



 **indigo**

# Annual ESG Report

Calendar Year 2023

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# LETTER FROM THE CEO



**Dean Banks,**  
CEO Indigo Ag

*Agriculture faces an urgent challenge to build resilient farms, restore soil health, and mitigate global greenhouse gas (GHG) emissions. At Indigo Ag, we know addressing these issues is vital to the future of farming, integral to the sustainability of our business, and essential to the health of our planet. The growing impacts of climate change, including more extreme weather patterns, make crop production increasingly difficult, threatening the livelihoods of farmers worldwide.*

*Our mission is clear: harnessing nature to help farmers sustainably feed the planet. This mission fuels our work to de-risk farming operations, enhance climate resilience, and ensure long-term profitability for farmers. **In 2023, we made significant strides toward this vision. We introduced 4 proprietary biological products to global markets and achieved notable progress in our carbon credit and sustainable crop programs, issuing more than 111,000 new carbon credits (metric tons of CO2 equivalent), launching the third verification of our carbon project, and generating \$7 million in additional income for over 400 farmers.** These accomplishments reflect our ongoing commitment to sustainable agriculture and our ambition to drive meaningful, lasting change across the industry.*

*As we move forward, our ESG strategy will continue to guide our efforts. We're committed to advancing sustainable practices both within our own operations and through collaboration with partners who share our vision. This report anchors efforts to be transparent about our progress, demonstrates how sustainability is already core to our business, and outline a multi-year effort in which we strive to build a better future together.*

*I remain optimistic about the future we can create together. By improving soil health, sequestering carbon, fostering other environmental benefits, and supporting the economic vitality of farming communities, agriculture can play a vital role in combating climate change. The road ahead requires collective action, and I invite our partners, stakeholders, and communities to join us in ensuring agriculture remains a force for good. Together, we can achieve far more than alone.*



# ABOUT THIS REPORT

*The purpose of this report is to provide an account of our Environmental, Social, and Governance (ESG) strategy and transparently share our progress towards our ambitions. We view this disclosure as essential to engaging with our stakeholders and driving positive change across the agriculture sector.*

## SCOPE

This report provides a comprehensive review of our ESG strategy and performance for the 2023 calendar year, including key metrics and material topics relevant to our stakeholders. Our programs are aligned with the United Nations Sustainable Development Goals (SDGs) and we have also incorporated components of the International Sustainability Standards Board (ISSB) guidelines.





# Our Progress

**In 2019**, we conducted our first GHG footprint and have continued to measure our GHG emissions annually since 2021.<sup>1</sup> Our overall footprint has decreased over this period, due in large part to both the global COVID-19 pandemic and to the restructuring and refocusing of our business and workforce. Continuing to decrease our footprint is a key priority of our ESG strategy, and we are committed to setting a science-based emission reduction target.

**In 2023**, we also engaged the services of external specialists to revamp our ESG strategy, updating our governance model and materiality assessment. This work has laid a foundation for us to conduct a climate risk and opportunity assessment and report on findings in alignment with the Task Force on Climate-Related Financial Disclosure (TCFD) going forward. We intend to report on progress annually.

**As of 2024**, our positive impacts have continued to grow in tandem with the scale of our sustainability solutions. Our cumulative impact includes:

- 20 million global acre footprint in Indigo Sustainability Solutions, Biologicals Solutions and Grow Indigo
- More than \$16M in revenue earned by farmers from private sources, entirely independent of government initiatives
- Nearly 300,000 high integrity, verified carbon credits issued
- Over 50,000 tonnes of greenhouse gases reduced with the agri-food supply chain
- Over 21 billion gallons of water saved
- 26 proprietary products launched in our global biological portfolio

# ABOUT INDIGO AG

## MISSION

*“Harnessing nature to help farmers sustainably feed the planet”*

We are at the forefront of sustainable agriculture, leveraging cutting-edge science and technology to create solutions that benefit both farmers and the environment. Since our founding in 2013, we have built a trusted platform that drives sustainability across the agricultural value chain, offering measurable benefits for corporations, farmers, and the planet.



Our mission is guided by four key principles:



### Boost Farmer Profitability and Soil Health

*Helping farmers enhance their profitability and soil health*



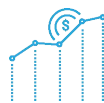
### Enhance Food Quality and Traceability

*Improving the quantity, quality, and traceability of the food available to consumers*



### Regenerate the Environment

*Protecting the environment by reducing and removing harmful greenhouse gases from the atmosphere, while incentivizing sustainable land stewardship practices*



### Create Long-term Shareholder Value

*Creating long-term value for our shareholders*



## Our Solutions

Our core business offerings are in service of this mission. Indigo Ag's innovative portfolio of sustainability and biological solutions is designed to address the evolving needs of modern agriculture. Over the past six years, we have successfully completed sustainable sourcing projects with multi-billion-dollar companies and delivered three crops of carbon credits at an unprecedented scale and quality as of 2024, with one crop of carbon credits delivered in 2023. Our ambitious goal to be the first ag sustainability company to deliver a megaton of carbon removal—one million metric tons cumulatively removed—is within reach.

 **indigo**  
biological solutions

**biottrinsic**  
by indigo

 **indigo**  
sustainability solutions

**source**  
by indigo

**carbon**  
by indigo

 **indigo**



# indigo

biological solutions

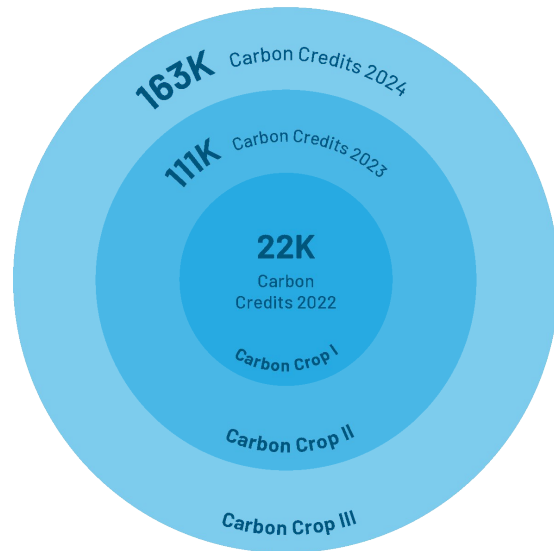


## Increasing crop resilience with biological products

Our biological products empower farmers to enhance their productivity while reducing their environmental footprint. Our biotrinsic® products represent a breakthrough in plant protection and enhancement. These all-natural, scientifically developed treatments strengthen plants' microbiomes to boost crop resilience against pests, diseases, and environmental stresses, improve nutrient uptake, and reduce the need for pesticide usage. The result is healthier soils, more robust ecosystems, and higher yields that contribute to greater profitability for farmers.

In 2023, we launched Z15, a groundbreaking bionematicide designed to combat soybean cyst nematodes, a pest responsible for over \$1.5 billion in annual yield losses. Z15 helps control these pests by disrupting their reproductive cycle. The safety and effectiveness of Z15 help address critical needs, especially as many chemical nematicides have been withdrawn from the market and because genetic resistance in soybeans has diminished over time. Field trials have shown that Z15 enhances stress tolerance and root development, with yield increases of up to nine bushels per acre, translating to an additional \$100 to \$120 per acre for farmers.

SOLUTIONS



## Delivering carbon removal at scale

Carbon by Indigo promotes a range of agricultural management practice changes targeted at increasing soil organic carbon (SOC) storage and reducing net emissions of CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O from agricultural operations throughout the continental USA.

As the first company to scale registry-issued soil carbon credits in agriculture, we have developed innovative methodologies to unlock the potential of agriculture. We take a science-first approach and believe that farmers, the environment, and Indigo will only achieve real benefits through adherence to the highest standards of integrity and quality. As such, Carbon by Indigo began to specifically address the need for a high-integrity and cost-efficient monitoring system to enable individual growers to benefit from the carbon market at scale.

In 2020, we initiated work with the Climate Action Reserve and Verra, the two leading voluntary offset standards organizations globally, to develop and approve two innovative protocols for agricultural soil carbon accounting (CAR SEP and VCS VM0042, and associated VMD0053 modeling guidance module). As of this writing, there are approximately 140 projects around the world implementing VM0042 including Grow Indigo, a joint venture between Indigo Ag and Mahyco Grow, operating in India. To date, they have enrolled over 1M acres in the Indian program.



## Decarbonizing supply chains through sustainable agriculture

Source by Indigo helps corporations and agribusinesses integrate regenerative farming into their food & fiber supply chains, meet climate, nature, and water goals, build resiliency with farmers.

Enabled in partnership with suppliers across stages of agricultural supply chains, our Source by Indigo programs engage growers to expand sustainable agricultural management practices that can reduce greenhouse gas emissions, sequester atmospheric carbon in soils, promote soil health, water retention, and biodiversity. Flexible programs, meaningful incentives, and technological innovation make it easy for farmers to participate and maintain profitability, enabling supply surety and durable practice adoption on farms within a company's sourcing region.

With advanced science and monitoring, reporting, and verification (MRV) technology, we enable companies to report on their impact in alignment with standards, with low burden to farmers for data collection. Our Source technology helps companies and their suppliers understand sustainable practice adoption, measure their sourcing region's footprint, preferentially source crops based on environmental attributes, and manage a reduced emissions inventory based on actual procurement.

### SOLUTIONS







## SOLUTIONS

### Reducing the carbon intensity of feedstocks for biofuels

Incentive programs to achieve lower carbon intensities for fuel production using biological feedstocks, primarily from corn and soybeans, have existed for several years. However, until recently, they have not been designed to consider the impacts of changing the management practices on the field. While Indigo is not involved in the creation or expansion of new biofuels mandates, we are strongly in favor of design changes that will incentivize farmers to adopt more sustainable practices. Source by Indigo can support biofuel producers by incentivizing farmers to adopt sustainable agricultural practices to reduce feedstock sustainability.

### Flexible Solutions for modern agriculture

By offering a variety of program types, we provide flexibility and choice for farmers and agribusinesses to participate in sustainability market opportunities. FieldFlex allows farmers to rotate between sustainability programs and produce either sustainable crops or generate carbon credits, based on their yearly crop rotation and the particular incentives available for their farm in a given harvest year. Providing opportunities for farmers to participate flexibly can help maintain an operation's profitability, which is critical for creating long-term sustainable change in agriculture.



## Science & Innovation

Integrity: commitment to science and validation



At Indigo Ag, we have tirelessly developed and validated our science and technology, establishing ourselves as leaders in agricultural sustainability. Our commitment to delivering on our science and sustainability goals is underscored by the publication of our recent peer-reviewed scientific article validating our ecosystem modeling with DayCent-CR—an achievement that sets the standard for Scope 3 programs and carbon credits.

In 2023, our peer-reviewed article in [Geoderma](#) validated our soil carbon quantification methods, solidifying our position as the only agricultural offset producer with both registry approval and peer-reviewed validation. We have reduced prediction uncertainty from 37% to 18% by continually refining our model and incorporating new crops and practices.

Later in 2023, we published a paper in [Soil Security](#) together with the **Woodwell Climate Research Center** and the **Soil Health Institute** showing that a new technique for soil measurements (mid infrared spectroscopy) was a viable alternative for standard lab techniques and could be done without tedious pre-processing (making it scalable).

As we continue to innovate and expand our capabilities, we are poised to lead the industry in providing science-driven solutions that support farmers, agribusiness partners, and corporations in achieving their sustainability goals.



## Industry Engagement



We recognize that our impact is amplified through strategic partnerships and collaborations across the agricultural value chain. One of our key learnings is the importance of partnering with farmers' trusted advisors to effectively support them and drive broader change in the supply chain. We work through a network of **50+ global agribusiness partners** to deliver our farmer engagement programs. These agribusinesses span multiple categories, from ag input providers to ag financing / insurance companies to holistic farmer cooperatives and traditional grain buyers.

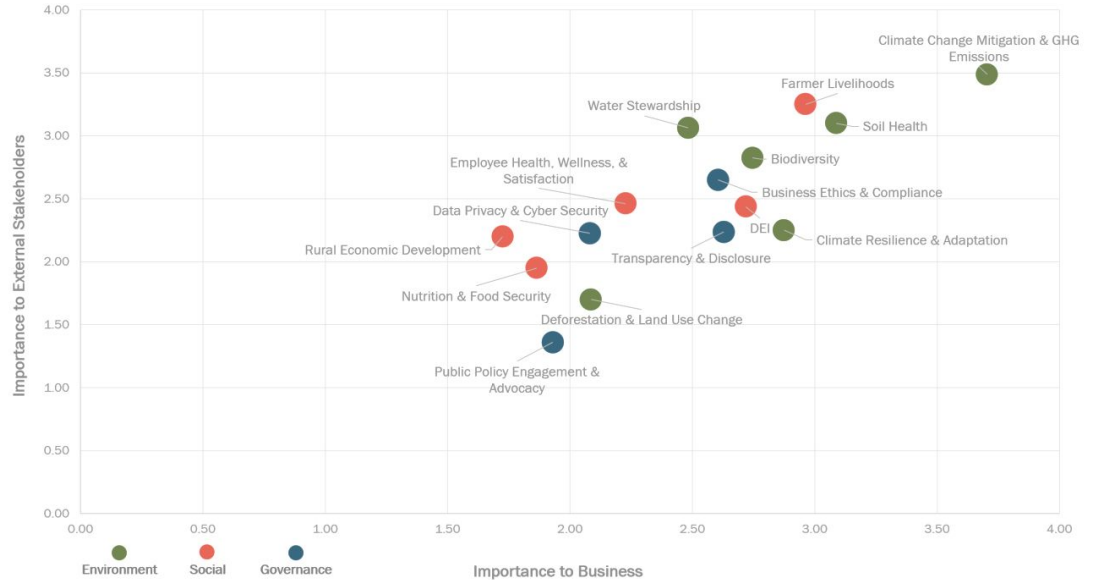
We also leverage our global policy expertise through participation in industry standard bodies and working groups. In 2023, we were a member of over **60 working groups** and collaborative work streams in the broader climate and regenerative ag space. We joined the World Business Council for Sustainable Development (WBCSD) in 2023, aligning with over 200 global leaders to advance sustainability in business. We also collaborated with fellow soil carbon experts and practitioners to [co-found](#) the International Soil Carbon Industry Alliance (ISCIA) and worked with the International Emissions Trading Association (IETA) to [address critical infrastructure needs](#) in the larger ecosystem services marketplace.



# ELEVATING OUR IMPACT

## Materiality Assessment

In late 2022, we worked with external specialists to perform our first Materiality Assessment to determine the Environmental, Social, and Governance (ESG) topics that are most relevant to our stakeholders and business success. We interviewed internal and external stakeholders to prioritize the most significant opportunities for our business. External stakeholders included representatives from across our ecosystem, including farmers, agribusiness, corporations, opinion leaders, and investors. We also incorporated insights from peer benchmarking, ESG raters and rankers, and industry experts. The Materiality Assessment directly informed Indigo's impact strategy and priorities.



This matrix reflects the importance of each topic to Indigo's business and external stakeholders.

### Key ESG Priorities Based on the Materiality Assessment

#### Environment

- Biodiversity
- Climate Change Mitigation & GHG Emissions
- Climate Resilience & Adaptation
- Deforestation & Land Use Change
- Soil Health
- Water Stewardship

#### Social

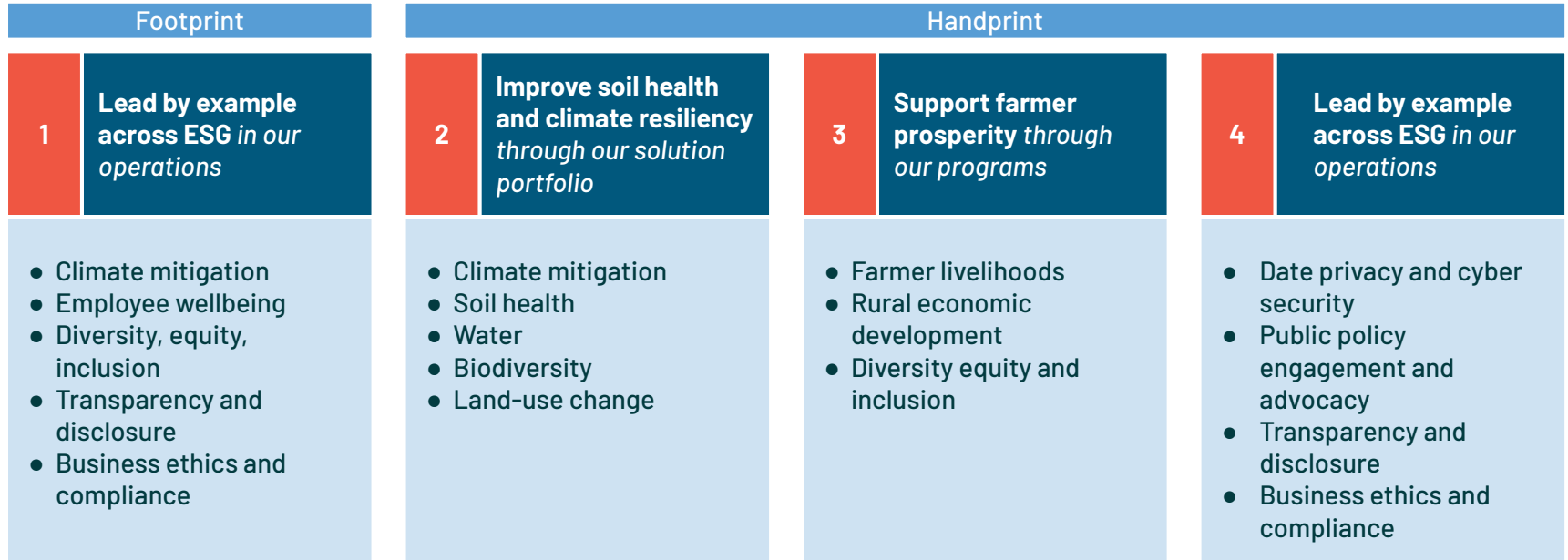
- Diversity, Equity and Inclusion
- Employee Health, Wellness, & Satisfaction
- Farmer Livelihoods
- Nutrition & Food Security
- Rural Economic Development

#### Governance

- Business Ethics & Compliance
- Data Privacy & Cybersecurity
- Public Policy Engagement & Advocacy
- Transparency & Disclosure

# Our ESG Values & Strategy

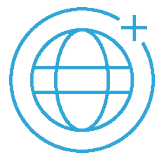
As a mission driven company, we seek to maximize the positive effects generated by our products and services (our handprint) by supporting farmers in large-scale transitions to more sustainable farming practices, while at the same time minimizing our own direct and indirect negative impacts (our footprint). In pursuit of our mission, we are committed to four strategic pillars:



**Impact Opportunities: Resilient Earth, Healthy Economies, Thriving Communities**

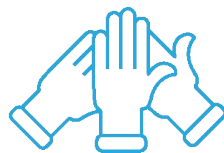


# 1 Lead by example across ESG in our operations



## Climate Mitigation

We consistently measure our environmental footprint. Starting this year, we will be publicly disclosing this information via annual ESG reports. We are committed to setting science-based emissions reduction targets aligned with global climate goals to drive meaningful, measurable progress against climate change.



## Employee Well-being, Diversity, Equity, Inclusion, and Belonging (DEIB)

Our people are a top priority, and their health and well-being are fundamental to our success. We are committed to creating a safe, and supportive work environment. We integrate DEIB and principles of community into all aspects of our operations, fostering a psychologically safe work climate and a culture where all employees feel valued and respected.

## 2 Improve soil health and climate resilience



Our solutions are designed to improve soil health and climate resilience by enabling farmers to adopt sustainable practices like cover cropping, no-till farming, and input reduction. These actions mitigate greenhouse gas emissions and enhance soil carbon sequestration. Our platform delivers broader ecological benefits such as better water stewardship, soil erosion prevention, and biodiversity enhancement. Using advanced technologies like remote sensing and soil diagnostics, we provide actionable insights that improve soil management and productivity.

### 3 Support farmer prosperity

Our programs are designed to increase farmer prosperity by fostering land resilience and generating new income opportunities through sustainable practices like carbon credits and supply chain incentives. We offer flexible solutions, including innovations like FieldFlex, allowing farmers to choose practices that best fit their needs and maximize value. By collaborating with agricultural cooperatives, NGOs, and government agencies, we scale our impact and expand the adoption of sustainable farming, including smallholders, ensuring more farmers benefit from shared knowledge and resources.





## 4 Drive progress as a responsible corporate citizen



Our active participation in global forums, engagement with standards bodies, and engagement in policy discussions allow us to advocate for rigorous standards and best practices, helping shape evolving markets and ensuring the delivery of high-quality solutions. Our commitment to research and development creates sustainable technologies that enhance crop resilience, reduce environmental impacts, and optimize farming practices.

### From Labs to Fields: Investing in Sustainable Technologies through the Indigo Agriculture Graduate Fellowship

The Indigo Agriculture Graduate Fellowship at Penn State's Microbiome Center is more evidence of our continuous innovation in sustainable agriculture. This \$200,000 donation, matched by the university, supports doctoral candidates whose research in phytobiomes promises to transform agricultural practices. Fellowship recipients Hanareia Ehau-Taumaunu, Terry Torres Cruz, and Rachel Herschlag are advancing research in plant-microbe interactions within the Department of Plant Pathology and Environmental Microbiology. This collaboration with Penn State will help foster the next generation of thought leaders in sustainable agriculture.

## Alignment with Sustainable Development Goals

### Resilient Earth



### Thriving Community



### Healthy Economies



Our impact areas align with 12 of the United Nations Sustainable Development Goals (SDGs), which are a set of global objectives established by the United Nations to solve the world's most pressing problems by 2030.

We report on our alignment and contributions to the SDGs as part of our process in offering registry-verified carbon credits through CAR. We qualitatively reported on SDG alignment for our first three crops of carbon credits and plan to quantify future impact wherever possible. We are currently reporting water impacts in our Source rice programs and intend to expand reporting of sustainable development contributions across all Source programs.

# ENVIRONMENTAL FOOTPRINT

## Greenhouse Gas Emissions

*Indigo conducted our first GHG inventory for 2019 and carry out this exercise on an annual basis since 2021. We worked with external specialists to develop the inventory against the requirements of the GHG Protocol.*

*Although our fiscal year now starts in July, our GHG inventories will remain on a calendar year schedule. Our inventory covers Scope 1, 2, and 3 (only those categories relevant to our business and operations). The operational boundaries for 2023 included six leased facilities in USA, one leased facility in Brazil, one leased facility in Switzerland and long-term leased vehicles.*

**Our Scope 1** emissions include direct emissions from sources owned or controlled by Indigo Ag. They have remained relatively small because we primarily lease our facilities and utilize third-party services for transportation. In 2023 these emissions came from use of long-term leased vehicles.

**Our Scope 2** emissions include indirect emissions from the generation of the energy we consume at our offices in the form of electricity and natural gas, as well as emissions from refrigeration equipment.

**Our Scope 3** emissions, or value chain emissions, are a consequence of the upstream and downstream activities necessary for Indigo Ag to operate. The top three contributing categories to our scope 3 emissions are purchased goods and services, business travel, and employees (commuting and working from home).

## Results of the 2023 GHG Inventory

Emissions (tCO<sub>2</sub>e)

Scopes	Categories	2022	2023
Scope 1		736	791
Scope 2	Market-Based (MB)	1,067	1,080
Scope 3	Market-Based (MB)	8,833	8,242
Category 1	Purchased Goods & Services (PG&S)	4,573	5,378
Category 2	Capital Goods	68	85
Category 3	Fuel-and-Energy-Related-Activities (outside Scope 1-2)	503	541
Category 4, 9	Transportation & Distribution	148	238
Category 5	Waste in Operations	18	18
Category 6	Business Travel	2,013	689
Category 7	Employee Commuting	471	580
Category 7	Remote Working	567	161
Category 8	Upstream Leased Assets	2	0.2
Category 11	Use of Sold Products	113	121
Category 12	End-of-Life Treatment of Sold Products	22	2
Category 4, 9	Downstream Leased Assets	184	140
Category 5	Investments	151	289
<b>Total</b>		<b>10,636</b>	<b>10,113</b>



## Material changes from 2022 to 2023

- ↓ 5% decrease in total inventory across Scope 1, 2, and 3
- ↓ 66% decrease in emissions from business travel
- ↓ 72% decrease in emissions from employees working from home
- ↑ 18% increase in emissions from purchased goods and services
- ↑ 23% increase in emissions from employee commuting

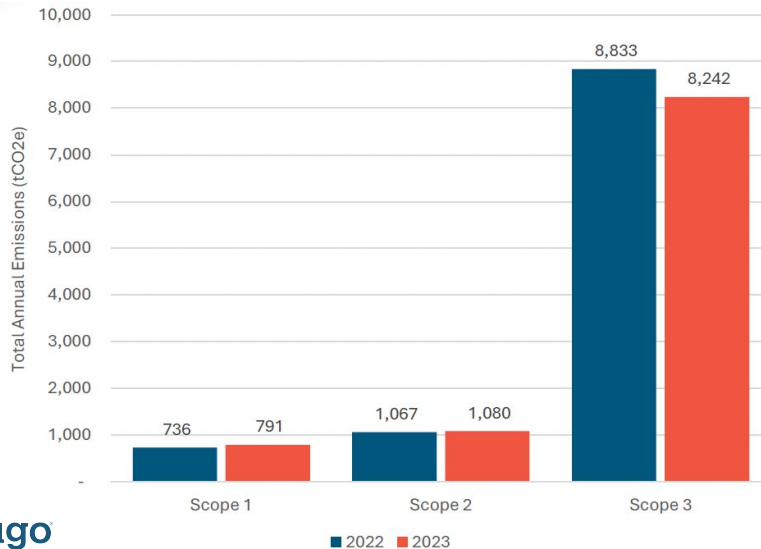
We emitted 10,113 tCO<sub>2</sub>e in 2023. This represents a nearly 5% year-over-year (YoY) decrease in our carbon inventory across Scopes 1, 2 and 3 from 2022 to 2023.

This decrease was primarily driven by a reduction in business travel, which dropped by 66%.

A modest increase in employees working in the office resulted in an increase in employee commute emissions of 23%, but this was more than offset by a decrease in work from home emissions of 72%. This decline can be attributed in part to reductions in our workforce that occurred in 2023, significantly reducing the total number of employees.

Scope 3 comprises the largest portion of our inventory, at 81% overall. These emissions declined nearly 7% YoY. On the other hand, our largest category of Scope 3 emissions, purchased goods and services (65% of the total inventory), increased by nearly 18% YoY.

Scope 1, 2, and 3 emissions in 2022 and 2023 (using market based accounting)





Having identified the major contributors to our emissions, we will continue to improve the quality of our inventory through addressing data gaps, refining our emission factors as necessary, and making more informed decisions around investments in emission reductions and operational adjustments. Our priorities include:

- ❑ Engaging the owners of our office buildings around energy data, renewable energy options, and energy efficiency
- ❑ Implementing a refrigerant management program to monitor and minimize leaks
- ❑ Conducting waste audits at key operational sites, where possible
- ❑ Engaging with key suppliers to develop and support decarbonization strategies, as well as to provide more granular ESG data
- ❑ Exploring lower-emitting options in supplier selection and procurement of goods and services
- ❑ Adopting policies to continue reducing emissions from travel and employee commuting, including short-term vehicle rentals
- ❑ Continue integrating sustainability into business decisions, balancing environmental and social impacts with financial outcomes



# ENVIRONMENTAL & SOCIAL HANDPRINT

## Carbon removals & GHG emission reductions

Agriculture is a significant contributor to global GHG emissions, but also offers one of the greatest opportunities to mitigate those emissions and enhance resilience. 38% of the planet's landmass is agricultural land or pastureland. The agricultural sector employs more than one billion people worldwide and it produces \$1.3T of food annually. The agriculture industry is responsible for 33% of global GHG emissions, 70% of global freshwater use and is associated with 80% of global deforestation. (IPCC – Intergovernmental Panel on Climate Change, n.d.)

At the same time, up to three tons of carbon can be sequestered per acre per year on farmland, according to the Intergovernmental Panel on Climate Change (IPCC). For every 1% increase in soil organic carbon, an acre of land can hold an extra 25,000 gallons of water, promoting the growth of more productive, healthier crops while minimizing the need for synthetic chemicals and fertilizers. The Sixth Assessment Report of the IPCC found that improved cropland management has the potential to contribute 4 GtCO<sub>2</sub>e in net emission reductions by 2030. The food sector as a whole has the potential for a 44% reduction in emissions by 2050. (IPCC – Intergovernmental Panel on Climate Change, n.d.)

This is the context in which we operate our Carbon and Source programs, both of which result in GHG emission reductions and atmospheric carbon removals on cropland. We are also working to expand this into grazing lands, unlocking significantly more acreage globally.



## Water Savings

We recognize the critical role we can play in driving voluntary water conservation efforts within the agricultural sector. Source by Indigo helps corporations and agribusinesses optimize water use and improve water sustainability through regenerative agriculture.

Over the past six years, we have scaled programs using efficient irrigation practices with various food and beverage companies. Farmers in our programs have collectively saved more than 21 billion gallons of water.

Our sustainable water solutions for rice production incorporate initiatives for preserving water at all points of the water cycle, such as reducing water use through alternate wetting and drying. These kinds of farming practices ensure a more sustainable water supply, especially during dry months, and provide the added benefit of significantly reducing emissions of methane, a GHG far more potent than carbon dioxide.

"We are doing everything...the most financially sound way we can...if we have partners on the consumer side, to pay for more environmentally sustainable practices, then it's a win-win for everybody," says Arkansas farmer Jeff Rutledge, who is enrolled in Indigo Ag's sustainable rice program. Together, we can ensure sustainable water management practices that benefit both the environment and the agricultural communities we serve. Looking ahead, Indigo is focused on building these innovative programs across additional crops.



# Social & Economic Impacts

## Support farmer prosperity through our programs

Our biological products help maximize yields even in challenging conditions. Farmers benefit from incremental revenue, lower input costs, and more stable yields, resulting in stronger farm finances. Our sustainability programs bolster farmer profitability by providing farmers access to new revenue streams, while promoting practices that preserve land value for future generations. In our carbon credit program, farmers receive 75% of the credit value, aligning our success with farmer outcomes as market-based pricing for these credits rise. Additionally, there are no upfront participation costs, as we cover project monitoring, reporting, and verification expenses. For sustainable crop programs, we secure premiums of up to 10% over the commodity price, ensuring farmers gain consistent income despite market volatility.

We also aspire to increase prosperity for traditionally underserved farmers. Program eligibility requirements are a key lever to design inclusive programs. Our programs have no restrictions around enrolling leased land, nor do we impose minimum acreage requirements. Some sustainable crop sourcing programs provide flexibility through one-year contracts and varying practice adoption tiers to benefit underserved farmers.

To engage underserved producers through our programs, we have built relationships with the National Black Growers Council, the Intertribal Agriculture Council, the National Indian Carbon Coalition, the Indian Land Tenure Foundation, Minorities in Agriculture, Natural Resources and Related Sciences, and a variety of other groups advancing diversity and inclusion in agriculture. We host field days, career fairs, and demonstrations of our programs with these groups and will continue to work through their networks to expand access to programs that improve farmer prosperity. These touchpoints have garnered key learnings to make our programs more inclusive of underserved populations and prompted regular adjustments and improvements to the design of our programs.



# Social & Economic Impacts



## Partnering to Drive Trust

As part of our commitment to use our technologies to improve farmer livelihoods around the world, we established a Joint Venture with Mahyco, the largest privately-owned seed company in India. The organization, Grow Indigo, was established in 2018 and marked our first expansion into smallholder production systems, where the average farm is approx. 1-2 acres in size.

Indian farmers are some of the most vulnerable in a changing climate, facing unpredictable rainfall, extreme heat, water scarcity and widespread soil degradation. We collaborate to provide smallholders access to technologies that boost crop resilience, generate incremental revenue and promote sustainable farming practices.

**Grow Indigo has grown rapidly and now works with over 1.1M farming families across 16 states. The company's biological products are applied to over 4 million acres and over 1 million acres have been enrolled in the country's first agricultural Carbon program.** Agriculture cannot be a global climate solution without engaging smallholders. We are committed to strengthening partnerships such as Grow Indigo to more comprehensively serve farming communities across South Asia and other geographies.

Not only are we driving increased revenues and building farm resilience in rural communities through our business, but we do this through our workforce, as well. We are most successful when we have direct connections to the communities that we serve. At the time of this writing, approximately 15% of our US employees are located in low-income communities (as defined by the US IRS and determined using US Census data). As our programs continue to grow we will continue to create exciting career opportunities that are not tethered to major metropolitan areas.



## Sustainable Procurement

Just as our sustainability sourcing programs enable our partners to decarbonize their supply chains, we too are working on maintaining value and quality in our own procurement practices. We are continuously enhancing our due diligence processes to uphold international standards, adhere to local regulatory requirements, and mitigate environmental, social, and other risks.

In the coming year, we will engage our key suppliers to evaluate their carbon footprint maturity and collaborate on reduction initiatives. We expect our suppliers to ensure safe working conditions, treat workers with respect and dignity, and operate responsibly, both socially and environmentally.

To support these goals, we are creating Responsible Supplier Standards and updating our Supplier Code of Conduct to include a sustainability section that details expectations for reducing environmental impacts, protecting human rights, and promoting diversity and inclusion. Both the Supplier Code of Conduct and our Responsible Supplier Standards will be referenced in purchasing terms and conditions.

# Investing in our people and communities

## LOCAL COMMUNITY SUPPORT

### EMPLOYEE ENGAGEMENT

At Indigo Ag, our talented and innovative people are our greatest advantage. We are unwavering in our commitment to nurture a thriving people-first, inclusive, and high-engagement workplace culture defined by mutual respect. We believe that an inclusion-based culture has the power to enhance innovation, nurture an environment where our people can reach their highest potential, and deliver the best innovations. We believe in the power of open and transparent communication throughout the organization and endeavor to ensure our employees' voices are heard.

We formally measure employee engagement on a semi-annual basis and act upon feedback received from employees both at the company and department level. We openly share our survey results with employees to increase transparency and create accountability for leadership to enact change.

In line with our commitment to social responsibility, we donated computer monitors to several local healthcare organizations in Memphis: Memphis Medical Foundation, Bluff City Medical Society, Church Health, and University Clinical Health. By providing these monitors, we aim to support these organizations in their mission to deliver high-quality healthcare services, foster medical education, and improve public health outcomes.

Our donation of monitors is a small but meaningful way to express our gratitude to these organizations for their tireless efforts. We are proud to contribute to the enhancement of healthcare services in our community and look forward to continuing our support for initiatives that make a difference in the lives of others. Together, we can help build a healthier, stronger community.

### We donated 94 monitors in 2023:

- Memphis Medical Foundation: 26 monitors and 1 printer
- Church Health: 42 monitors
- University Clinical Health: 25 monitors



## Employee Well-being



We embrace a holistic approach to Health & Wellness and provide resources to support employees' physical, emotional, mental, social, and financial health. We demonstrate this commitment through our robust compensation and benefits programs. We offer a full range of life, health, wellness, disability, leave, retirement, and voluntary benefit programs and services focused on ensuring that each employee can thrive at work and at home. Our company benefit portfolios are reviewed annually to ensure market competitiveness and global consistency.

For most employment positions, remote work arrangements are available and enable employees to be productive and effective. We offer the technology and tools to enable flexibility in where employees work to maximize their contributions to our company and customers.

We offer a robust and flexible paid time off (PTO) program that enables our team members to take time away from work and have a company shut down at the end of the year for employees to recharge. To help our employees thrive, we provide several mental health benefits through ComPsych, as well as a variety of mental health resources sourced from our employees with disabilities ERG and our Benefits team.

In 2023, we adopted a more inclusive and robust parental leave benefit, giving all new parents 16 weeks of fully paid leave following the birth, placement, or adoption of a child. This leave can be taken intermittently to allow families greater flexibility.



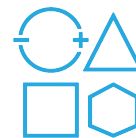
## Financial Health

We prioritize fair and equitable compensation, acknowledging individual contributions to the Company's performance. We provide tools and services to support employees with financial stability and financial goals. Our 401K partner hosts financial planning webinars throughout the year and in addition, team members can access free financial consultations by phone as well as a discount on tax preparation to assist our team members with building wealth for their futures and their families.



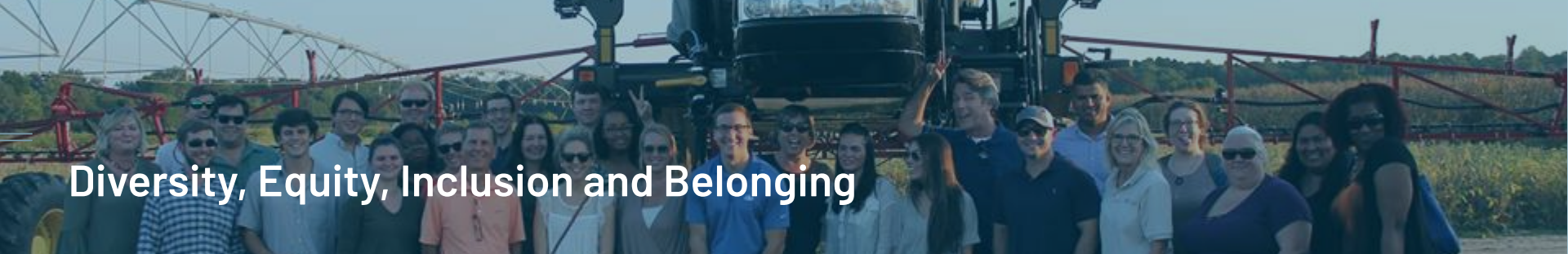
## Physical Health

We encourage our team members to live active and healthy lives and set aside time for themselves to incorporate movement into their workday and beyond. Team members are encouraged to sign up for webinars on various topics hosted by our insurance provider, Blue Cross Blue Shield of Massachusetts. We also offer an annual Wellness Reimbursement of \$300 that can be used towards the purchase of gym memberships, exercise equipment, fitness trackers, personal training, and more.



## Learning and Development

We are committed to elevating the employee experience, which includes consistent learning and development to support our employees as they enhance their knowledge, realize their full potential and reach their career aspirations. As an employer, Indigo Ag aims for our employees to be as passionate about the organization as they are about our mission. We support our employees' growth, both personal and professional, and advocate for growth opportunities guided by mentorship in the form of online learning opportunities and professional development.



# Diversity, Equity, Inclusion and Belonging

We integrate diversity, equity, inclusion and belonging (DEIB) into all aspects of our operations. Our goal is to elevate DEIB awareness and allyship, increase diverse representation at all levels of the organization, and create an authentic sense of belonging for all. In 2024, we are launching a Diversity Committee to provide diverse perspectives on policies, programs, and events, and serve as a resource for employee feedback. Our Self-ID campaign will collect demographic data to better understand our workforce and improve diversity in hiring. Ongoing employee surveys help us assess lived experiences and ensure equitable pay, promotions, and opportunities for all. Beyond Indigo, we welcome the opportunity to enhance DEIB within the agriculture industry. We are committed to being a workplace that is free from harassment and discrimination. Our policies detail expectations that employees at all levels uphold this commitment and we have a clear process for reporting and investigating violations of our policies.

## Diverse Hiring Strategies

We value and promote a diverse workforce. Through our recruiting and hiring strategy, we seek job candidates from a broad range of hiring sources that target candidates with diverse backgrounds and skill sets to fill open positions. We have a systematic and standardized hiring process to ensure fairness and unbiased hiring practices for all applicants.





## Protecting and Promoting Labor and Human Rights

We are committed to protecting and promoting labor and human rights in our relationships with our employees, suppliers, customers, investors, business partners, and local communities. Our goal is to exemplify this commitment both in our internal business activities and in our business relationships with external stakeholders. We comply with all applicable laws and regulations in our business activities and support internationally recognized human rights, such as those expressed in the United Nations Global Compact (UNGC) and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.



# OUR INCLUSIVE GOVERNANCE MODEL

## OVERSIGHT & SUPPORT

The Indigo Ag Board of Directors provides oversight and guidance to all aspects of our operations, including our impact strategy, performance and ESG matters. Our Chief Executive Officer and other senior executives collectively have decision-making responsibility and accountability for ESG matters internally.

In addition to traditional corporate governance responsibilities the Board (which consists of both internal and external directors) is encouraged to challenge our thinking and takes an active role in our corporate citizenship through our Sustainability & ESG programs.

The CEO and Leadership team review impact performance at a regular cadence, and with the Board of Directors at least bi-annually. We are developing additional governance structures to support the execution of our ESG strategy, including a non-executive Steering Committee that will be accountable for furthering Indigo's impact strategy and overseeing execution.

Our executive team and our board of directors prioritize ESG and value diversity. It is our belief that a high functioning board should have a diverse makeup, in terms of professional and life experience, gender, ethnicity, and more. Diversity, equity, inclusion and belonging are fundamental to our culture and are key to driving better business outcomes.

A diverse, inclusive culture is critical to Indigo's success, and the board is committed to embracing different thoughts, opinions, and people. In 2023, 14% of directors identify as women on our board. We are seeking to continuously integrate diverse perspectives into our company leadership to drive more robust and inclusive decision-making.





## Our Inclusive Governance Structure

OVERSIGHT & SUPPORT



### Public Benefit Corporation

Our subsidiary Indigo Carbon PBC, which operates our Carbon program, is a Delaware public benefit corporation. This designation allows us to balance the interests of a broader range of stakeholders, including public benefit considerations, rather than focusing solely on shareholder returns. As a public benefit corporation, Indigo Carbon PBC is mandated to produce public benefits and to operate responsibly and sustainably. It must balance the financial interests of its stockholders with the best interests of those materially affected by its actions, as well as the public benefits outlined in its certificate of incorporation.





## Business Ethics

Ethical performance is foundational to our core values and guides how we conduct our business - from addressing potential conflicts of interest, to expressly prohibiting wrongful conduct, such as abusive conduct, sexual harassment, bribery, and corruption. To ensure the creation and maintenance of an ethical culture within our organization, all U.S.-based Indigo employees are required to complete, at a minimum, an online course in preventing workplace harassment, and other training that may be required by law. This training is required within one month of assignment, as part of the company's onboarding program and annually thereafter to foster a responsible and ethical workplace. An Ethics Helpline is available for reporting all potential breaches of Indigo's policies, including human rights and labor violations. Reporters may remain anonymous. This hotline is managed by an independent third party and is available to all employees globally via the web or phone to report any ethics related concerns. In 2023, we did not have any confirmed incidents of corruption or bribery.

# Quality, Health, and Safety Excellence



We are dedicated to ensuring a secure and productive environment by upholding the highest standards of quality, health, and safety for our employees, communities, and the environment. Safety training and preparedness are integral to our culture. All personnel working with hazardous materials receive thorough mandated training, and we maintain strict protocols for handling emergencies, such as biohazardous spills, ensuring swift and effective responses.

Our Biosafety Manual outlines rigorous protocols for managing biohazards, including microorganisms, genetically engineered organisms, and infectious materials. By protecting our workers and the broader community from potential risks, we ensure that safety is at the heart of everything we do.

Our Occupational Health Program is designed to detect job-related illnesses early, assess risks, and verify the adequacy of protective measures, ensuring that hazardous agents are contained, and the environment is safeguarded. We partner with Mount Auburn Hospital Occupational Health Services to provide comprehensive health monitoring and support.

Our Chemical Hygiene Plan (CHP) ensures that all laboratory activities involving hazardous chemicals are conducted safely, in compliance with OSHA regulations, to protect both our staff and the environment. Centering health and safety as the cornerstones of our operations ensures the well-being of our employees and the communities we serve.



# Cybersecurity and Data Privacy



Our commitments to Cybersecurity and Data Privacy are embedded in our processes globally. We take the task of protecting the personal and confidential information of our customers, employees, vendors, partners, and others extremely seriously. We have developed an integrated business platform that enables farmers and other ag industry participants to adopt and profit from sustainability opportunities on our stakeholders' confidence in our data security and privacy policies.

Across our platform, we collect information about our customers and the businesses they manage. In addition to personally identifiable information (PII), we also collect large amounts of farm operation and agronomic data from farmers, including field boundaries, historical management practice records and crop yield records. Our Carbon program is Ag Data Transparent certified, ensuring we meet strict standards for data privacy, transparency, and accountability. This certification reinforces our commitment to safeguarding customer data while providing clear, responsible data management.

Because of the sensitivity of these data, we encrypt key customer data in our financial system with access strictly limited. For other sensitive data, we have built an extensive permission system (based on the Open Policy Agent, or OPA) to allow fine control over access to sensitive customer data.

We use "least privilege principle" when allowing access to data. We follow the privacy requirements of GDPR and HIPAA regulations. We have designed and built our systems and processes to comply with major privacy law requirements.

In 2023, we received no substantiated customer complaints concerning breaches of customer privacy or losses of customer data.

# LOOKING FORWARD

At Indigo Ag, we are dedicated to continuous improvement, innovation, and long-term value creation. As we look to the future, we remain committed to actively monitoring our progress on the ESG metrics detailed in this report.

## Our plans for ESG include:



Acting on 2024 priorities: reducing our scope 1 & 2 emissions, engaging with suppliers for granular data collection and emissions reduction, and establishing emissions reduction targets.



Continuing to integrate sustainability into business decisions, balancing environmental and social impacts with financial outcomes.



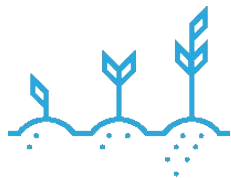
Continuing to improve our governance and transparency through sustainability reporting.



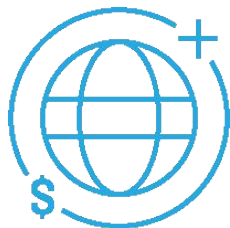
The world recognizes the critical need to transition towards more sustainable agricultural land management practices. But the pace of investment and, more importantly, magnitude of tangible outcomes has lagged far behind what is needed to mitigate the worst effects of climate change and to build more resilient food, fiber, feed, and fuel systems. Only in recent years have science and policy advancements, at which we are on the leading edge, allowed for the high level of rigor and confidence needed to unlock meaningful investments that result in direct financial support at the farm level, based on environmental performance.

The need has never been greater for solutions like those we develop at Indigo, where the interests of the farmer, the environment, and the science are at the core in a way that aligns those interests with our own. We are excited as we look to the future of our company and consider the ways in which we can continue to create value for farmers, the environment, society, and our business.

# Key Areas of Opportunity



**Continued expansion** of the agronomic scope of our programs, including grazing lands and perennial systems.



**Geographic expansion** of our sustainability offerings beyond the United States, first targeting our existing global footprint (EU, LATAM, India).



**Building new partnerships** to advance the science and policy drivers that underpin the integrity of our work.





Additional information about Indigo Ag can be found by visiting us at [indigoag.com](https://indigoag.com), or on social platforms including, [LinkedIn](#), [X \(formally Twitter\)](#), [Facebook](#), [Instagram](#).

Email us with any questions: [info@indigoag.com](mailto:info@indigoag.com)