



# Herbalist & Alchemist, Inc.

## 2022 Sustainability Report – *Review of 2021*

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## Executive Summary

To Our Customers and Friends in the Herbal Community,

We continue our commitment to sustainability of the people and the plants that David Winston wove into the company from the very beginning.

In the spirit of transparency, we are proud to share our third annual Sustainability Report detailing our business practices.

Our Achievements:

- Establishing the **Green Team** to set, monitor and measure our environmental and sustainability benchmarks.
- We achieved **Zero Waste in 2021**: a goal we set and met through years of continually improving our practices, keeping track of our waste and analyzing our progress.

Our Current Focus:

- Planning and Realizing a move of our company to a **new facility**.
- Completing our B Corporation Recertification (certified since 2010).
- Continuing to work on Organic Certification.
- Working with others in the Natural Products Industry on the Climate Collaborative Project-targeting Packaging and Agriculture.

We look forward to continuing to bring you our high quality, healthy herbal products in keeping with our mission.

Sincerely,

All of Us at Herbalist & Alchemist



## Overview + Mission

Herbalist and Alchemist's mission is to develop, manufacture and distribute herbal supplements that are of the highest quality, manufactured from plant material that originates in harmony with the environment: organically grown, ethically wild-crafted or sustainably harvested.



Our commitment to quality is reflected in the over 250 products we manufacture as well as our position in the forefront of the herbal products community.

The company achieves this goal by:

- Listening to customers, suppliers, and staff, and acting on their inputs to continually improve its knowledge base, processes and practices
- Creating an environment of teamwork that fosters efficiency of all operations where each process is continually monitored.
- Sourcing botanical ingredients from people we trust and examining each batch by hand
- Being fully compliant with the US Dietary Supplement Good Manufacturing Practices (GMPs)
- Being regularly inspected by FDA
- Working with Rutgers University for quality assurance
- 3rd party testing on all extracts to screen for heavy metals, aflatoxins and microbiological pathogens.

Each employee is committed to achieving the highest standards of excellence possible. We are likewise committed to providing education and information about the health benefits and uses of herbal medicine.

We don't cut corners and know, exactly, that what is in our products is on the label.





## Certified B Corporation since 2010

In 2010, Herbalist & Alchemist became the first herbal supplements company to become a **Certified B-Corp**. We undergo the recertification process every three years.

*B-Corps are companies that have undergone a rigorous assessment through the independent nonprofit B-Lab. A company must earn a minimum of 80 points on the B Lab Impact Assessment, which measures various aspects of their business - environmental, social, and governmental- in order to make a positive impact on the world.*

In 2018, we also legally changed our articles of incorporation to become a Benefit Corporation, thus solidifying our commitment to doing business ethically and sustainably.

At the time of this report's publication, we are completing the verification process of our B Corp recertification and look forward to sharing the results.

Impact Area	Previous (2016) Score	Most Recent Score (2018)
Governance	8.7	17.4 *
Workers	20.9	15.6*
Community	27.1	29.3
Environment	31.1	30.9*
Customers	7.3	5.6*
<b>Overall B Score</b>	<b>95.5</b> (45 points above the 2016 median)	<b>99</b> (48.1 points above the 2018 median)
*B Impact Assessment Key Performance Indicators change with each assessment version. Points are awarded based on the sum of all questions.		





## Sourcing Botanicals & Raw Materials— Sustainable Supply Chain

**182**

*Botanicals sourced  
from around the world*

**15+ years**

*Average tenure of  
grower  
relationships*

**74%**

*Certified Organic, the  
remainder sustainably  
& ecologically sourced.*

**>50%**

*Of Botanicals  
sourced in USA*

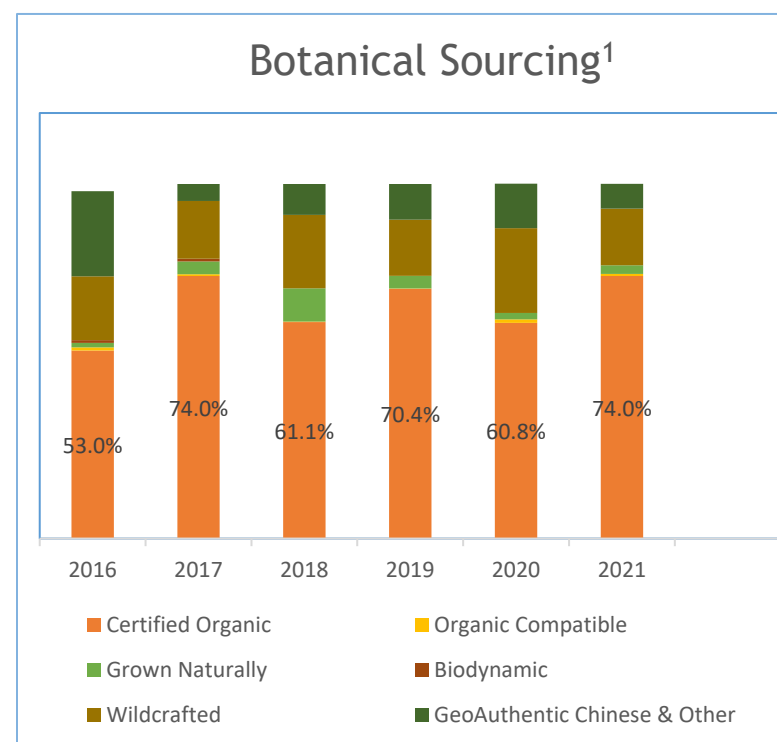
### Nurturing Relationships

We support Organic farmers and sustainable wild-crafters, giving preference to local suppliers whenever possible. Many are friends through the farming, herbalist and permaculture communities. We are proud of these long-term relationships, nurtured through fair and honest business transactions.

### Sustainably Sourced

H&A sources herbs from around the world, pulling from several herbal traditions.

- We source raw materials based on seasonal availability, finding the highest quality botanicals grown without pesticides.
- We prioritize organically grown or sustainably wild-crafted herbs for optimal vitality.
- We use Certified Organic, pharmaceutical grade alcohol, olive oil and vinegar in our extractions.



<sup>1</sup> (Herbalist & Alchemist, 2021 Analysis of Raw Material Supplier Data, 2022)





## Wild-Crafted and Traditional Chinese Herbs

We are an "Herbalist's Company" that offers extracts of more than 150 botanicals, some of which can only be found in the wild.

- Wild-crafted plants account for about 15% of the herbs we use. They are more difficult to certify than cultivated herbs.
- We keep records of botanicals which are FairWild certified and our individual wildcrafters abide by our Wildcrafter's Pledge.
- Some of the herbs we use are certified biodynamic or grown by small farmers who live & breathe organic. They have signed a pledge to cultivate by organic methods but may not have the time or means to pursue Organic Certification.

Our primary sources of imported herbs:

- Traditional Chinese botanicals - Our main source is a multi-generational business with impeccable supply chain management practices. Committed to quality & purity with a large selection of Certified Organic herbs, their Geo-Authentic Chinese Botanicals are pure, safe and effective.
- European botanicals - Our suppliers include a rural group sourcing from Southern France, Eastern Europe and the Middle East.
- Canadian Grower organization - representing a collective of farmers.



PHOTO: Goldenseal. CREDIT: Beth Lambert



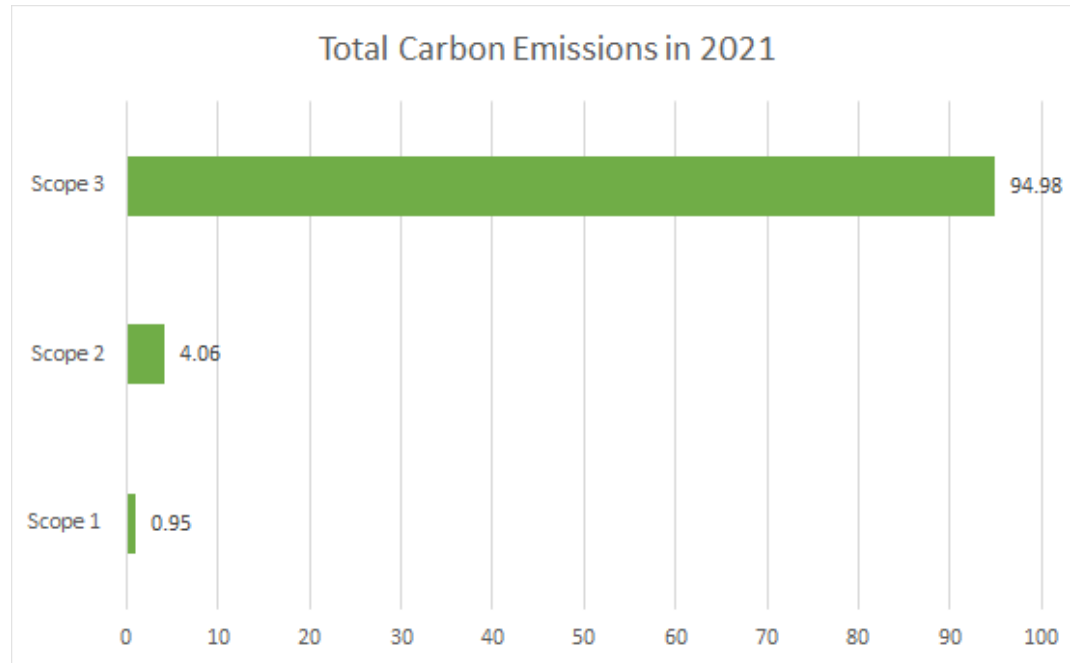


## Emissions

As the climate crisis rages on, it is more important than ever to reduce our emissions and attempt to live in harmony with the planet.

In 2021, we started an internal review of our 2019 and 2020 air emissions to better understand our company's air emissions so that we might take actionable steps to reduce our carbon footprint.

We used a scope 3 estimator tool to establish these baselines.



**This graph is a breakdown of our estimated scope 1, scope 2 and scope 3 CO<sub>2</sub> emissions.**

Carbon emissions can be divided into three categories.

- Scope 1 emissions are air emissions that are produced directly onsite through the burning of fossil fuels or other materials.
- Scope 2 emissions are emissions generated by electrical usage.
- Scope 3 emissions are emissions generated up and down the supply chain, making up the majority of emissions.

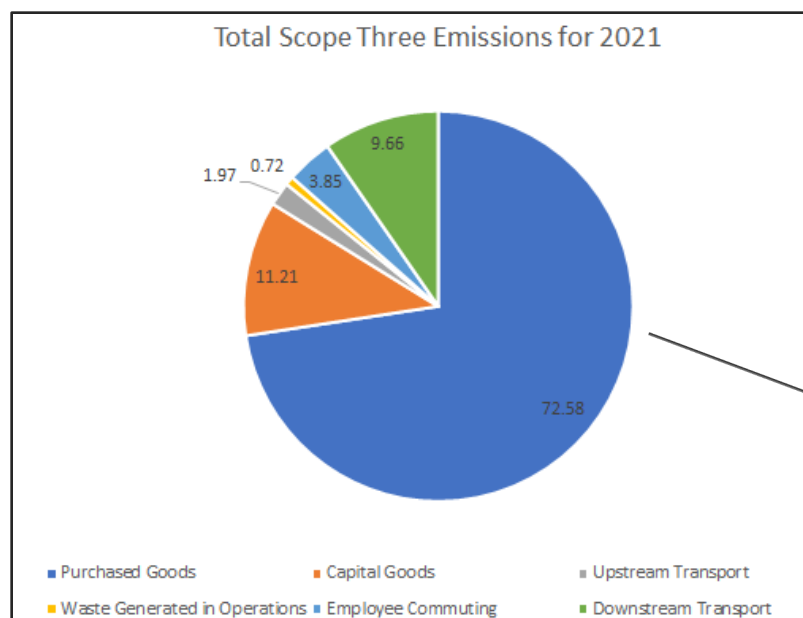
**Less than 1% are attributed to scope 1.**



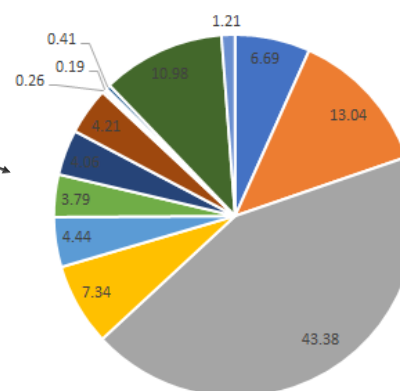


## Emissions

- Our estimated Scope 3 emissions can be further broken down into subcategories:
- Through this process we have discovered opportunities to learn how to reduce and offset our scope 3 emissions.



**Scope Three Emissions for Purchased Goods in 2021**



- |  |                                   |  |
|--|-----------------------------------|--|
| ■ Pulp, Paper, Printing and Publishing         | ■ Chemicals and Chemical Products | ■ Agriculture  |
| ■ Manufacturing/ Recycling                     | ■ Financial Intermediation        | ■ Public Admin and Defense; Compulsory Social Security |
| ■ Post and Telecommunications                  | ■ Rubber and Plastics             | ■ Private Households with Employed Persons             |
| ■ Other Community Social and Personal Services | ■ Food and Beverage               | ■ Other  |
| ■ Textiles and Textile Products                |                                   |  |





## Carbon Farming Before it was “Cool”

Now more than ever, climate change is of high concern and we must all do what we can to mitigate our impact. That includes supporting small growers doing their part to protect the soil and biodiversity of their local ecosystems.

- In partnership with the Climate Collaborative, we are committed to reducing the carbon impact of the natural products industry.
- In 2020, we joined over 120 companies in **LEAD on Climate Change**: the first major call for a climate-inclusive path forward from COVID-19.
- In 2021, we supported Climate Collaborative with a donation of a portion of sales on Earth Day.
- We have been compiling in-depth information from our herb suppliers about how they farm, and what regenerative practices they already use so that we can report and build upon that knowledge to make improvements.
- These include Regenerative Agriculture, Permaculture, Biodynamics, Regenerative Organic, Forest Grown, Fairwild, Ecologically and Ethically Wildcrafted, Wild-Simulated, NON-GMO, Grown Naturally and Organic Compatible.

Our organic and biodynamic growers practice regenerative methods that keep carbon in the soil, and some of our growers are members of United Plant Savers, the Northeast Organic Farming Association (NOFA), the Pennsylvania Sustainable Agriculture Association (PASA) and other organizations committed to sustainable agriculture practices.

These growers go above and beyond, using Certified Organic as a baseline. They incorporate permaculture, biodynamic methods, and techniques such as integrating crops, minimal tillage, water conservation, planting and harvesting by hand, and application of compost.

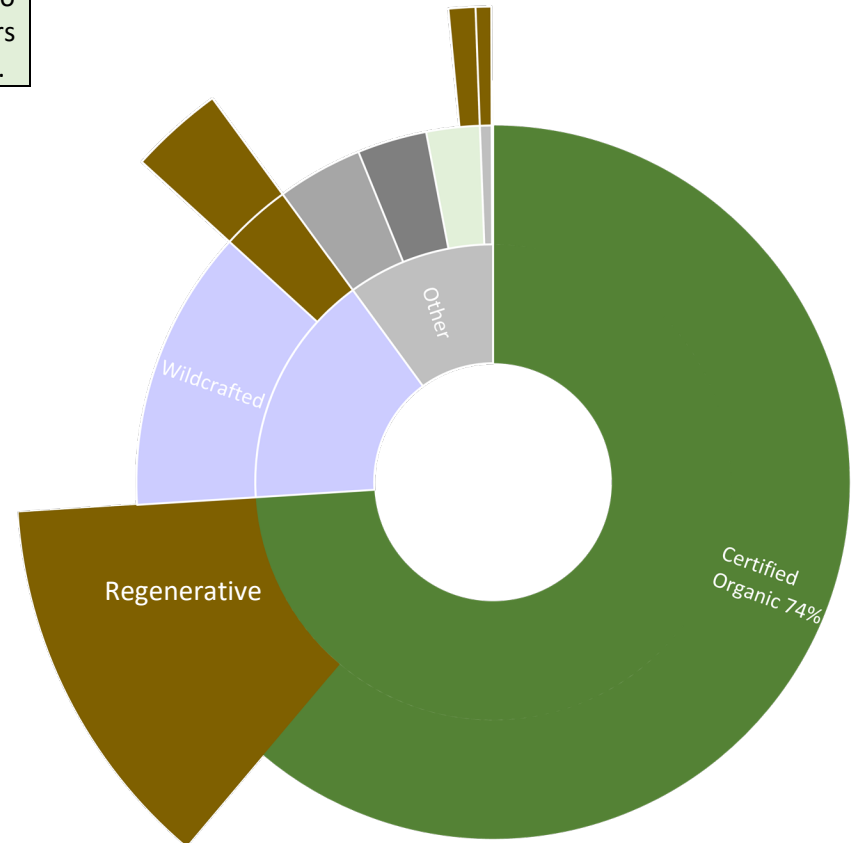


Chart shows Certified Organic, Ecologically Wildcrafted, & Other. Brown sections are ingredients (on a cost basis ) from growers that practice any form of regenerative agriculture.





## Office & Operations

### Achieving Zero-Waste

In 2019, we set a goal to become zero waste in our operations. To meet this goal we segmented our waste streams and found creative ways to reduce, re-use or dispose of them responsibly. We refined our waste measurements to be more precise.

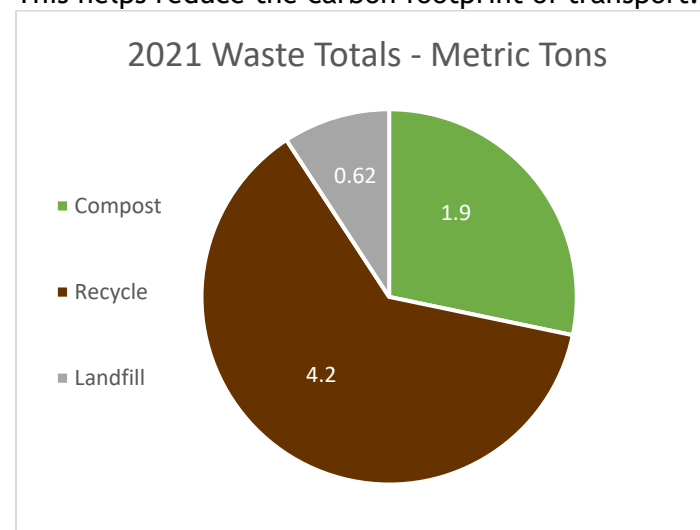


**We successfully achieved our goal pursuing Zero Waste at our facility by sending less than 10% of our waste to landfills!<sup>2</sup>**

- Combined efforts to reduce waste resulted in less than a ton: a 52% reduction of landfill waste.
- Total Office and Production Waste Output in 2021, combining historical estimates with real measured data, was only 6.69 metric tons.
- **90.7% of waste was diverted from landfills.**

### Reduce

- Energy use in 2021 was down 14% from last year. This is encouraging, as we have seen a consistent decrease in energy use over the past two years.
- Employees conserve energy & water.
- Introduced a smaller shipping box which decreased the volume of our secondary packaging.
- We also reduced our need for bubble wrap, by using a plant-based material for smaller items and using bubble wrap (which is now recyclable in many states) only for items to prevent breakage.
- We prioritize locally based suppliers when possible. This helps reduce the carbon footprint of transport.<sup>3</sup>



<sup>2</sup>2021 Waste & Recycling Logs

<sup>3</sup> 2021 Internal Review of Raw material Suppliers





## Creative Re-Use & Repurposing

Some things cannot be eliminated from the waste stream but can be given a second life. We believe in creative re-use of materials.

- We re-use cardboard boxes to ship our products, which extends the lifecycle of hundreds of cardboard boxes before they ultimately get recycled.
- We donate / upcycle 55-gallon barrels. People have used them to make raised beds, rain barrels, barrel racing, horse jumps and more.
- H&A promotional product gift baskets are assembled with 60% reused/upcycled wrapping materials



Aurora Robson. "Doughnut Economics" 2020 24" x 25" x 16"  
Ultrasonic welded plastic cable straps (debris) onto an old metal welding helmet.

- We send pallet straps to Aurora Robson, a sculpture artist in NYC who creates abstract works from debris. In January 2021 her work was featured in "Remnant Romance," exhibited by Hollis Taggart Gallery in NYC.  
[View Exhibition](#)
- Donated over 900 ice packs (used to keep herbs shipped to us fresh in transport) to members of the community including local children's camps and food pantries.





## Recycle

In addition to regular curbside recycling of plastics, glass & paper...

- We use **TerraCycle Zero Waste Boxes** to offset hard-to-recycle waste streams, such as tape dispenser rings, pens & pencils, protective gear, miscellaneous office waste as well as other plastic waste not accepted by curbside.
- We recycle plastic bags & film through the local **Trex program**, turning this hard-to-recycle material into park benches for the local community.
- In December 2019, we joined the R&B Supplement Packaging TerraCycle Brigade. Employees recycled an **estimated total of 200 lbs.** of supplement packaging, including glass bottles, until the program was closed. We were then able to divert this waste stream to curbside recycling.
- We utilize **SustainAbilities Electronics Recycling**, a local program to recycle electronics and other materials while providing green job training and employment opportunities to persons with disabilities.

Since 2020, we have been **recycling our label backings** & other packaging and shipping waste with **TerraCycle**. This year we saved an estimated 260lbs from landfill (approximately four large TerraCycle boxes full)!

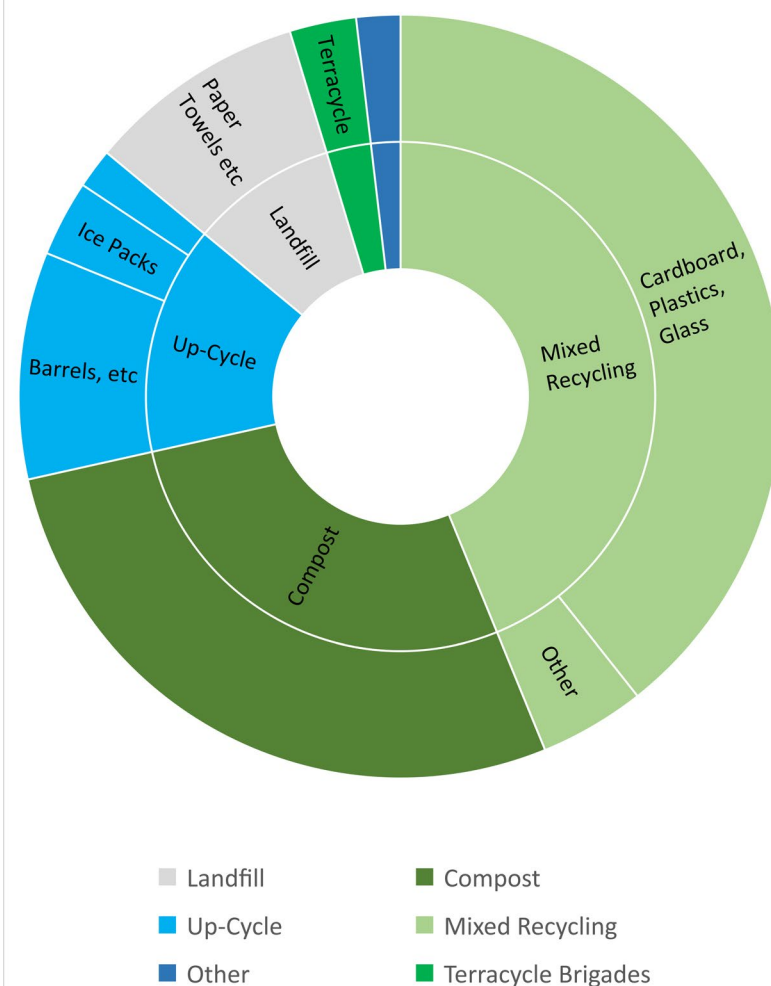


Our bottles do not contain the extra outer-packaging that many other brands add to their products, which only ends up as more recycling or in landfills.

- Our glass bottles are made from 55% post-consumer recycled content and are fully recyclable.
- The natural rubber in our droppers is biodegradable.
- From our bottles to our caps, our pipettes to our boxes, we take great care in choosing fully recyclable materials.

[Read our Recycling Guide](#)

2021 Waste Breakdown





## Our Compost Story

Unusable plant material that is meticulously garbled out by hand before we make our extracts, as well as the marc, a fine plant material left over from the extraction process, are composted.

We have been composting these byproducts of our herbal extracts for years.

From the beginning, our Founder David Winston used these materials in his beautiful gardens.

Now, we supply a local organic farm.

We are happy to keep this material out of the landfill and turn it into rich soil.

Since 2013:

59,000 lbs. of marc diverted from landfill and composted into healthy soil!

That means an estimated **13.4 tons of CO<sub>2</sub>** were sequestered.<sup>4</sup>



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<sup>4</sup> (Brown, 2013)





## Corporate Culture

### Our People

#### Our people are vital to making our herbal products.

During the pandemic our utmost priority became the safety and wellbeing of employees. As everyone scrambled to adjust to the “new normal”, we strove to keep everyone safe and well through social distance measures, allowing remote work where possible, and providing employees with proper protective gear. Our team went above and beyond as we saw a surge in demand for herbal products. We are grateful that these measures have paid off, and everyone remains safe and healthy.

The majority of our employees live less than 15 miles from the office. Many choose to work here to be close to their families, reduce their commuting time and have more free time for other pursuits.

Some of our employees have been with us for many years.

#### Benefits include:

- Discounts on Herbalist & Alchemist products to promote wellness
- H&A pays 50% of Health Insurance for the employee. A family plan is available as an option.

- Generous 401-K program, H&A matches 100% of employee contributions up to 3% of salary. If employees choose to contribute more, H&A matches an additional 50% up to 5%.

### Professional Development & Education

- We offer full scholarships to employees who enroll in [David Winston's Center for Herbal Studies 2-Year Herbalist Training Program](#). As of 2021, the majority of our employees have either taken or are currently enrolled in this course and the majority of management had completed the course.
- Professional Development opportunities include seminars held by David Winston, educational sessions at trade shows & conferences, trade associations, cross-training, and skills-based training related to job responsibilities. 42% of employees took part in training and professional development in 2021.
- H&A employees and wholesale customers can tune in to the monthly Herbal Salon with David Winston: the opportunity to expand their knowledge of herbal medicine through educational sessions focused on specific topics.





## Our Community

### Volunteering 2021

Despite the lingering challenges of volunteering during a pandemic, we still made a positive impact in our local communities.

In total, H&A employees donated over 280 hours of their time to the community!

### Education, Outreach & Charitable Donations

We sponsored and donated to many educational events, organizations, conferences, & symposiums. These events play a pivotal role in supporting the herbal community. As many events transitioned to virtual during the height of the pandemic and remained virtual through 2021, we stood by these organizations.

- We were a Silver-Level sponsor of the American Herbalists Guild Symposium
- In 2021, in kind and cash donations were 24.3% of our Net Income.

### Proud Supporters

In addition to organizations in line with the H&A mission, we give to local organizations to support our community. Here are some of the many organizations and initiatives Herbalist & Alchemist proudly supports with financial and product donations:

#### Education

- American Herbalists Guild
- American Herbal Pharmacopoeia
- American Herbal Products Association and Foundation
- Arbor Vitae School of Traditional Herbalism
- National Animal Supplements Council
- National University of Naturopathic Medicine
- Practitioner Herb Schools
- Rutgers University
- Veterinary Botanical Medicine Association
- Warren County Technical High School

#### Environmental Sustainability

- American Botanical Council
- Musconetcong Watershed Association
- Raritan Headwaters Association
- United Plant Savers

#### Community Relief

- Abilities of Northwest NJ
- Family Promise of Warren County
- Habitat For Humanity of Warren County
- Herbal Mutual Aid Networks
- Project Self-Sufficiency





## Leadership – in the Community

### David Winston, RH (AHG), founder and President:

- Chairperson and member of the AHG admissions review committee 1990-2022
- Member Consulting committee of the Irish Register of Herbalists
- United Plant Savers Advisory Board
- Member Board of Consultants American Herb Association
- Founder and Director of the Herbal Therapeutics Research Library
- Serves on American Herbal Products Association (AHPA) Botanical Safety Handbook expert advisory committee, working on the 3rd edition of the Botanical Safety Handbook.
- Advisory board and reviewer for the American Herbal Pharmacopoeia.
- Serves on the American Botanical Council advisory board.
- Founder and dean of David Winston's Center for Herbal Studies
- Speaks at conferences and symposiums around the world
- Author of several definitive books on herbs and hundreds of articles, reviews and papers published in journals, proceedings and texts.

### Beth Lambert, CEO:

- Serves on the Board and Executive Committee of the American Herbal Products Association (AHPA)
- Chairs the Board of the AHPA Herb Foundation
- Serves as Chair of AHPA's Education Committee and is a member of several other working committees.
- Serves on the Board of the Veterinary Botanical Medicine Association (VBMA).
- 2021 NJBiz Icon Award Winner





## The Green Team

A major introduction to our sustainability model for 2021 was the formation of the H&A Green Team. The Green Team is an interdepartmental coalition of employees who work together to coordinate environmental projects.

Responsible for:

- Implementation of the Environmental Management System
- Coordinating reuse and recycling initiatives across the company
- Setting short-term and long-term sustainability goals
- Implementing new and ongoing environmental projects
- Communicating sustainability project goals between departments and the public

**Over the course of 2021, the Green Team has worked to increase our already strong B Corp score and implemented new ways of tracking resource usage and emissions.**



## The Big Move

We are in the midst of completing the construction phase of our new facility. Working with our landlord, we are rehabbing a facility that stood vacant for 20 years in our community.

**Our design and planning used energy efficient lighting, heating, cooling systems.**

We are planning our move with reusable carts and containers, minimizing packing materials. We look forward to sharing our story.





## Looking Forward

While we navigate some exciting changes in the near future, we strive to keep our environmental and social goals at the forefront.

- Continue to develop our Environmental Management System
- Reduce and/ or offset our Scope 3 emissions
- Zero Waste Goal achieved!
- Complete our B Corp Recertification

## Tracking our GHG Emissions

- We established a baseline for our Scope 1, 2, & 3 emissions.
- Moving forward we can work to reduce where possible and offset our emissions, and work with our supply chain partners to make critical changes to reduce our carbon footprint.

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