



# 2025 SUSTAINABILITY REPORT

Our journey in the  
cultivation of a more sustainable future.

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# ABOUT US

Verdure Sciences® is a family-run, vertically integrated innovator in clinically validated botanical extracts, serving the global dietary supplement market. With nearly 30 years of experience, Verdure delivers clean label, plant-based ingredients sourced from renewable materials, including fruits, seeds, leaves, flowers, rhizomes, and gum resins, with a strong focus on botanical integrity, quality, and transparency.

Since its founding in 1997, Verdure has embedded sustainability into its operations through traceable supply chains, rigorous quality and compliance standards, and ethical sourcing practices.

This approach enables end-to-end visibility, from farm to finished extract, supporting direct collaboration with growers and manufacturing partners while ensuring the delivery of sustainable, traceable, and transparent ingredient solutions to customers worldwide.

## Location

Global company proudly based in Indiana for 29 years.



## Founded In

Verdure Sciences was founded in 1997.



## Verdugration®

Encompasses sustainable, traceable, and transparent practices for the processes, plants, and planet.



## Verdure Cares®

A subset of Verdugration®, focusing on sustainable relationships, partnerships, and social impact.



Verdugration®

# OUR REPORT

We lead with sustainability and sustainable practices rooted in the land people and processes that help us create meaningful change and healthier communities.

## MISSION



We aim to encourage healthier communities with innovative, clinically backed, premium-quality botanical solutions and research initiatives delivered to the global marketplace with a focus on botanical integrity through traceable, measurable and sustainable initiatives.

## VISION



Corporate responsibility with an emphasis on social impact through the integration of agriculture production and environmental stewardship.

## VALUE



Responsible and ethically sourced products providing innovative ingredients that adhere to an intricate procurement and material production delivering transparent botanical integrity.



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# COMMENTS FROM LEADERSHIP



“As we unveil Verdure Sciences®’ annual Sustainability Report, I want to take a moment to reflect on the values that have guided our company since its inception more than 25 years ago. Sustainability has always been at the heart of our mission, shaping our decisions and inspiring our efforts to create a better future. From the very beginning, we have prioritized responsible sourcing, ethical practices, and environmental stewardship. These principles are not just part of our operations, they define who we are as a company. Over the years, we’ve worked diligently to foster partnerships that support biodiversity, empower farming communities, and drive innovation in sustainable practices.

This report highlights the strides we’ve made in reducing our environmental impact, advancing regenerative agriculture, and creating meaningful change within our industry. While we are proud of our progress, we remain committed to continuous improvement and collaboration to meet the challenges ahead.

Thank you for your continued support as we strive to protect the planet’s resources and make a lasting difference.”

Ajay Patel  
*CEO/Founder*

“Over the past year, my focus has explored in-depth how we measure and comprehend Verdure’s environmental impact. We have made meaningful progress in expanding our greenhouse gas inventory, particularly within Scope 3 categories such as purchased goods and services and upstream transportation, key areas within our value chain.

This progress has been made possible through close collaboration with our manufacturing partners, suppliers, and internal teams, whose support has been essential in improving data quality and transparency.

Looking ahead, I will continue to expand our emissions data coverage while strengthening systems to track waste and resource use across our operations and supply chain. These efforts will help inform future reduction strategies and support our ongoing commitment to responsible ingredient sourcing.

Thank you for your interest in Verdure’s sustainability journey. I look forward to continuing this work and sharing our progress in the years ahead.”

Isabella Bucklew  
*Sustainability Coordinator*



# MATERIALITY ASSESSMENT

A materiality assessment was conducted to identify and prioritize the sustainability topics most relevant to Verdure's operations, stakeholders, and supply chain. This process supports a focused, data-informed approach to sustainability, ensuring that efforts are directed toward areas of highest impact.



## Foundation & Internal Alignment

- A review of internal sustainability activities, sourcing programs, and operational practices was conducted to establish a baseline understanding of Verdure's current approach.
- Existing policies, procedures, and initiatives were assessed to identify key areas of environmental, social, governance, and product quality relevance.
- Initial topic areas were defined based on their connection to Verdure's operations and supply chain.



## Framework Integration & Industry Context

- Identified topics were mapped against leading sustainability frameworks, including GRI Standards, UN SDGs, EcoVadis, SMETA, and FSMA-related requirements.
- Consideration was given to industry expectations and emerging best practices within the botanical and nutraceutical supply chain.
- This step ensured alignment with globally recognized standards while refining the scope of relevant topics.



## Value Chain Input

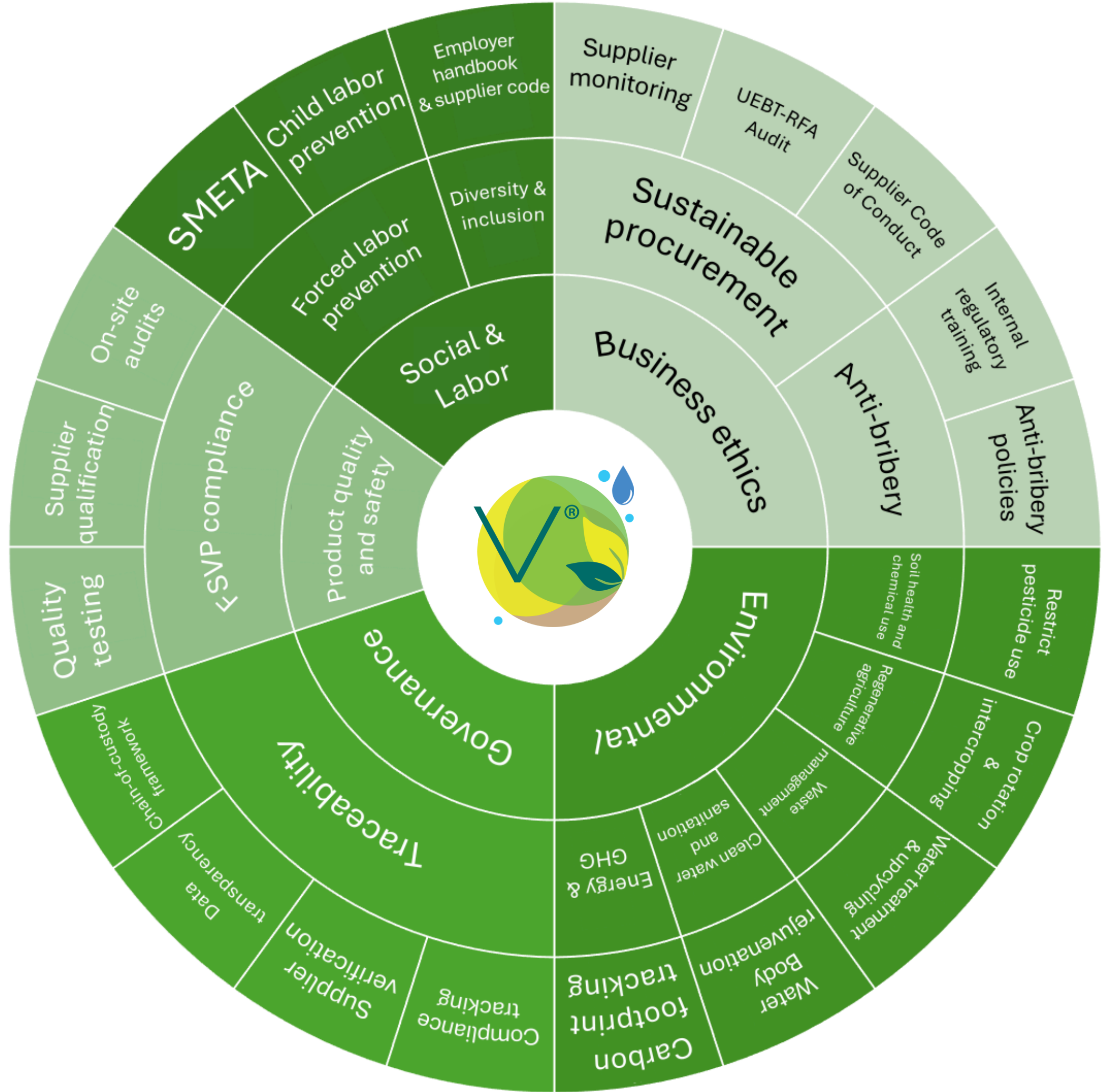
- Ongoing engagement with partners across the value chain informed the assessment, including suppliers, manufacturing partners, customers, and internal teams.
- These perspectives helped validate priority areas by highlighting key risks, operational challenges, and opportunities for impact.
- Feedback ensured that the assessment reflects real-world conditions across Verdure's sourcing and manufacturing network.



## Prioritization & Strategic Application

- Topics were evaluated based on their significance to business operations, stakeholder expectations, and environmental and social impact.
- Priority areas were categorized across core domains to support clarity and integration into Verdure's broader sustainability strategy.
- Outcomes of the assessment are used to guide ongoing initiatives, strengthen data collection efforts, and inform future goal setting.

From center outward: material topic → focus area → mitigation approach



# MATERIAL TOPICS & RISK MANAGEMENT FRAMEWORK

Verdure Sciences®' materiality assessment identified the sustainability topics most relevant to our operations, stakeholders, and supply chain. These priority areas are translated into a structured framework that connects each topic to key risk areas and the actions taken to manage them across our value chain.

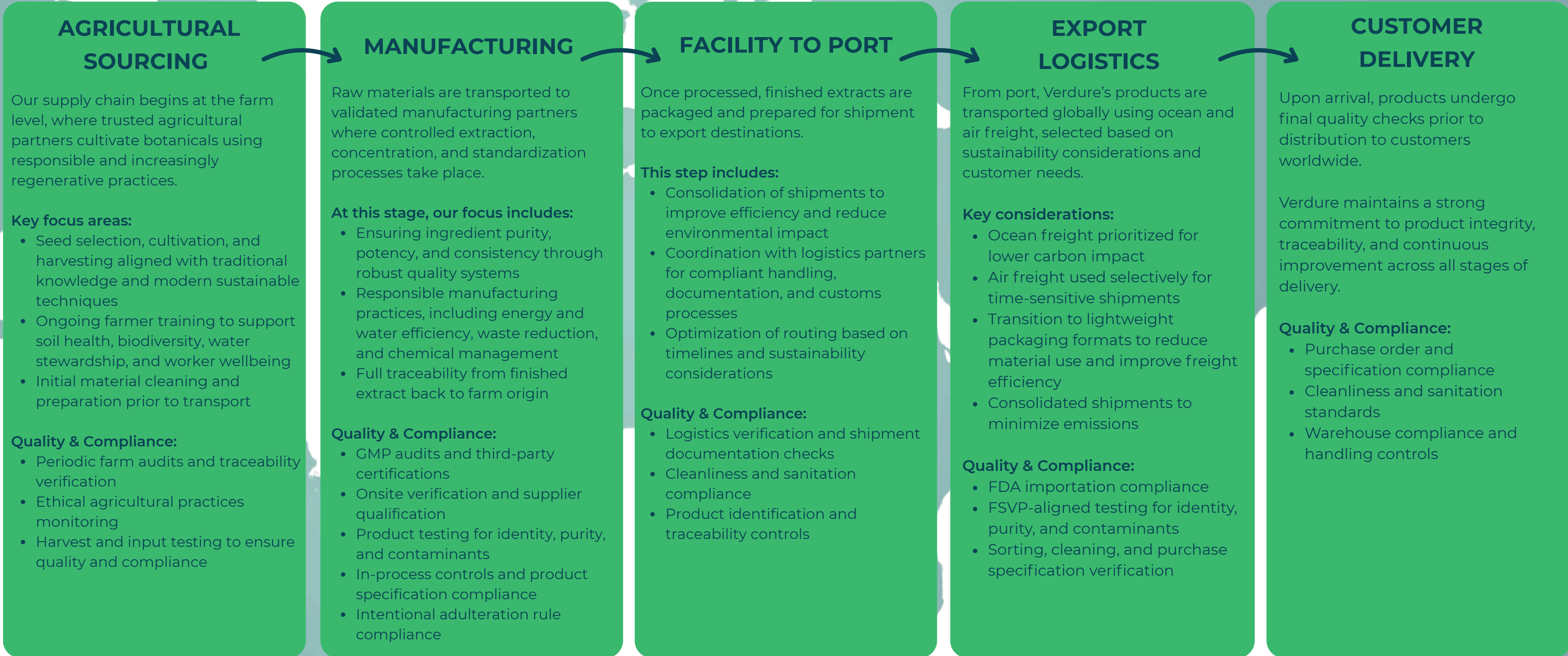
The diagram below illustrates how material topics are operationalized, linking high-level focus areas to specific mitigation approaches implemented through sourcing programs, supplier engagement, and internal controls.

This approach ensures that sustainability priorities are not only identified, but actively managed through measurable, consistent practices that support transparency, accountability, and continuous improvement.

# SUPPLY CHAIN MAPPING



Verdure Sciences® operates a vertically integrated botanical supply chain spanning farm-level cultivation, post-harvest processing, extraction, manufacturing, and global distribution. Our value chain includes farmer partners, agronomists, manufacturing and packaging partners, and logistics providers across key sourcing regions. Significant environmental and social impacts occur within agricultural and manufacturing stages, which are prioritized through Verdure's Sustainable Procurement Programs (SPPs) and ongoing supply chain mapping efforts. Built on long-standing relationships, our supply chain enables quality, transparency, and traceability at every stage, from farm to finished extract.



# ETHICAL BUSINESS PRACTICES

Verdugration® at Verdure Sciences® is guided by a collaborative structure that integrates leadership oversight, dedicated coordination, and cross-departmental involvement. The sustainability team consists of the Sustainability Coordinator, the CEO, and the Regulatory Compliance Officer, who meet regularly to review ongoing initiatives, evaluate progress, and shape long-term sustainability direction. This structure ensures that sustainability is embedded in operational decision-making and aligned with broader business strategy.

While the core team provides direction and oversight, Verdugration® is intentionally designed to extend beyond a single department. Each year, representatives from across the organization come together to discuss sustainability priorities, share updates, and identify opportunities for improvement. These conversations reinforce the belief that sustainability is a shared responsibility, requiring awareness and participation across all functions. Employees are encouraged to integrate sustainable practices into their daily work and recognize their role in supporting environmental and social commitments.

Responsible and ethical behavior are maintained through both internal and external governance frameworks. Internally, the Employee Handbook outlines standards for conduct, workplace safety, and ethical practices that guide daily operations. Externally, Verdure works closely with manufacturing partners through supplier audits, assessments, and adherence to the Supplier Code of Conduct, which defines requirements related to quality, labor practices, environmental responsibility, and compliance.

Together, this governance structure supports a coordinated and collaborative approach to sustainability, one that empowers teams, strengthens supplier partnerships, and drives continuous improvement across operations and the broader value chain.



*"We are committed to quality, safety, and regulatory compliance, guided by our dedication to sustainable and ethical integrity."*

Ashish Kumar  
Regulatory Compliance Officer

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# AUDITS, CERTIFICATIONS & REPORTING APPROACH

Transparency, compliance, and data integrity across Verdure's operations



Quality, compliance, and responsible sourcing are supported through a combination of third-party certifications, supplier audits, and internal verification processes. These frameworks reinforce product integrity, traceability, and alignment with global regulatory and sustainability standards.

We maintain a comprehensive portfolio of certifications and audits across our operations and partner network. These include NSF and USP verification for select ingredients such as Boswellia and Witholytin®, as well as Organic certification under the USDA National Organic Program (NOP) through CCOF at our headquarters. Key manufacturing partners maintain additional certifications, including Kosher and Halal compliance, along with ISO 22000 (Food Safety Management), ISO 9001 (Quality Management), and ISO 45001 (Occupational Health & Safety). Ongoing Organic and Non-GMO audits further support transparency and product integrity throughout the supply chain.

## Product Certifications

- Organic Certified ( Bacopa, Holy Basil)
- USP Verified (Witholytin®)

## Sourcing & Program Certifications

- UEBT-Rainforest Alliance (UEBT-RFA) certification for turmeric sourcing programs
- The Detox Project

## Quality & Compliance

- Good Manufacturing Practice (GMP) certification across manufacturing partners
- Ongoing supplier audits and qualification processes
- Compliance with applicable FDA importation and FSVP requirements

This report reflects a commitment to transparent, consistent, and credible sustainability reporting. Data has been collected across operations and the broader supply chain, with a focus on accuracy, comparability, and continuous improvement over time.

Verdure is in the process of aligning its reporting with the GRI Standards (2021), while also incorporating guidance from the United Nations Sustainable Development Goals (UN SDGs) and utilizing EPA greenhouse gas methodologies to support emissions accounting.

The scope of this report includes headquarters operations, key supplier and manufacturing partners, and upstream agricultural programs connected to Sustainable Procurement Programs. Data reflects areas where there is direct oversight or access to verifiable information.

As data collection systems and supplier engagement continue to evolve, efforts remain focused on expanding the depth, quality, and transparency of reported sustainability metrics. This includes increased visibility across environmental performance, supply chain activities, and emissions categories.

This approach supports consistent disclosure, strengthens data integrity, and provides a foundation for tracking performance and informing future sustainability goals.



These certifications and verification processes reinforce transparency, ensure consistent product quality, and support responsible practices from farm to finished ingredient.

# MEASURING OUR IMPACT



Verdure Sciences® measures and tracks environmental impact through a greenhouse gas (GHG) inventory aligned with the GHG Protocol. This includes Scope 1, Scope 2, and key Scope 3 categories, supporting increased transparency and improved accuracy in emissions reporting over time.

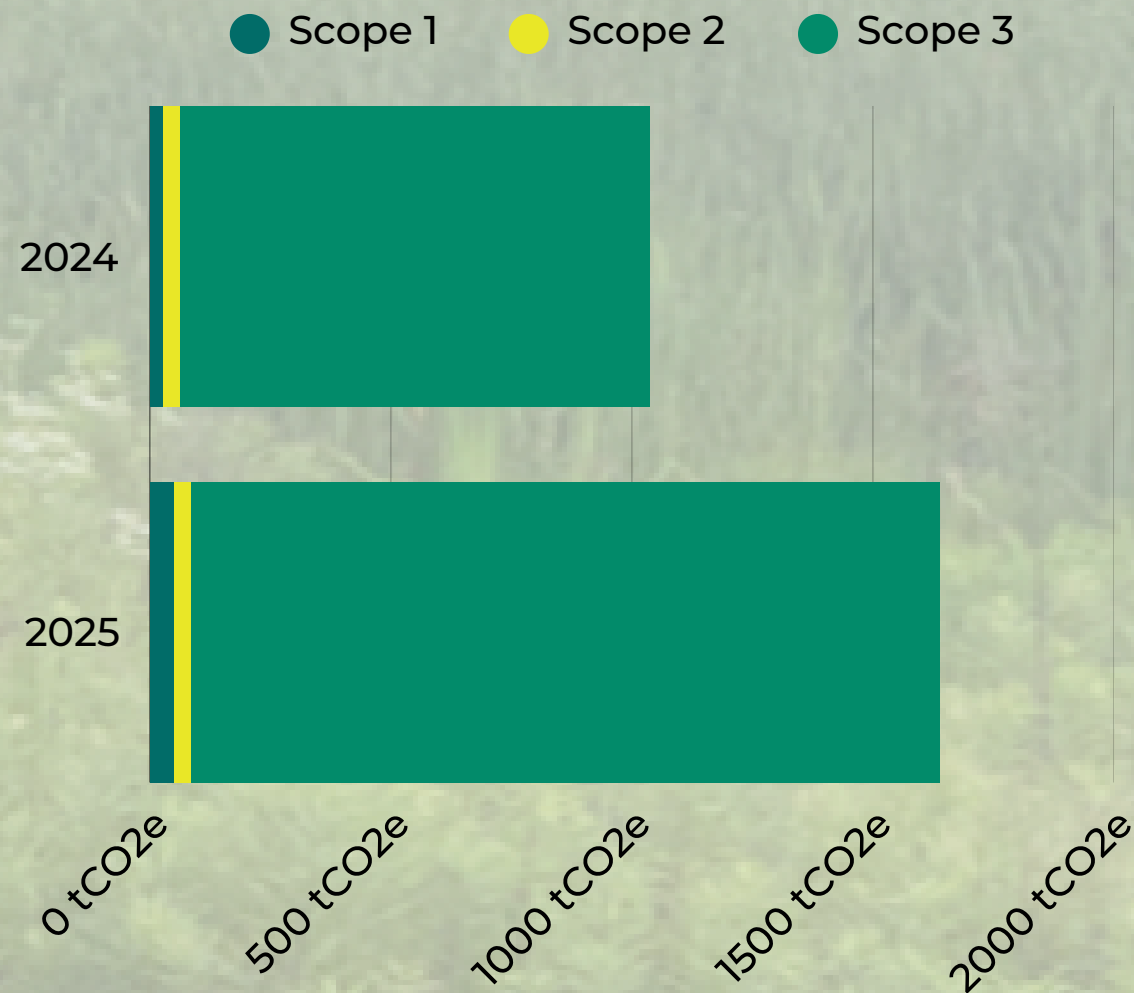
Scope 3 emissions represent the largest share of Verdure's footprint, driven primarily by purchased goods, raw material processing, packaging, and global transportation.

In 2024, Verdure initiated measurement of Scope 1, Scope 2, and Scope 3 emissions, establishing a foundation for expanded data collection. In 2025, efforts focused on deepening Scope 3 data coverage, particularly within Purchased Goods & Services and Upstream Transportation, while continuing to enhance supplier engagement and improve data quality across the value chain.

**Data & Methodology** - Emissions calculations are based on best-available data using recognized industry tools and emission factors. The EPA Carbon Footprint Calculator was utilized to support emissions estimation and ensure consistency across reporting. Scope 2 emissions are reported using the market-based method, reflecting supplier-specific emission factors where available. Reported values are based on current data availability and continue to improve as supplier engagement and data collection processes evolve. Certain Scope 3 values reported in the 2024 inventory were restated following a unit conversion correction identified during the 2025 inventory review.

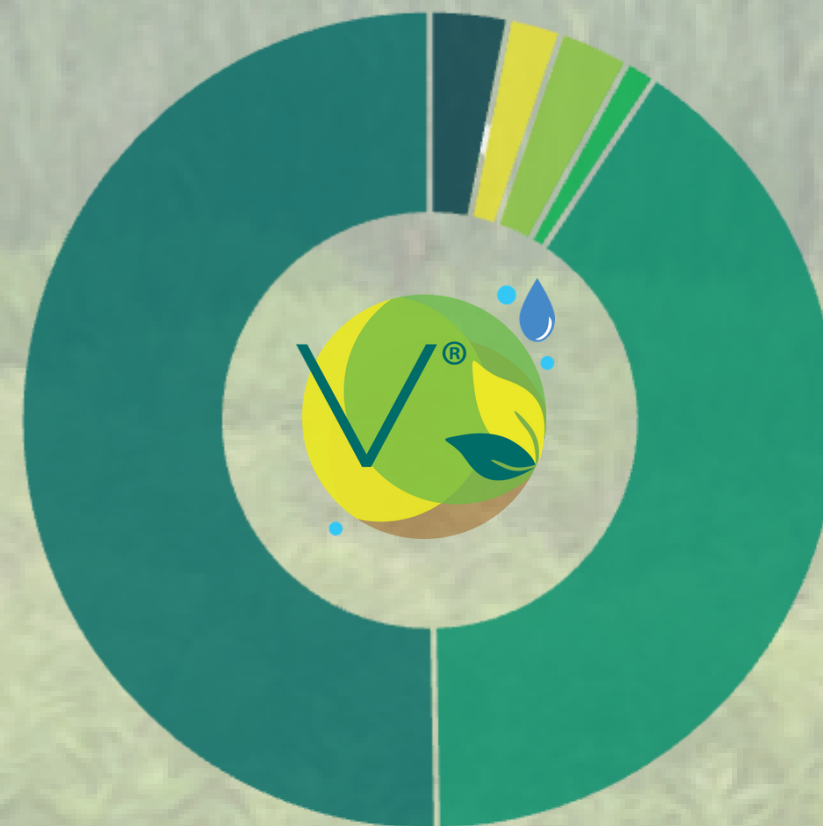
**Looking Ahead** - Verdure will continue strengthening its emissions inventory through enhanced supplier engagement and improved internal data systems. A key priority moving forward is expanding waste data collection (Scope 3 Category 5) to improve visibility and support future emissions reduction strategies.

## Yearly Emissions by Scope



The increase reflects expanded Scope 3 data coverage.

## 2025 GHG Inventory Total



- Scope 1: 51 Metric tons CO<sub>2</sub>e
- Scope 2: 35 Metric tons CO<sub>2</sub>e
- Scope 3- Business Travel: 46 Metric tons CO<sub>2</sub>e
- Scope 3- Employee Commuting: 20 Metric tons CO<sub>2</sub>e
- Scope 3- Transportation: 662 Metric tons CO<sub>2</sub>e
- Scope 3- Purchased Goods & Services: 824 Metric tons CO<sub>2</sub>e

# CARBON & CLIMATE

Verdure's approach to climate impact is rooted in a vertically integrated value chain, enabling visibility across sourcing, processing, and distribution. This structure supports more accurate emissions tracking while strengthening supply chain resilience and long-term sustainability performance.

Climate considerations are embedded across sourcing and operations through the Verdugration® framework, guiding investments in regenerative agriculture, water stewardship, and greenhouse gas management in collaboration with growers and manufacturing partners. Physical climate risks—including shifting growing conditions and extreme weather—are actively monitored alongside operational risks such as transportation and supply chain disruptions.

## Operational Focus Areas

- Scope 3 emissions reduction across purchased goods, packaging, and transportation
- Packaging optimization and lightweight material transitions
- Logistics efficiency through shipment consolidation and route optimization
- Renewable energy adoption across key manufacturing partners

Efforts to reduce emissions are concentrated within Scope 3 categories, which represent the majority of Verdure's environmental footprint due to agricultural production, raw material processing, and global distribution.

## Data & Progress

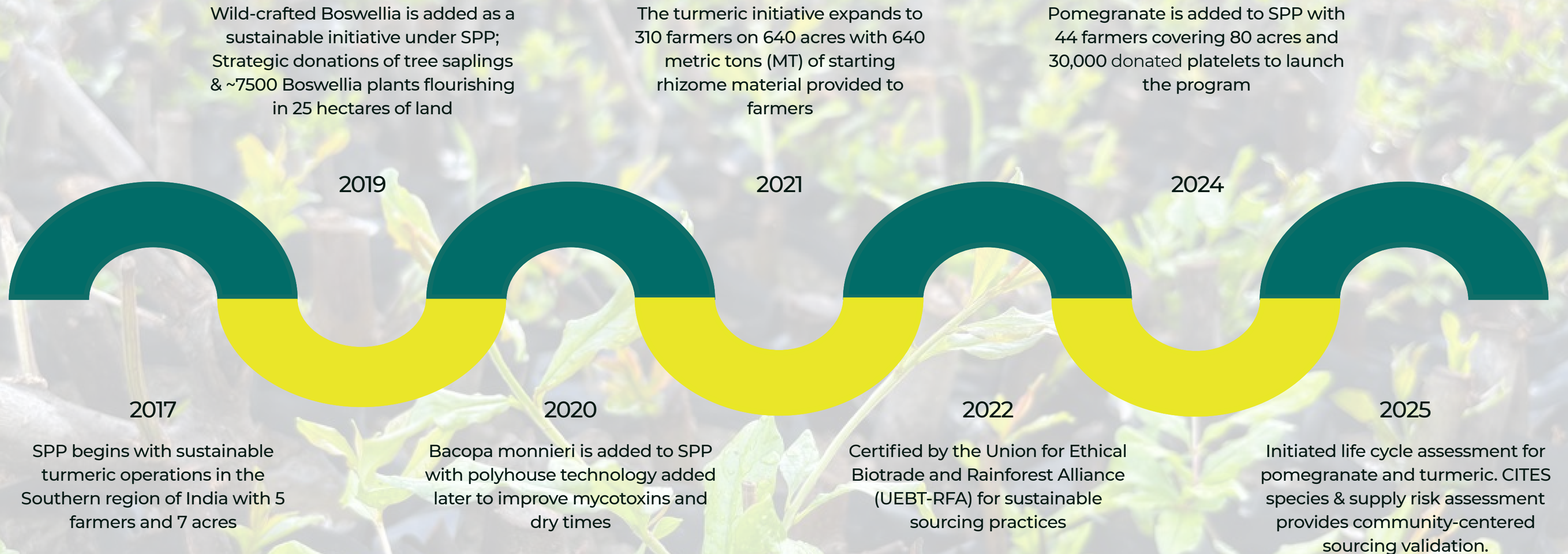
- Expanded emissions inventory in 2025 to include deeper Scope 3 analysis
- Increased supplier engagement to improve data accuracy and transparency
- Ongoing Life Cycle Assessments (LCAs) to refine emissions modeling and insights

While data availability continues to evolve, Verdure prioritizes best-available methodologies aligned with recognized standards, including the Greenhouse Gas Protocol and EPA emission factors.

Looking ahead, continued improvements in supplier data, emissions visibility, and waste tracking will support more comprehensive reporting and inform future emissions reduction strategies.

# SUSTAINABLE PROCUREMENT PROGRAMS

Addressing these impacts begins at the source, through responsible sourcing and sustainable procurement programs.



Sustainable Procurement Programs (SPPs) support responsible sourcing across Verdure's botanical supply chains. Developed in collaboration with manufacturing partners, these programs focus on strengthening traceability, supporting farmers, and advancing sustainable agricultural practices tailored to each region and ingredient.

# SUSTAINABLE PROCUREMENT PROGRAM: OVERVIEW



Sustainable Procurement Programs (SPPs) are designed to strengthen the long-term resilience, transparency, and integrity of Verdure's botanical supply chains. As global demand for botanical extracts continues to grow, these programs help ensure that cultivation and harvesting practices remain responsible, traceable, and supportive of the communities and ecosystems where ingredients originate.

A central element of this approach is close collaboration with manufacturing partners. Through their local networks and agricultural expertise, these partners support implementation at the farm level, enabling stronger traceability, improved sourcing practices, and continuous supply chain improvement.

Each Sustainable Procurement Program is centered on a specific botanical ingredient and tailored to the environmental, agricultural, and social conditions of the region in which it is grown. Programs are designed to address region-specific challenges while maintaining consistent standards for responsible sourcing.

Key initiatives may include:

- Agricultural training and farmer support
- Improved cultivation and harvesting techniques
- Water stewardship and soil health management
- Responsible harvesting guidance and traceability systems



## Farmer & Supply Chain Engagement

Farmer relationships are foundational to these programs. Rather than relying on transactional sourcing, Verdure prioritizes long-term partnerships developed in coordination with trusted manufacturing partners who maintain close relationships with local farming communities.

These collaborations support knowledge sharing, strengthen supply chain transparency, and promote greater stability for growers. By engaging farmers through established local networks, Verdure works to advance responsible agricultural practices while supporting the long-term viability of both crops and communities.

## SPP Metrics

**Total Farmers:** 635

**Total Acres:** 1285.8

**Ingredients:** Bacopa, Boswellia Serrata, Pomegranate, Turmeric

**SUSTAINABLE PROCUREMENT PROGRAM:**

# TURMERIC

Verdure’s turmeric Sustainable Procurement Program, established in 2017, supports responsible sourcing through regenerative farming practices, farmer education, and community engagement initiatives within turmeric-growing regions.

### Soil Health & Farming Practices

The program prioritizes soil health and long-term farm productivity through:

- Vesicular Arbuscular Mycorrhiza (VAM) to enhance nutrient uptake
- Green manure crops, farmyard manure, and crop rotation
- Soil and water testing to guide responsible nutrient management

### Farmer Training & Standards

During the reporting year, training sessions strengthened knowledge in:

- Farm safety and responsible agrochemical usage
- Soil health management and sustainable practices
- Labor standards and ethical practices

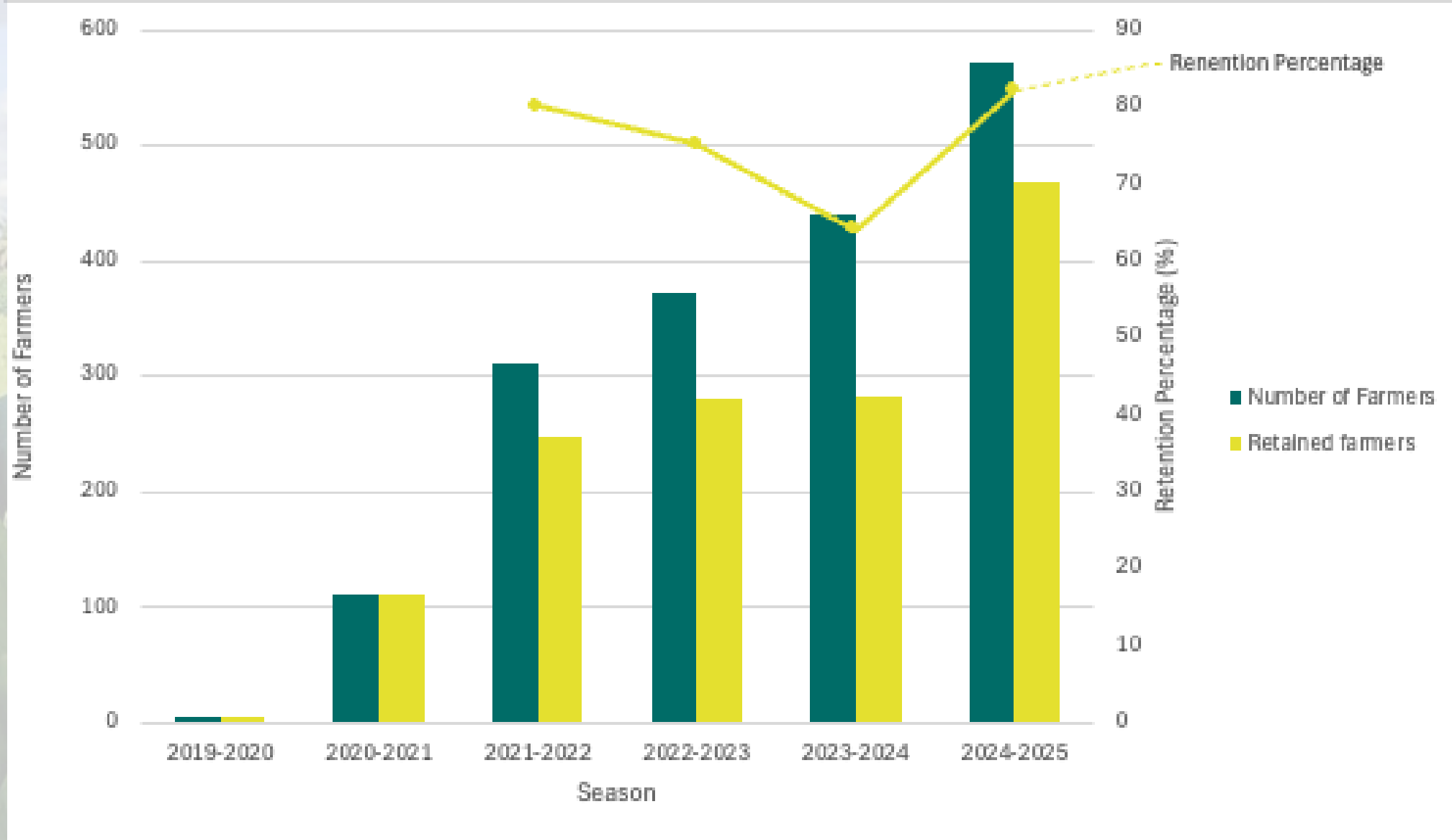
### Community Impact & LCA

The program supported local communities through health camps improving access to care and early screenings. In parallel, LCA efforts are advancing to quantify emissions and support future reduction strategies.



**2025 PROGRAM HIGHLIGHTS**

- 4 Medical Camps, with 473 Participants
- Farmer Count: 571
- Acres: 1112



SUSTAINABLE PROCUREMENT PROGRAM:  
**POMEGRANATE**

Initiated in 2024, Verdure's Sustainable Procurement Program for pomegranate focuses on strengthening responsible sourcing while supporting farmer livelihoods and sustainable orchard management. Working closely with local partners and growers, the program promotes improved agricultural practices, environmental stewardship, and long-term productivity across pomegranate cultivation regions.

- **Farmer Awareness & Training:** Training focused on balanced nutrition, soil health, and science-based orchard management, supporting improved productivity, efficient input use, and adoption of climate-resilient practices.
- **Biofertilizer Facility Development:** In collaboration with NIPHM (Hyderabad), a local facility was established to produce Trichoderma and Pseudomonas biofertilizers. These are distributed at no cost to farmers, reducing chemical dependency while improving soil health and orchard sustainability.
- **Community Health Initiative:** A social health camp was organized to support preventive healthcare access. Medical equipment, including blood pressure, hemoglobin, glucose, and ECG monitoring devices, was provided to strengthen local health infrastructure and enable early detection of health concerns.

**Program Timeline**

- **September 2026** – First commercial harvest anticipated, representing a key milestone for the program's development.
- **2027** – Continued agronomic support aimed at optimizing orchard productivity and achieving optimal harvest yields as the program matures.

**2025 PROGRAM HIGHLIGHTS**

- 58 local villagers reached through community health initiatives
- ~50% reduction in water usage following drip irrigation installation
- **Farmer Count:** 48
- **Acres:** 81.5
- **Plantlets Donated:** 35,380



## SUSTAINABLE PROCUREMENT PROGRAM:

# BACOPA

### Program Overview

Bacopa cultivation within Verdure's sourcing network supports sustainable agricultural production and rural employment.

### Farming & Employment Impact

Bacopa farming is labor-intensive, creating consistent employment across planting, weeding, harvesting, and drying. Approximately 15 laborers per acre are engaged per harvest, with multiple cycles annually, supporting farmers, families, and local workers.

### Post-Harvest Processing

Processing incorporates polyhouse drying technology, providing a controlled environment that reduces contamination risk and improves product consistency and quality.

### Community Health & Wellbeing

Regular health camps support Bacopa-growing communities by improving access to essential healthcare services. In 2025, over 80 individuals were reached through initiatives including critical health screenings, medical consultations, and increased awareness of accessible healthcare programs. These efforts contribute to improved worker wellbeing and strengthen long-term community resilience.



## CERTIFICATION & COMPLIANCE

To export Bacopa monnieri from India to the U.S., compliance with both APEDA (NPOP) and USDA (NOP) standards is required.

- Organic System Plan (OSP) registered via India's TraceNet platform through an accredited agency
- Due to Bacopa's ability to absorb environmental elements, certification requires a 36-month land conversion period
- Strict heavy metal testing is conducted to meet safety standards
- Annual physical audits are required to maintain compliance
- Following successful audit completion, a scope certificate is issued

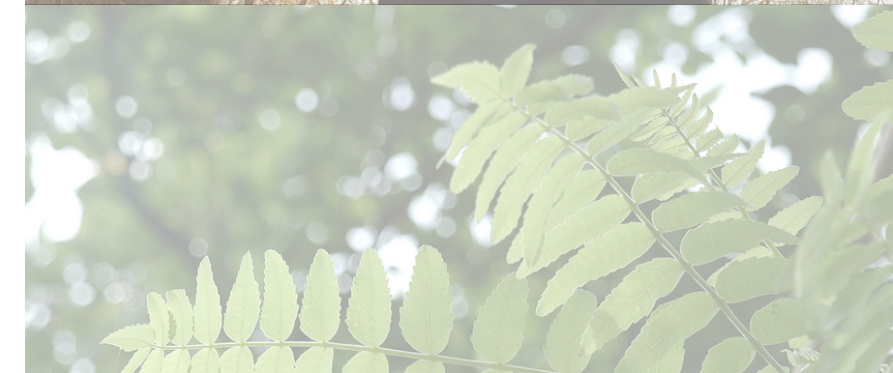
We are currently in Year 3 of the conversion period, with Bacopa expected to achieve NOP certification next year.

## 2025 PROGRAM HIGHLIGHTS

- 80+ individuals reached through community health initiatives
- Warehouse renovation completed to support crop storage
- **Farmer Count: 16**
- **Acres: 30.5**



# SUSTAINABLE PROCUREMENT PROGRAM: BOSWELLIA SERRATA



Verdure's Boswellia sourcing program focuses on forest ecosystem restoration and responsible resin harvesting, while supporting the livelihoods of forest-dependent communities in Madhya Pradesh, India.

The initiative centers on the regeneration and long-term stewardship of *Boswellia serrata*, a native tree species valued for producing oleo-resin (salai guggul). The program currently supports restoration across approximately 61.8 acres (25 hectares) and is implemented in collaboration with local forestry authorities and community stakeholders.

- **2019:** Program concept initiated with a *Boswellia* planting project and early engagement with the Madhya Pradesh Forest Department
- **2020:** Formal approvals secured; planting activities began through local partnerships. Training provided to surrounding tribal communities on responsible harvesting practices, alongside investments in fencing and irrigation infrastructure to support sapling establishment
- **2021:** Continued planting and project monitoring strengthened site protection and improved early survival rates of young *Boswellia* trees
- **2022–2023:** Additional planting phases completed, with thousands of saplings established across restoration sites and a long-term monitoring program implemented to support healthy tree growth

## Program Impact & Monitoring

The program continues under a multi-year maintenance and monitoring framework, ensuring planted saplings mature successfully while supporting natural forest regeneration. Early monitoring indicates approximately 50% tree survival, with protective measures in place to support continued growth.

*Boswellia serrata* is a key non-timber forest product (NTFP) for Sahariya tribal communities, providing an important source of livelihood. Responsible tapping practices enable resin collection without harming mature trees, supporting sustainable resource use while preserving native forest ecosystems.

## Species Status & Responsible Sourcing Validation

To further validate responsible sourcing practices, a species-level conservation assessment (2025) evaluated the status of *Boswellia serrata* within global conservation frameworks:

- Classified as Least Concern with a stable population trend under the IUCN Red List
- Not listed under CITES trade restrictions
- When best practices are followed, regulated tapping of mature trees can occur without posing biodiversity risk

These findings reinforce Verdure's responsible procurement approach, demonstrating that sustainable harvesting of *Boswellia* resin can support forest conservation, traceable sourcing, and economic stability for forest-dependent communities, while emphasizing the importance of ongoing monitoring and supplier accountability.

# WATER REJUVENATION PROJECT

This initiative focuses on the revitalization of Nellappana Katte, a traditional village pond in Gundlupet region of Karnataka, to strengthen local water security, enhance ecosystem services, and support sustainable agricultural livelihoods. Following a joint field assessment and community consultations conducted in late 2024, a structured restoration plan was developed and approved for implementation in collaboration with local partner.

Historically, the pond served as a critical freshwater source for irrigation, groundwater recharge, and biodiversity established over 100 years ago. Over time, neglect, siltation, and encroachment significantly reduced its storage capacity and ecological function. The project addresses these challenges through a phased, community-centered restoration approach designed to deliver long-term environmental and social benefits.

## Phase

1



### Implementation & Restoration (December 2025 – April 2026)

- Conduct baseline assessments covering water availability, groundwater levels, biodiversity, and local agricultural practices
- Desilt and reshape the pond basin to restore depth and improve water holding capacity
- Strengthen and stabilize pond bunds through re-sectioning, compaction, and stone revetment
- Improve water inflow and overflow management via feeder channel re-sectioning, silt traps, and spillway realignment
- Enhance ecological value through island creation around existing trees
- Install protective fencing, access steps, walkways, ramps, and gates to ensure safe, controlled, and community-friendly access

## Phase

2



### Monitoring, Capacity Building & Impact Assessment (Years 2-3 following implementation)

- Establish and support a community-led Pond Management Committee to ensure long-term stewardship
- Conduct quarterly monitoring visits to track pond condition, water availability, and ecological performance
- Facilitate regular community meetings to reinforce maintenance practices and shared governance
- Implement structured impact assessments to evaluate changes in water storage, groundwater recharge, agricultural resilience, biodiversity, and community engagement

## Expected Outcomes

- **Project Timeframe:** 3 years
- Delivery of a minimum ~30% increase in pond water storage capacity through desilting and structural improvements
- Improved groundwater recharge and soil moisture in surrounding agricultural lands
- Enhanced crop resilience and local biodiversity supported by improved water availability
- Strengthened community ownership and long-term management of a critical water resource





# WATER REJUVENATION PROJECT

SEPTEMBER 2024



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6 CLEAN WATER AND SANITATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

13 CLIMATE ACTION

15 LIFE ON LAND



APRIL 2025

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FEBRUARY 2026



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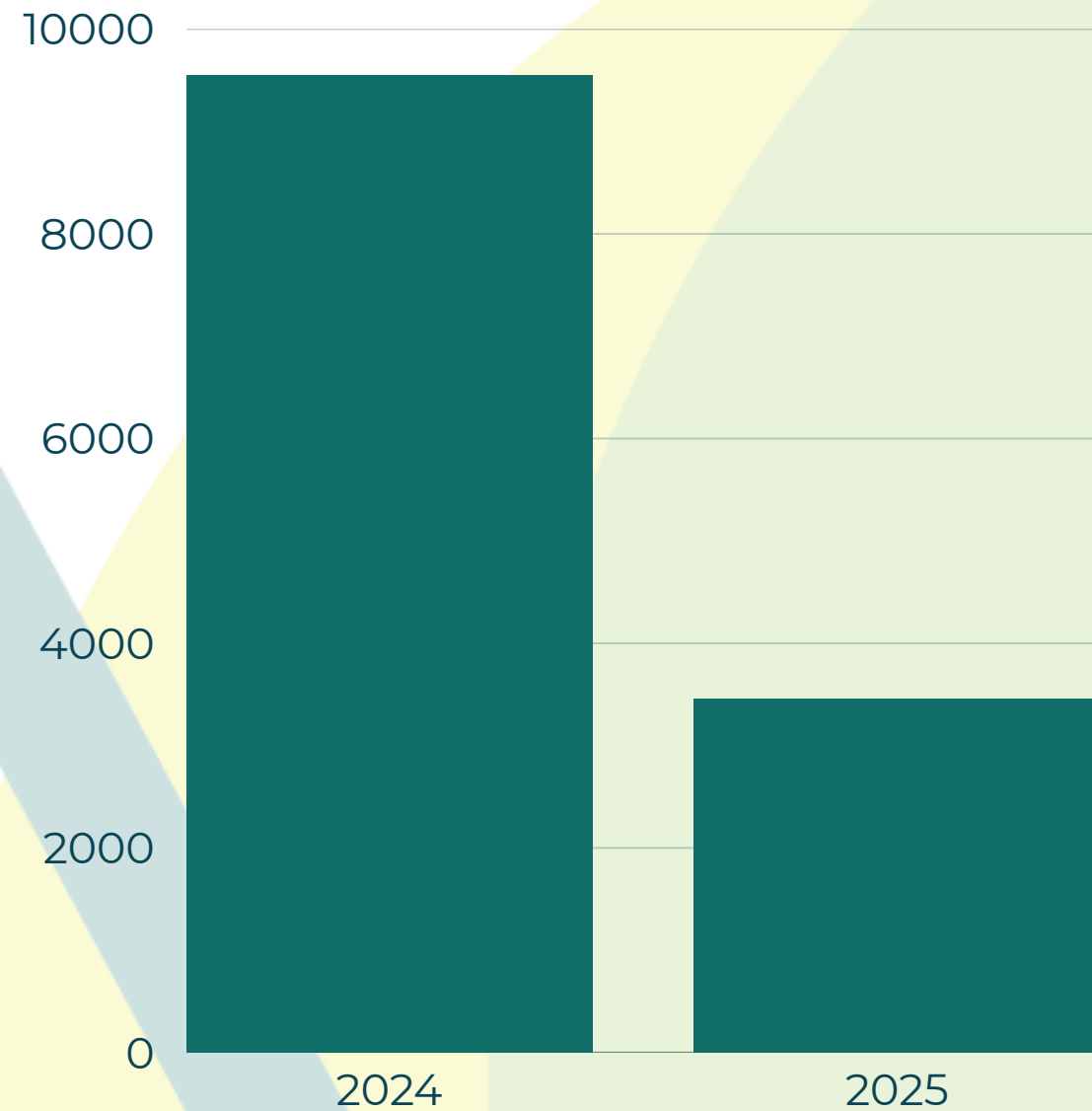
Veeranapura, Karnataka, India



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# PACKAGING & LOGISTICS



Reduction in Packaging Waste

Following pilot shipments in 2024, sustainable packaging was scaled across operations in 2025, significantly reducing total packaging material (kg).

**~8821 kg**  
Packaging weight avoided

**~8.8 metric tons**  
Freight weight avoided

**~0.27 tCO<sub>2</sub>e**  
Emissions avoided

Improving packaging efficiency is an important part of Verdure Sciences®' approach to reducing material use and optimizing supply chain performance. In collaboration with our manufacturing partner, a transition away from traditional drum packaging toward lightweight aluminum bag formats was initiated to reduce packaging mass while maintaining product protection and quality during transport.

The aluminum bag system was first introduced in 2024 to evaluate material durability, shipment handling, and compatibility with existing logistics processes. Following successful validation, expanded implementation in 2025 enabled full tracking of packaging weight reductions and freight efficiency improvements across shipments.

This packaging redesign significantly reduced the overall material weight required for each shipment. Compared with drum-based packaging, the aluminum bag format lowers packaging mass by approximately ~92%, helping reduce total freight weight transported across the supply chain. Across 2025 shipments, the transition resulted in an estimated 8.8 metric tons of freight weight avoided, improving transport efficiency while maintaining product integrity throughout storage and distribution. Using standard freight emission factors and estimated shipping distances, the reduction in transported weight is estimated to have prevented approximately 0.273 tCO<sub>2</sub>e in transportation-related emissions during 2025. Verdure Sciences® continues to evaluate opportunities to expand packaging optimization initiatives as part of broader efforts to reduce material intensity, improve logistics efficiency, and support responsible resource management across the supply chain.





# INSIGHTS LAB

Verdure's Insights Lab serves as an internal space for exploring ingredient applications and developing mock formulations that demonstrate how botanical ingredients perform in finished product formats. These prototypes provide a practical way to share concepts with customers and partners.

Batches are intentionally kept small during early-stage testing to reduce water, raw material, and overall resource use, while allowing formulations to be refined through multiple iterations before scaling.

Sustainability is embedded in daily operations. Reusable glassware is prioritized for internal use, while compostable cups are used when reusables are not practical. The lab also sources low-impact materials, including compostable labels and stickers, to minimize single-use waste.

Through these practices, the Insights Lab supports thoughtful experimentation while reducing material use and contributing to Verdure's broader commitment to responsible resource management.



## Sustainability at a glance:

- Small-batch testing to reduce waste
- Iterative formulation before scale-up
- Reusable glassware for internal use
- Compostable cups, labels, and stickers
- Low-impact sampling materials



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These statements have not been evaluated by the Food and Drug Administration. These products are not intended to diagnose, treat, cure, or prevent any disease.

# BIODIVERSITY & RESOURCES STEWARDSHIP

Supporting local biodiversity is a key component of environmental stewardship at Verdure's headquarters in Noblesville, Indiana. The property is intentionally designed and maintained to support native ecosystems through thoughtful landscaping, habitat preservation, and pollinator-friendly practices. Native plantings, a wildflower field, and a small produce garden contributes to a diverse and functional landscape that supports both ecological health and employee engagement.

Verdure prioritizes the use of natural, locally adapted flora across its grounds to create habitats that support pollinators and promote soil and ecosystem health. These efforts are complemented by the preservation of a natural wetland area on the headquarters property, helping to maintain biodiversity, support local wildlife, and protect natural water systems.

Pollinator support is one component of this broader approach. Two honey bee hives are maintained onsite and managed by a local high school beekeeper, providing hands-on learning opportunities while supporting pollination across the surrounding landscape. The hives are regularly monitored to ensure colony health, with minimal and intentional intervention practices in place.

Additional initiatives, including native landscaping, avoidance of chemical pesticides, and participation in local tree planting efforts, further strengthen Verdure's commitment to responsible land stewardship.

Together, these practices support biodiversity, enhance ecosystem resilience, and reflect Verdure's commitment to integrating environmental responsibility into everyday operations at headquarters.

## Inside a Verdure Hive

- 2 pine hive bodies
- Honey supers added during strong nectar flows
- Seasonal inspections to monitor brood, pollen, nectar, and food reserves



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# INDUSTRY COLLABORATION & COLLECTIVE IMPACT

17 PARTNERSHIPS FOR THE GOALS



Verdure Sciences® actively collaborates with industry organizations, research partners, and customers to advance sustainability across the botanical supply chain. Through participation in working groups, shared data initiatives, and joint projects, these efforts support greater transparency, improved methodologies, and collective progress on complex challenges such as Scope 3 emissions and responsible sourcing.

1

## Sustainable Herbs Initiative (SHI)

- Active participant in SHI Scope 3 Working Group
- Contributing to development of a shared Scope 3 emissions databases for botanical ingredients
- Supporting alignment on data methodologies and reporting standards across the industry

This collaboration enables pre-competitive data sharing, helping improve accuracy and consistency in emissions accounting across global supply chains.

2

## Industry Engagement & Partnerships

- Active member of American Herbal Products Association (AHPA), CRN (Council for Responsible Nutrition) and ABC (American Botanical Council)
- Engagement in industry discussions on regulatory, quality, and sustainability topics
- Contribution to broader efforts advancing responsible sourcing and transparency

3

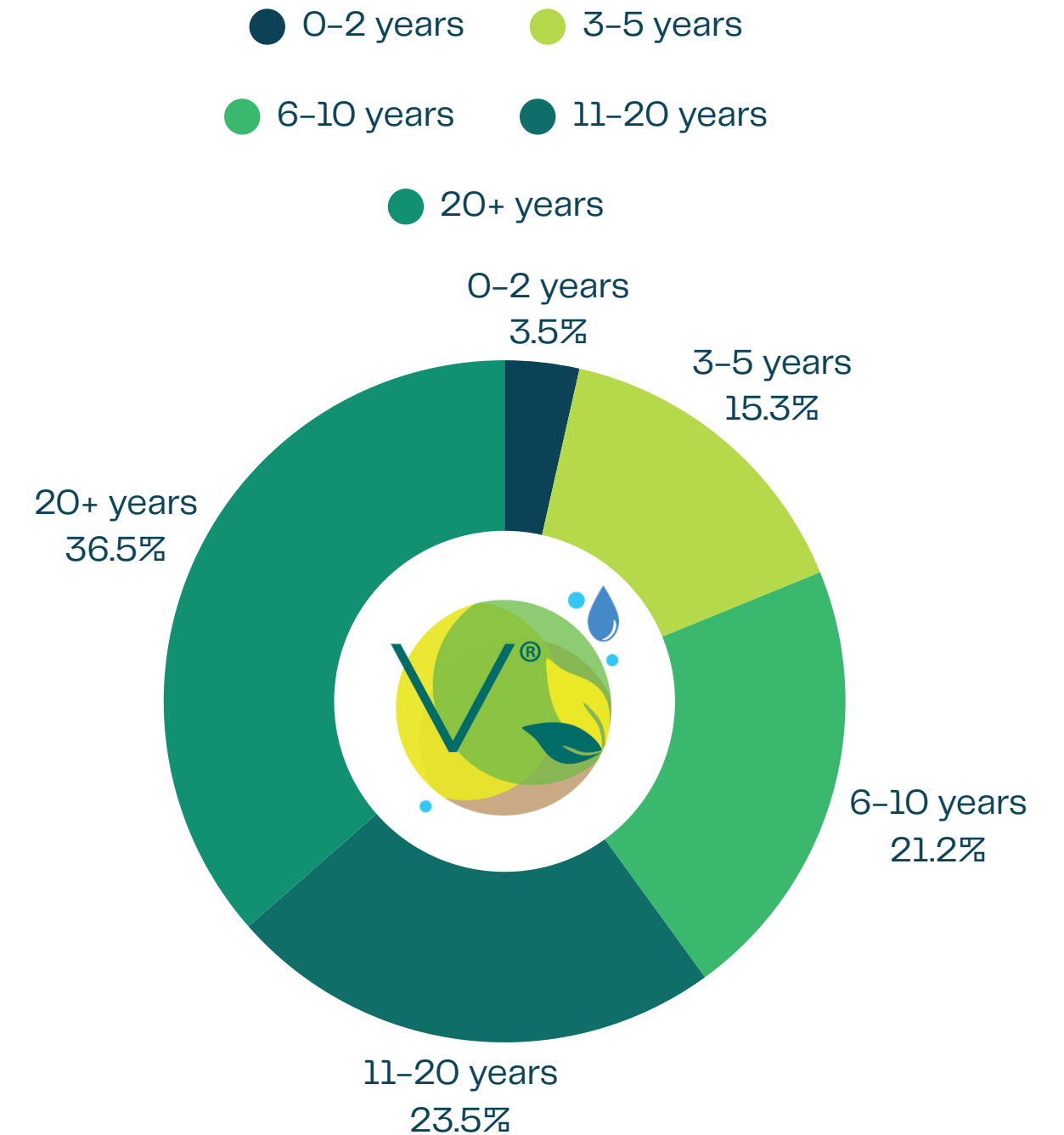
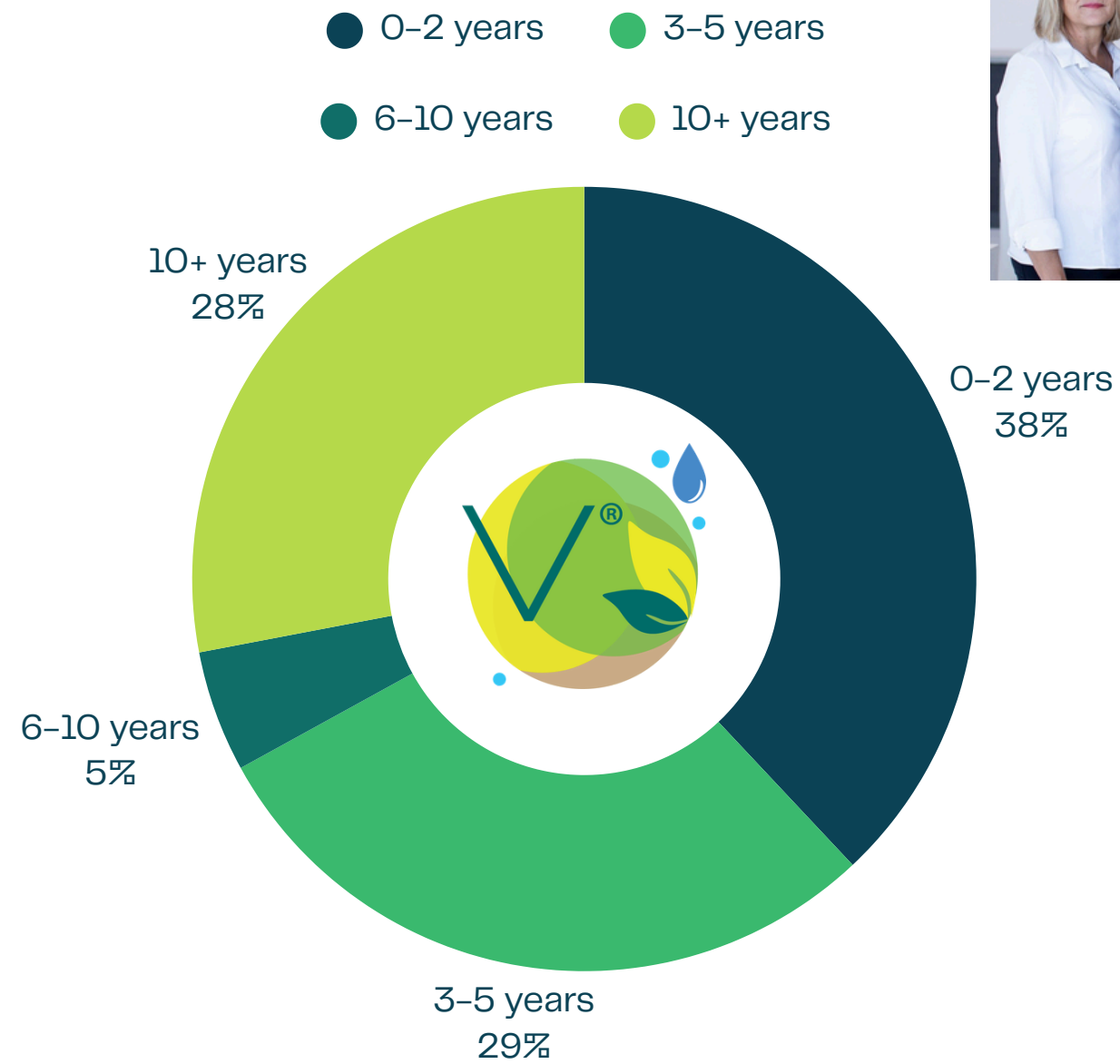
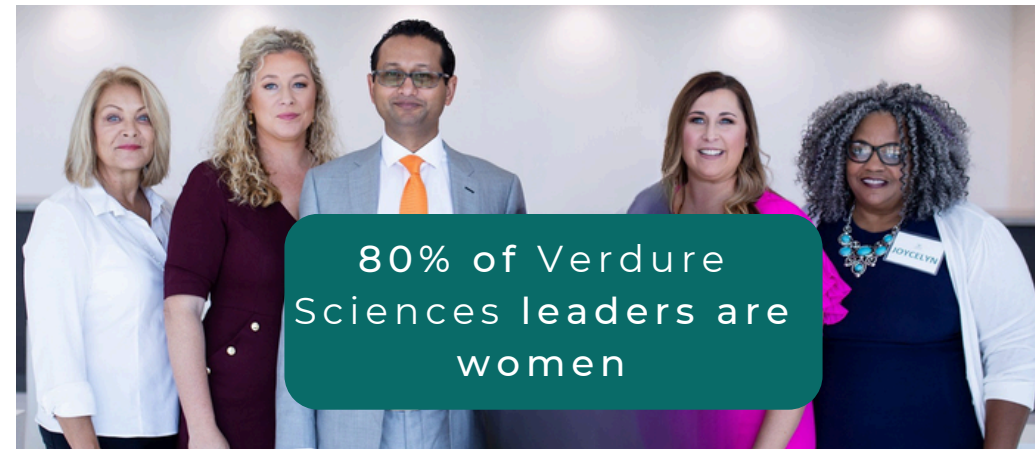
## Collaborative Innovation with Customers

Verdure partnered with a key customer to initiate its first Life Cycle Assessment (LCA) for Pomella®, marking an important step in advancing product-level environmental impact measurement.

- First cradle-to-gate LCA for Pomella®
- Enabled deeper visibility into emissions across sourcing, processing, and packaging
- Established a foundation for future product-level sustainability insights



# SUSTAINABLE RELATIONSHIPS

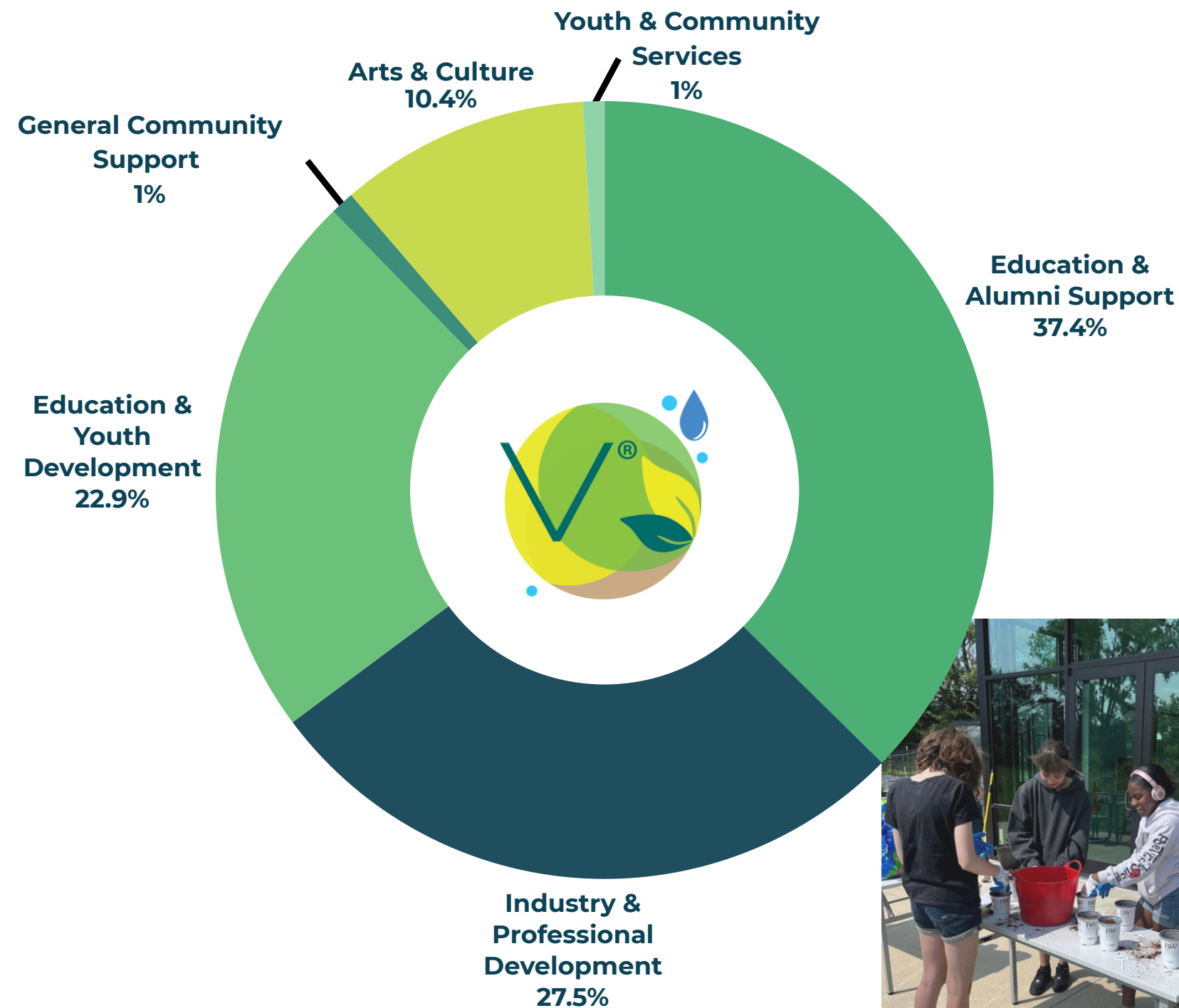


Verdure Sciences® benefits from a balanced workforce that combines long-term institutional knowledge with new talent. Over half of employees have been with the company for more than three years, while nearly one-third represent tenured team members with over a decade of service, supporting continuity, mentorship, and long-term sustainability initiatives.

Customer trust is foundational to Verdure Sciences'® sustainability journey. Our long-standing customer relationships, many spanning multiple years and decades, have shaped who we are today, enabling long-term investments in responsible sourcing, supplier partnerships, and continuous improvement across our value chain. This stability allows us to collaborate closely with customers to advance shared sustainability goals while maintaining transparency, quality, and integrity.

# COMMUNITY

Verdure's headquarters fostered community connection, employee engagement, and environmental stewardship through a range of internal and external initiatives.



In support of community health and environmental action, HQ employees participated in a local blood drive and an Adopt-a-Street cleanup, contributing time and effort to local initiatives.

The team also hosted an internal Learning Lunch focused on recycling, increasing awareness of responsible waste management practices. To further advance circularity efforts, Verdure held an electronic recycling collection at headquarters in partnership with Tech-Recyclers, a third-party vendor that is 100% landfill-free. The collection included a wide range of end-of-life electronic equipment, such as laptops and tablets, desktop computers, monitors, printers and copiers, peripherals, networking equipment, batteries, and assorted cables and adapters, comprising both retired HQ assets and personal electronics voluntarily contributed by employees, all responsibly recycled.

Verdure expanded its partnership with the Boys & Girls Club through hands-on engagement and youth-focused programming. Club members were hosted at HQ, where they assisted with the onsite produce garden and participated in learning sessions highlighting interdepartmental operations, providing exposure to workplace skills and sustainability in practice. Verdure also supported the Club's Stuff-a-Bus charity event, combining a targeted financial contribution with active employee participation and mentorship.

Additional community initiatives included a school supply drive at HQ and a hands-on garden workshop where employees learned how to create mini greenhouses.

Collectively, these efforts reflect a commitment to meaningful community engagement, supporting employee wellbeing, strengthening local partnerships, and translating sustainability values into tangible, local action.



## Academic Collaboration: Duke University

Through an academic partnership with Duke University, graduate-level research is being applied to support ongoing sustainability initiatives and strengthen data-driven decision-making. The collaboration focuses on advancing Scope 3 emissions tracking, with a specific emphasis on waste-related data (Category 5: Waste Generated in Operations). Efforts include identifying data gaps, refining data collection methodologies, and improving visibility into waste streams across the value chain.

In parallel, the project supports early-stage emissions reduction target setting through data analysis, benchmarking, and evaluation of improvement opportunities. This initiative enhances data accuracy, strengthens supplier engagement, and reinforces a more comprehensive, long-term approach to emissions management.



## Operational Sustainability in Manufacturing

- Solar - 23.5% electricity offset by onsite solar energy
- Circular Waste - 124 Mt boiler ash diverted for upcycling since 2024
- Water - 94 crop sites utilizing irrigation pumps for water efficiency



## Expanding Ingredient Life Cycle Assessments

Building on the Life Cycle Assessment (LCA) initiative introduced last year, Verdure is currently in the final stages of completing the cradle-to-gate LCA for Pomella®, strengthening data inputs and improving visibility into environmental impacts across the supply chain. During this reporting period, Verdure also recently began the introductory phases of LCAs for turmeric and bacopa, expanding the use of life cycle analysis to better understand the environmental footprint of additional key ingredients.



## Waste Reduction in Sample Labeling

Our Insights Lab and Quality departments not utilize a thermal printer to reduce waste. This enables us to print one label at a time on a small rechargeable portable printer.



## Sustainability in Dialogue

During this reporting period, Verdure's sustainability initiatives were featured twice on the CRN podcast, where team members Ajay and Bella were invited to discuss Verdure's approach to responsible sourcing, environmental stewardship, and supply chain transparency. These conversations provided an opportunity to share insights on Verdure's sustainability journey with a broader industry audience and contribute to ongoing dialogue around advancing sustainable practices within the natural products and nutraceutical sectors.



## Electronic Recycling

Over 45 devices, including previously used Verdure equipment, were collected and diverted from landfill through a 100% landfill-free tech recycling program in partnership with a local third-party vendor.



## Tree Planting

During a manufacturing visit in February, Verdure participated in a sustainability initiative led by our manufacturing partner in which visiting guests are invited to plant a tree. As part of this program, two banana trees were planted, supporting local biodiversity and contributing to the partner's broader efforts to promote environmental stewardship at their facility.





# VERDURE SCIENCES®

A Legacy Founded in  
Botanical Integrity and Innovation

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