming and Finance, Eosta, 2017.

The True Cost pilot began with the assessment of nine Nature & More products, bringing their true costs to store shelves and the public in the Netherlands. Eosta wanted to expand the scope of the pilot (**Exhibit 9**) to add more products and to

deepen and increase the environmental and social impacts measured. Engelsman presented the report in Stockholm to Peter Bakker, president of the World Business Council for Sustainable Development, who said, 'The results for the business case of Eosta in this report illustrate how True Cost Accounting changes the definition of profit and tackles perverse incentives. I predict that True Cost Accounting will seriously affect the valuation of companies and their access to capital within a few years'.

**Exhibit 9:** Scope of impacts included in the True Cost Accounting pilot 2017



Source: True Cost Accounting for Food, Farming and Finance, Eosta, 2017

Inextricably linked to this new definition of profit was Engelsman's commitment to social responsibility. Once again, this time in the social sphere, Eosta took the lead in conducting a living wage<sup>25</sup> research pilot in Kenya in 2018. A living wage was a salary that covered the costs of food, shelter, clothing, education and medical care for a family, plus some extra income for unforeseen circumstances. Its purpose was to go beyond the minimum wage, thus uplifting people's quality of life. For Engelsman, living wages were a push for True Cost Accounting because the impact on social capital was still unexplored. In 2020, Eosta pioneered with a Living Wage Assessment<sup>26</sup> for the workers of its mango supplier Fruiteq in Burkina Faso. The assessment showed that an additional cost of 10 cents per kilo of mangos sufficed to close the pay gap for all employees. 'Living wages are of great importance for a sustainable future... If we fail to work towards living wages in developing countries, the wealth gap will grow. In the long run, these costs will inevitably come back to us through migration waves or social unrest because we live in a global village', he said.

## Towards a More Sustainable, Cleaner, Greener Planet

Eosta's sustainable journey began 30 years ago, and even though the road had been full of achievements and milestones (**Appendix 5**), Volkert Engelsman planned to continue building: from achieving full sustainability in the company's value chain to further embedding it into the entire foods and financial markets. He knew, however,

that in order to do that he needed to appeal to society's changemakers. 'We have positioned Eosta as a frontrunner. Then we should not want to reach the masses, we mainly want to reach the changemakers. Students have the least purchasing power, but they buy the most organic... So, yes, you need laboratories of change, early movers, first adopters and leadership if you want to push a new profit definition. Our experience is that leadership never comes from a following majority, but from a trendsetting minority that is defined by an awareness elite that we are serving'.

In 2018, Eosta was awarded the King William I Prize for Sustainable Entrepreneurship<sup>27</sup> due to the company's many sustainable initiatives, said Klaas Knot, president of the Dutch Central Bank and chairman of the prize committee. 'Our society is heading towards a new understanding of profit and loss that takes into account people and planet. A system change is a huge step, and Eosta, together with its partners, are taking a leading role'. Volkert Engelsman surprised the assembly with his acceptance speech that night: 'We're always discussing people, planet, and profit, but we are getting tired of that. As far as we are concerned, it's just about profit'. He waited while a tense silence filled the room. Then continued: 'That is, profit with proper accounting that includes the monetary impact on climate, people and the environment'.

He foresaw a change in the perception of risk and return on investment in the market, with the world's biggest players beginning to realise that negative impacts on climate, environment and people were investment risks, and that positive impacts could be a benefit. Engelsman hoped the Dutch Central Bank could help the sustainability movement. 'This should not remain a theoretical exercise. I hope the Dutch Central Bank will have the courage to guide private banks onto this road. If you apply climate stress tests, it's only logical to also apply soil, water, and health stress tests. When banks and investors take these impacts into account in their risk analyses that determine access to capital, we are on the right track', he affirmed.

Looking back at the dilemmas experienced throughout the past three decades, Engelsman was assured by the lessons learned: balancing realism, idealism and resilience in the very first years; making difficult strategic decisions and trusting the leadership of others with complementary skills during the period of organisational growth; and in the most recent period bringing people together, unleashing their unique potential and embracing diversity. On this learning path, his purpose-driven mindset only grew stronger. He considered sustainability to be a journey — a passage in which sustainability and profitability should not compete but rather commune in a natural long-term balance in favour of society and the environment. For him, the biggest challenge of all was to address the free market's perverse incentives which claimed that it was profitable to externalise the costs of damage to people and planet to future generations. 'The biggest challenge is probably to dream, because it's all about the mindset. It's about moving away from reductionist thinking, or container thinking, into holistic thinking... The true leadership challenge for sustainability is about mindset. It's a spiritual journey to become who you are'.

Firmly rooted in conviction, Engelsman recognised the big challenges ahead: managing growth, inspiring partners, innovating with sustainable solutions, promoting

organic food and soil conservation, investing in social development, and pushing the food and financial sectors to adopt a new profit definition. But he was not afraid of the tasks, nor of the future. He focused on opportunities and embraced them to make change happen. 'I am very optimistic, and I am very thankful for the Corona virus... We need these kinds of wake-up calls in order to be prepared for a much bigger challenge that will come from climate change. We need private businesses and enterprises to move; we need the public sector to move to a leveled playing field, including fiscal incentives to penalise those who pollute and to support those who contribute to ecosystems services; and we need the academic arena to move and move fast', he claimed, pointing once again, incessantly, towards his dream of a greener world.

Appendix 1: Eosta's '3-D' leadership vision and HR policy

Eosta's Core Values

	Responsible	Together	Authentic
	■ Healthy, fair & organic	■ Bringing clients and suppliers closer together	■ Industry innovation
	■ The Sustainability Flower	■ Nature & More transparency	■ Nature & More's unique grower story
<b>HR</b>	■ 3D Leadership Deliver	■ 3D Leadership Dance	■ 3D Leadership Dream

The Three D's

<p><b>D</b>REAM</p> <p>It all starts with a Dream. This first HR pillar builds on the notion that every human being is unique. Personal self-reflection is necessary if you want to be able to distinguish your own unique story and that of others you work closely with. This unique distinctiveness is the foundation of strong leadership and teamwork.</p>	<p><b>D</b>ANCE</p> <p>The second pillar is about 'dancing' with others, the daily interaction one has with colleagues and other business partners. When we talk about teamwork we believe in 1 + 1 = 3. Being able to effectively work together and co-create is one of the most important aspects of leadership and successful businesses.</p>	<p><b>D</b>ELIVER</p> <p>The third pillar is about delivering results. Through differentiating yourself and 'dancing' with your colleagues, you will be able to deliver the best results. We believe that delivering responsible results happens when people are able to co-create effectively.</p>
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Source: Eosta Sustainability Report 2019

Appendix 2: The seven petals of Eosta's Sustainability Flower



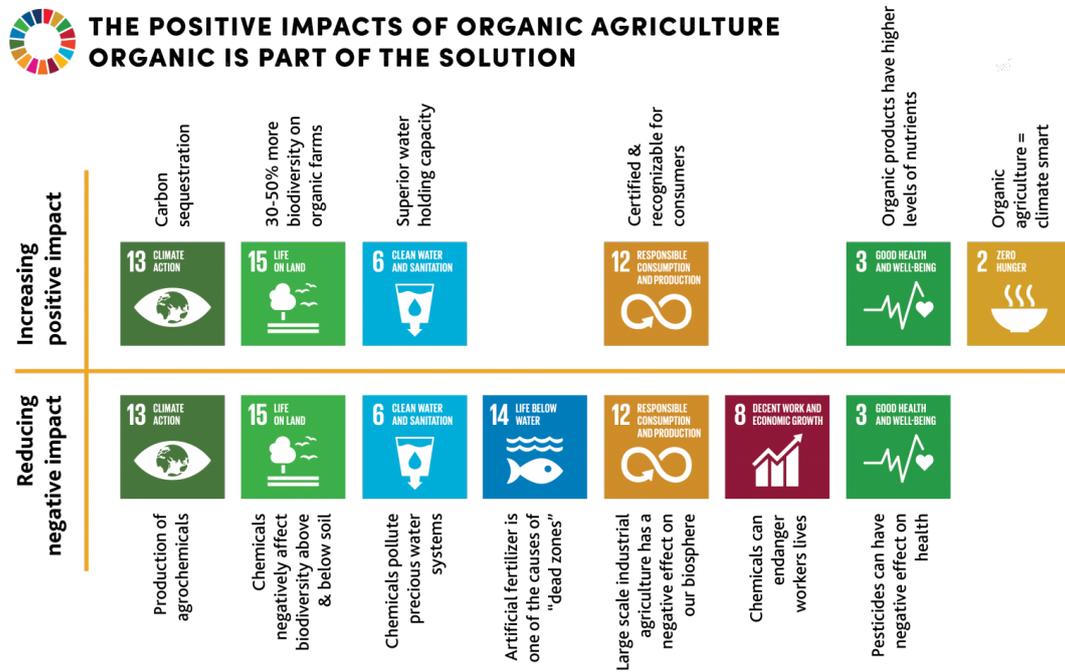
Source: Eosta Sustainability Report 2019

Appendix 3: SDG 12 and its links to other SDGs



Source: Ecosoc, 2016<sup>28</sup>

Appendix 4: Impacts of organic agriculture on the SDGs



Source: <https://www.eosta.com/en/news/sustainable-development-goals-and-the-link-to-organic>

## Appendix 5: Timeline of Eosta's projects and milestones

- 1990 – Eosta foundation
- 1997 – New board of directors with Peter Stijkel as CFO
- 2003 – Organisational restructuring and HR development
- 2004 – Nature & More trace and tell system and label foundation
- 2006 – 1 Cent for the Future project
- 2007 – Soil & More Impacts foundation
- 2009 – Sustainability Flower creation
- 2011 – Eosta wins AGF Innovation Award
- 2012 – Nature & More wins Ecocare Award in Germany
- 2012 – Save Our Soils campaign (2012-2015)
- 2013 – Nature & More 'Soilmate' campaign
- 2013 – Nature & More wins Hillenraad Sustainability Award
- 2013 – Nature & More wins Sustainable Entrepreneurship Award in Austria
- 2014 – Nature & More introduces sustainable packaging made of sugar cane waste
- 2016 – Soil & More Impacts partners with Save Our Soils to improve soils in Africa
- 2016 – Nature & More campaign asks EU to protect soils by law
- 2016 – Natural Branding with laser technology project
- 2017 – True Cost Accounting pilot
- 2017 – Volkert Engelsman elected first place in Dutch Sustainability list by Trouw
- 2017 – Eosta's research project 'An Efficient Chain - Avoiding Food Waste'
- 2018 – Eosta moves to a new sustainable, circular building headquarters in Waddinxveen
- 2018 – Volkert Engelsman addresses Dutch Parliament with 'Sustainable State of the Union'
- 2018 – Dr. Goodfood campaign
- 2018 – Eosta wins European Business Awards for the Environment (true cost accounting)
- 2018 – Eosta wins Sustainable Food Award (natural branding with laser technology)
- 2018 – Eosta wins King William I Award for Sustainable Entrepreneurship
- 2018 – Living wage pilot in Kenya
- 2018 – Eosta wins Dutch Sustainable Packaging Award (natural branding)
- 2019 – Eosta and University of Twente report: "Organic Agriculture and the SDGs, Part of the Solution"
- 2020 – Living Wage Assessment in Burkina Faso

## Endnotes

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- <sup>2</sup> <https://downtoearthmagazine.nl/volkert-engelsman-van-eosta-duurzaamheid-is-niet-zwart-wit-het-is-een-reis/>
- <sup>3</sup> <https://www.natureandmore.com/en>
- <sup>4</sup> <https://www.natureandmore.com/en>
- <sup>5</sup> <https://www.soilandmore.com/>
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- <sup>7</sup> <https://www.sekem.com/en/about/friends-partners-networks/>
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- <sup>9</sup> <https://www.natureandmore.com/en/discover-the-true-cost-of-food/>
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- <sup>24</sup> <https://www.eosta.com/en/news/true-cost-accounting-pilot-calculates-hidden-impacts-of-food-on-people-and-planet/>
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- <sup>27</sup> <https://www.eosta.com/en/news/eosta-wins-royal-prize-for-sustainable-entrepreneurship/>
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