RODALE INSTITUTE AND AFFILIATES
Consolidated Financial Statements
December 31, 2025
With Independent Auditor's Report

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ADVISORY TAX AUDIT

Rodale Institute and Affiliates
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December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rodale Institute and Affiliates:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Rodale Institute (a nonprofit organization) and Affiliates (limited liability companies), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rodale Institute and Affiliates as of December 31, 2025 and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Rodale Institute and Affiliates and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rodale Institute and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rodale Institute and Affiliates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rodale Institute and Affiliates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Rodale Institute's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 31, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2026 on our consideration of Rodale Institute and Affiliates' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rodale Institute and Affiliates' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rodale Institute and Affiliates' internal control over financial reporting and compliance.

Withum Smith+Brown, PC

July 22, 2026

Rodale Institute and Affiliates
Consolidated Statement of Financial Position
December 31, 2025 with Comparative Totals for 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 5,315,509	$ 8,486,786
Contributions and grants receivable, net	9,273,515	6,072,996
Accounts receivable	451,726	208,869
Prepaid expenses and other assets	369,771	367,111
Investments	28,907,240	29,717,285
Beneficial interest in perpetual trust	661,125	602,789
Property and equipment, net	13,600,760	9,281,101
Total assets	$ 58,579,646	$ 54,736,937
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 993,059	$ 2,161,737
Refundable advance	137,705	-
Note payable	540,833	-
	1,671,597	2,161,737
Net assets		
Without donor restrictions		
Operating	28,759,565	27,575,975
Board designated - research	141,750	-
	28,901,315	27,575,975
With donor restrictions	28,006,734	24,999,225
Total net assets	56,908,049	52,575,200
Total liabilities and net assets	$ 58,579,646	$ 54,736,937

The Notes to consolidated financial statements are an integral part of this statement.

Rodale Institute and Affiliates
Consolidated Statement of Activities
Year Ended December 31, 2025 with Comparative Totals for 2024

	Without Donor Restrictions	With Donor Restrictions	Totals 2025	Totals 2024
Revenue, gains and support				
Contributions and corporate grants	$ 5,217,239	$ 7,365,355	$ 12,582,594	$ 8,301,143
Contributions of non-financial assets	445,542	-	445,542	540,681
Federal, state and local grants	6,260,945	-	6,260,945	5,299,645
Farm management services	590,214	-	590,214	-
Education and store	39,449	-	39,449	273,937
Farm sales	65,460	-	65,460	178,812
Interest and dividends, net	474,510	258,542	733,052	996,457
Other	65,759	-	65,759	80,764
Transfers				
Endowment spending policy distribution	620,690	(620,690)	-	-
Net assets released from restrictions	4,929,316	(4,929,316)	-	-
Total revenue, gains and support	18,709,124	2,073,891	20,783,015	15,671,439
Expenses				
Program Services				
Strategic Solutions Team	8,984,140	-	8,984,140	7,518,236
Communications	1,128,270	-	1,128,270	1,139,971
Education	1,251,937	-	1,251,937	1,388,867
Organic consultancy	3,687,553		3,687,553	2,230,927
Supporting Services				
Management and general	2,476,137	-	2,476,137	1,763,155
Development	1,753,951	-	1,753,951	1,366,745
Total expenses	19,281,988	-	19,281,988	15,407,901
Change in net assets before other changes	(572,864)	2,073,891	1,501,027	263,538
Other changes				
Net realized and unrealized gains	1,898,204	875,282	2,773,486	2,001,009
Impairment loss	-	-	-	(555,000)
Change in value of beneficial interest in perpetual trust	-	58,336	58,336	41,239
Total other changes	1,898,204	933,618	2,831,822	1,487,248
Change in net assets	1,325,340	3,007,509	4,332,849	1,750,786
Net assets				
Beginning of year	27,575,975	24,999,225	52,575,200	50,824,414
End of year	$ 28,901,315	$ 28,006,734	$ 56,908,049	$ 52,575,200

The Notes to consolidated financial statements are an integral part of this statement.

Rodale Institute and Affiliates
Consolidated Statement of Functional Expenses
Year Ended December 31, 2025 with Comparative Totals for 2024

						Supporting Services			Totals	
	Strategic Solutions Team	Communications	Education	Organic Consultancy	Total Program Services	Management and General	Development	Total Supporting Services	2025	2024
Salaries	$ 3,118,683	$ 615,681	$ 739,795	$ 1,633,259	$ 6,107,418	$ 1,314,174	$ 461,535	$ 1,775,709	$ 7,883,127	$ 7,208,953
Payroll taxes and employee benefits	974,552	194,206	216,239	517,518	1,902,515	395,918	156,036	551,954	2,454,469	2,022,171
Consulting services	274,267	134,168	101,451	583,759	1,093,645	109,604	440,957	550,561	1,644,206	998,560
Contractors and subcontractors	2,458,360	-	34,534	253,102	2,745,996	-	-	-	2,745,996	1,602,381
Depreciation	152,256	1,111	3,009	-	156,376	23,696	2,510	26,206	182,582	171,044
Dues and subscriptions	76,793	30,770	18,734	62,467	188,764	57,804	29,276	87,080	275,844	182,351
Equipment maintenance	223,837	2,433	3,636	9,603	239,509	98,855	36,085	134,940	374,449	150,002
Postage	15,951	11,032	649	5,973	33,605	12,455	22,245	34,700	68,305	54,067
Printing and publications	11,973	2,997	242	7,156	22,368	901	43,202	44,103	66,471	56,966
Professional services	17,239	17,687	1,652	856	37,434	125,102	3,040	128,142	165,576	84,617
Supplies	543,144	26,280	47,867	28,854	646,145	74,559	368,972	443,531	1,089,676	583,082
Telecommunications	26,904	8,002	3,264	27,760	65,930	35,580	3,621	39,201	105,131	115,662
Testing and measurement	324,510	-	319	168	324,997	10,746	-	10,746	335,743	357,442
Travel	133,007	13,802	46,681	258,014	451,504	17,672	44,528	62,200	513,704	456,711
Utilities	325,725	15,355	28,694	109,565	479,339	116,435	8,469	124,904	604,243	613,132
Other	306,939	54,746	5,171	189,499	556,355	82,636	133,475	216,111	772,466	750,760
	$ 8,984,140	$ 1,128,270	$ 1,251,937	$ 3,687,553	$ 15,051,900	$ 2,476,137	$ 1,753,951	$ 4,230,088	$ 19,281,988	$ 15,407,901

The Notes to consolidated financial statements are an integral part of this statement.

Rodale Institute and Affiliates
Consolidated Statement of Cash Flows
Year Ended December 31, 2025 with Comparative Totals for 2024

	2025	2024
Operating activities		
Change in net assets	$ 4,332,849	$ 1,750,786
Adjustments to reconcile change in net assets		
to net cash provided by (used in) operating activities		
Net realized and unrealized gain on investments	(2,773,486)	(2,001,009)
Change in value of beneficial interest in perpetual trust	(58,336)	(41,239)
Depreciation expense	182,582	171,044
Contributions restricted for long-term purposes	(250,000)	-
Impairment loss	-	555,000
Change in operating assets and liabilities		
Contributions and grants receivable, net	(2,950,519)	4,030,914
Accounts receivable	(242,857)	30,408
Prepaid expenses and other assets	(2,660)	(116,713)
Accounts payable and accrued expenses	(935,974)	(1,258,560)
Refundable advance	137,705	-
Net cash provided by (used in) operating activities	(2,560,696)	3,120,631
Investing activities		
Purchases of investments	(8,977,265)	(6,251,230)
Proceeds from sales of investments	12,560,796	5,345,063
Purchases of property and equipment	(4,734,945)	(1,678,217)
Net cash used in investing activities	(1,151,414)	(2,584,384)
Financing activities		
Proceeds from note payable	550,000	-
Repayments of note payable	(9,167)	-
Net cash provided by financing activities	540,833	-
Net change in cash and cash equivalents	(3,171,277)	536,247
Cash and cash equivalents		
Beginning of year	8,486,786	7,950,539
End of year	$ 5,315,509	$ 8,486,786
Supplemental information		
Purchases of property and equipment		
included in accounts payable and accrued expenses	$ -	$ 116,352

The Notes to consolidated financial statements are an integral part of this statement.

1. NATURE OF OPERATIONS

Rodale Institute, located in Kutztown, Pennsylvania, is a 501(c)(3) nonprofit, dedicated to advancing organic and regenerative organic agriculture through rigorous independent research, direct farmer support initiatives, consumer education and workforce training programs. Widely recognized as the birthplace of the organic movement in the US, today Rodale Institute is recognized as a prestigious agricultural research and education nonprofit, and a trusted partner of farmers, corporations and state and federal governments and agencies, promoting and advancing regenerative organic agriculture for over 78 years.

The work of Rodale Institute, since its start in 1947, is grounded in the principle that healing people and the planet begins with healthy soil. As the global leader in regenerative organic agriculture, our mission is to advance groundbreaking research and best-in-class education that enables farms and farmers to transition to organic and regenerative organic agricultural practices, thereby improving the health of the world's soil and securing the global food supply. Rodale Institute is where optimism meets science. The science is clear: healthy soil grows healthier food, and supports healthier people. Investing in and building healthy soil is the single most important action we can take in healing our ailing population and strengthening our fragile ecosystem.

The world is at a critical inflection point. The rise in environmental pollution and chronic diseases, increased frequency of extreme weather events, high rates of soil erosion, and loss of biodiversity require us to reckon with how we feed the world. We are committed to providing the data, technical support, and education necessary to catalyze change in our food, agriculture, and healthcare systems. Guided by our five-year strategy, rooted in our key focus areas: World-class Research, Global Education, Farmer Consulting, Voice of Change, Leading-Edge Technology and Our People. Rodale Institute influences a broad swath of the agricultural industry and is dedicated to helping farmers thrive. The research, education and consulting conducted by Rodale Institute serves as an impetus for change in all areas of food and fiber production across the country and around the world.

Rodale Institute is committed to conducting rigorous research designed to uncover the most effective, efficient approaches that will enhance the management of regenerative organic agroecosystems. Shared with farmers and consumers worldwide, our research acts as a catalyst for change in food systems around the globe. Through long-term comparison trials between organic and conventional systems conducted side by side, along with various short-term projects across different climate zones, we support a wide range of growers in overcoming field challenges while addressing ecosystem health and human concerns.

Rodale Institute has three main areas of focus that guide the research that we do:

- Bolster organic agriculture by developing integrated pests, diseases and weed management techniques as alternatives for chemical applications and facilitate the transition to organic.
- Assist growers in enhancing the resiliency of agricultural ecosystems to withstand extreme weather events exacerbated by climate change.
- Help solve food insecurity by providing research around growing nutrient-dense foods.

Rodale Institute’s headquarters are located on a 350+-acre organic farm and research facility that serves as a living laboratory, an educational campus, and a gathering place for the community. The farm is the site of many of the Institute's research projects, including the Farming Systems Trial ("FST"), the longest-running side-by-side comparison of conventional and organic grain systems; the Vegetable Systems Trial ("VST"), a long-term food nutrition experiment; and numerous others. As an example of Rodale Institute’s research influence, data from FST has shown that organic systems can outperform conventional production in times of drought and has comparable yields with conventional under good conditions.

Education is critical to Rodale Institute's mission. The world needs more regenerative organic farmers. In the United States, more than 370 million acres of farmland are expected to change hands over the next 20 years as the current generation of farmers retires. At the same time, demand for organic products continues to grow, with U.S. organic sales reaching a record $76.6 billion in 2025. Yet only about 1% of U.S. cropland is certified organic. The need for both organic and beginning farmers has never been greater. Today, there are approximately six times as many farmers over age 65 as under age 35. That's why Rodale Institute is helping farmers transition to organic while training the next generation of regenerative organic leaders.

An established authority on organic production methods, Rodale Institute offers internships to beginning farmers, including special programs for military veterans, as well as workshops and online courses to the public to make regenerative organic growing methods more accessible and widespread. The Rodale Institute Farmer Training and Veteran Farmer Training programs educate both new and existing farmers in regenerative organic management. These programs cover everything from finance to business management to field work and technical expertise. Rodale Institute reaches farmers at all levels, helping new farmers get established in organic agriculture, assisting conventional farmers in the transition to organic, and teaching existing organic farmers the most effective organic growing practices. Rodale Institute also educates consumers that drive the market and policy makers that shape farmer behavior.

Rodale Institute Organic Consulting simplifies the process of transitioning to regenerative organic farming systems. Backed by 75+ years of science, our regenerative organic consulting service launched in 2019 to accelerate the shift from conventional to organic agriculture practices and production. We put trained agronomists and certification experts on farms in a one-on-one mentorship and personalized coaching model to advise transitioning farmers. Our consulting service focuses on 4 core areas:

- Technical Assistance for Farmers
- Market/Buyer Discovery and Connection
- Translating Research into Practical Advice
- Connecting Agricultural Communities

Rodale Institute’s organic consulting service has two distinct advantages in its service to farmers: 1) we have a national presence that can reach a broad geographic constituency; and 2) our consultants have diverse expertise which can help solve farmers’ most pressing needs. Our results have been tremendous, with over 125,929 acres in transition since 2019 and 79,921 acres having completed transition.

In addition to its headquarters in Kutztown, PA, Rodale Institute also operates eight satellite locations. Four Regional Resource Centers serve as hubs for organic research and education throughout the U.S. and the world. These hubs meet the needs of farmers in their own communities, including regionalized research on pests, diseases, weeds or fertility, as well as field days and extensions. Hubs are located in California, the Midwest (Iowa), the Pacific Northwest (Washington), and Europe (Parma, Italy). Additional campuses include organic farms operated and/or managed by Rodale Institute at St. Luke’s University Hospital Network, Cornwall Manor’s Senior Living Facility Campus, Phoebe Ministries, and The Farm at Augusta Health.

Rodale Institute is the sole member of two limited liability companies, FST Farm, LLC and Christman Farm, LLC, which formed in 2025. The limited liability companies own property totaling $3,265,165.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Rodale Institute (the “Institute”), FST Farm, LLC and Christman Farm LLC (collectively, the “Institute and Affiliates”). All significant inter-organization balances and transactions have been eliminated.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). As a result, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Institute and Affiliates report information regarding their consolidated financial position and activities according to the following classes of net assets:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Institute and Affiliates. These net assets may be used at the discretion of the Institute and Affiliates’ management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of the Institute and Affiliates and/or the passage of time. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Institute and Affiliates or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Measure of Operations

The consolidated statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. The Institute and Affiliates include in their measure of operations all revenues and expenses that are integral to their program services and supporting services. The measure of operations excludes non-operating activities, which are limited primarily to returns from investments, the change in value of perpetual trust and other activities considered to be of a non-operating nature.

Estimates

The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the disclosure of contingent assets and liabilities, as well as the reported amounts of revenues and expenses during the reported period. Actual results could vary from those estimates. Significant estimates include the net realizable value of accounts and contributions and grants receivable, the fair value of investments, the fair value of the beneficial interest in perpetual trust, the depreciable lives of property and equipment and the allocation of functional expenses.

Fair Value Measurements

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Institute. Unobservable inputs reflect the Institute and Affiliates’ assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Institute and Affiliates have the ability to access.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

Money Market Funds: Valued at cost which approximates fair value.

Corporate Bonds, U.S. Treasury Obligations and Asset Backed Securities: Valued based on investment managers use of pricing services using market data.

Common Stocks, Mutual Funds and Exchange Traded Funds: Valued at quoted prices for identical assets or liabilities in active markets that the Institute has the ability to access.

Alternative Investments: Valued at net asset value which is based on its ownership interest in the funds. These are excluded from the fair value hierarchy.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Institute and Affiliates believe their valuation methods are appropriate and consistent, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Cash and Cash Equivalents

Cash equivalents include short-term, highly liquid investments with a maturity date of three months or less on the date of acquisition, except for those held in the investment portfolio.

Accounts Receivable

Accounts receivable represent unsecured noninterest bearing obligations and are carried at original invoice amounts less an estimate made for credit losses based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for credit losses by identifying troubled accounts and performing a historical and future looking analysis. Receivables are written off when deemed uncollectible. Any uncollectible amounts would not be material to the consolidated financial statements. Accounts receivable totaled $208,869 and $239,277 as of January 1, 2025 and 2024, respectively. Accounts receivable at December 31, 2025 are expected to be collected within one year.

Contributions and Grants Receivable

The Institute and Affiliates record unconditional contributions and grants receivable that are expected to be collected within one year at net realizable value. Contributions and grants receivable with expected collection past one year are recorded at net present value using risk-free rates applicable to the years in which the promises are received. The Institute and Affiliates monitor the collectability of these receivables and an allowance for uncollectable promises to give is recorded based on historical experience, an assessment of economic conditions, and a review of subsequent collections (see Note 3).

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included in the consolidated statement of activities. Dividend and interest income is recorded as earned. Donated investments are recorded at fair value at the date of receipt.

The Institute and Affiliates invest in a professionally-managed portfolio that contains various types of securities (see Note 4). Such investments are exposed to market, interest rate and credit risks. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that the amounts reported in the consolidated financial statements could change materially in the near term.

Property and Equipment, Net

Property and equipment are carried at cost, if purchased, and at the fair value at the date of donation if donated. Depreciation is computed over 3-20 years on the straight-line method over the estimated useful lives of the assets.

Impairment of Long-Lived Assets

The Institute and Affiliates review their long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is present when the sum of undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. During the year ended December 31, 2024, the Institute recognized an impairment loss of $555,000 as a result of the cancellation of a grant. There was no impairment loss recognized in the year ended December 31, 2025.

Beneficial Interest in Perpetual Trusts

The Institute and Affiliates have been named as an irrevocable beneficiary of a perpetual trust held and administered by an independent trustee. The perpetual trust provides for the distribution of the net income of the trust to the Institute and Affiliates; however, the Institute and Affiliates will never receive the assets of the trust. At the date the Institute and Affiliates receive notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the consolidated statement of activities and a beneficial interest in perpetual trust is recorded in the consolidated statement of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interest in the trust is reported at the fair value of the trusts' assets in the consolidated statement of financial position, with trust distributions and changes in fair value recognized in the consolidated statement of activities.

Contributions and Grants

Contributions and grants received are recorded as net assets without donor restrictions or with donor restrictions depending on the absence or existence and nature of any donor restrictions. Donor-restricted contributions and grants whose restrictions are satisfied in the same period are reported as net assets without donor restrictions.

Unconditional contributions and grants are recognized when the related promise to give is received. Conditional contributions and grants, that is, those with a measurable performance or other measurable barrier, and a right of return or release, are not recognized in revenue until the conditions on which they depend have been substantially met.

A portion of the Institute and Affiliates' revenue is derived from cost-reimbursable federal, state and local contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Institute and Affiliates have incurred expenditures in compliance with specific contract or grant provisions. The Institute and Affiliates received cost-reimbursable grants of $3,296,858 and $4,067,375 that have not been recognized at December 31, 2025 and 2024, respectively, because qualifying expenditures have not yet been incurred.

Revenue Recognition

The Institute and Affiliates account for revenue from contracts with customers as exchange transactions in the consolidated statement of activities as revenue without donor restrictions.

In determining the appropriate amount of revenue to be recognized as they fulfills their obligations under their agreements, the Institute and Affiliates perform the following steps in accordance with Topic 606: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Institute and Affiliates satisfy each performance obligation.

Educational revenue is based on published fixed rates and collected either at the time of registration, in advance of the workshop or webinar resulting in a deferred revenue balance or at the time the workshop or webinar takes place and immediately recognized as revenue. Educational revenues are recognized as revenue at the point in time the workshop or webinar is conducted.

Farm management services and sales are based on published fixed rates and collected and recognized as revenue at the point in time of purchase.

There were no contract assets or liabilities at December 31, 2025, 2024 and 2023.

Contributions of Non-Financial Assets

The Institute and Affiliates record donated services that create or enhance nonfinancial assets and that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Institute and Affiliates record the value of donated materials at fair value on date of donation when there is an objective basis available to measure their value. Donated materials are included as support in the accompanying consolidated statement of activities at their estimated values at the time received.

Functional Allocation of Expenses

The costs of providing the program and supporting services have been presented on a functional basis in the consolidated statement of activities and detailed by natural classification in the consolidated statement of functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include salaries and payroll taxes and employee benefits which were allocated based on estimates of time and effort.

Income Tax Status

The Institute is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Institute's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Institute qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1). FST Farm, LLC and Christman Farm, LLC are single member Pennsylvania limited liability companies.

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their tax returns. GAAP prescribes a minimum threshold that a tax position is required to meet in order to be recognized in the consolidated financial statements. The Institute and Affiliates believe that they had no uncertain tax positions as defined in GAAP.

Concentration of Credit Risk

The Institute and Affiliates have significant cash and money market fund balances at financial institutions which throughout the year regularly exceed the amounts insured by either the Federal Deposit Insurance Corporation for up to $250,000 or the Securities Investor Protection Corporation. Any loss incurred or lack of access to such funds could have a significant adverse impact on the Institute and Affiliates' financial condition, change in net assets, and cash flows.

Summarized Comparative Information

The consolidated financial statements include prior year summarized comparative information in total for comparative purposes. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Insitute's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the 2024 financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

4. CONTRIBUTIONS AND GRANTS RECEIVABLE

Unconditional contributions and grants receivable at December 31, 2025 and 2024 are expected to be collected as follows:

	2025	2024
Less than one year	$ 5,079,515	$ 2,818,372
One to five years	3,585,000	2,105,829
Thereafter	1,200,000	2,000,000
	9,864,515	6,924,201
Less: Allowance for doubtful accounts	(3,000)	(46,205)
Less: Discount of 4% in 2025 and 2024	(588,000)	(805,000)
	$ 9,273,515	$ 6,072,996

5. INVESTMENTS

Investments consist of the following at December 31, 2025 and 2024:

	2025	2024
Money market funds	$ 335,923	$ 300,053
U.S. Treasury obligations	1,404,223	1,012,858
Corporate bonds	2,571,337	2,709,734
Asset backed securities	2,557,086	2,726,794
Common stocks	13,591,420	14,032,288
Equity exchange traded funds	1,508,603	1,749,722
Equity mutual funds	1,491,845	1,538,562
Alternative investments		
Private equity	1,088,081	951,341
Real estate investment trust	4,358,722	4,695,933
	$ 28,907,240	$ 29,717,285

The Institute and Affiliates' real estate investment trust consists of shares of common stock of an unregistered real estate investment trust (Iroquois Valley Farmland REIT, PBC) which invests in organic farmland. This investment had a 5-year lock-up redemption restriction that expired in September 2025.

The Institute and Affiliates are invested in three private equity funds whose objective is to realize long-term total returns by investing in regenerative agriculture companies. This investment cannot be redeemed, instead distributions will be received through the liquidation of the underlying assets. The funds have unfunded commitments of $150,000 at December 31, 2025 and 2024.

Investment income, net was comprised of the following at December 31, 2025 and 2024:

	2025	2024
Interest and dividends	$ 926,102	$ 1,154,974
Net realized and unrealized gain	2,773,486	2,001,009
Less: Investment management fees	(193,050)	(158,517)
	$ 3,506,538	$ 2,997,466

6. PROPERTY AND EQUIPMENT, NET

Property and equipment, net at December 31, 2025 and 2024 consists of the following:

	2025	2024
Land	$ 9,372,408	$ 6,107,243
Land improvements	34,421	34,421
Machinery and equipment	3,356,368	2,942,452
Construction in progress - science center	3,147,709	2,324,549
	15,910,906	11,408,665
Less: Accumulated depreciation	(2,310,146)	(2,127,564)
	$ 13,600,760	$ 9,281,101

In January 2018, the Institute received a contribution of land consisting of 40.9 acres with a fair value of $1,770,000. The donor requires the land to be used for organic farming and agriculture, scenic, natural and historic preservation, conservancy or other purposes consistent with the Institute's mission and has been recorded in net assets with donor restrictions.

The rest of the Institute's land is under a conservation easement with the Wildlands Conservancy. The land purchased by FST Farm, LLC and Christman Farm, LLC of $3,265,165 consisting of 65.44 acres is not under a conservation easement.

7. NOTE PAYABLE

Christman Farm, LLC entered into a $550,000 unsecured promissory note from the seller in November 2025. Pursuant to the terms of the note, Christman Farm, LLC will repay the note over 60 months, accruing annual interest of 5%.

As of December 31, 2025, aggregate future maturities of the note payable are as follows:

2026	$ 110,000
2027	110,000
2028	110,000
2029	110,000
2030	100,833
	$ 540,833

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes and periods:

	Balance December 31, 2024	Additions	Releases	Balance December 31, 2025
Subject to expenditure for specified purposes or periods				
Research, strategic solutions and education	$ 5,403,151	$ 4,017,355	$ (4,531,641)	$ 4,888,865
Science Center	4,486,677	3,098,000	(397,675)	7,187,002
	9,889,828	7,115,355	(4,929,316)	12,075,867
Net assets to be maintained indefinitely				
Beneficial interest in perpetual trust, income is available for general operations	602,789	58,336	-	661,125
Endowments				
General endowment, income is available for general operations	836,173	127,246	(40,336)	923,083
Ardath Rodale endowment, income is for operations and maintenance of Rodale Research Center	6,538,744	709,381	(319,007)	6,929,118
Working Tree Center endowment, income is available for the operations and maintenance of the Working Tree Center	5,361,691	297,197	(261,347)	5,397,541
Hirshberg Research Fund	-	250,000	-	250,000
Land - Working Tree Center	1,770,000	-	-	1,770,000
	15,109,397	1,442,160	(620,690)	15,930,867
	$ 24,999,225	$ 8,557,515	$ (5,550,006)	$ 28,006,734

	Balance December 31, 2023	Additions	Releases	Balance December 31, 2024
Subject to expenditure for specified				
purposes or periods				
Research, strategic solutions and education	$ 5,700,491	$ 3,329,992	$ (3,627,332)	$ 5,403,151
Science Center	4,200,058	333,349	(46,730)	4,486,677
	9,900,549	3,663,341	(3,674,062)	9,889,828
Net assets to be maintained indefinitely				
Beneficial interest in perpetual trust,				
income is available for general operations	561,550	41,239	-	602,789
Endowments				
General endowment,				
income is available for general operations	758,227	77,946	-	836,173
Ardath Rodale endowment,				
income is for operations and maintenance				
of Rodale Research Center	6,211,232	638,073	(310,561)	6,538,744
Working Tree Center endowment,				
income is available for the operations and				
maintenance of the Working Tree Center	5,123,234	494,618	(256,161)	5,361,691
Land - Working Tree Center	1,770,000	-	-	1,770,000
	14,424,243	1,251,876	(566,722)	15,109,397
	$ 24,324,792	$ 4,915,217	$ (4,240,784)	$ 24,999,225

The historical dollar value of the Ardath Rodale and Working Tree Center endowments is $5,000,000 and $4,546,560, respectively at December 31, 2025 and 2024. The historic dollar value of the Hirshberg Research Fund is $250,000. The historic dollar value of the general endowment is not known.

9. ENDOWMENT FUND

An accounting standard was issued which provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The Institute and Affiliates are not subject to this guidance since Pennsylvania has not enacted a version of UPMIFA. The standard also requires additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

In accordance with Pennsylvania statutes, the Institute and Affiliates have adopted investment and spending policies for their endowment assets that attempt to provide a predictable stream of funding to programs supported by their endowments while seeking to maintain the purchasing power of these endowment assets over the long-term. The Institute and Affiliates' spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes.

The spending policy calculates the amount of money annually distributed from the endowment funds to support various programs. The current spending policy on the endowment to be maintained indefinitely is to distribute the amount equal to 5% of a moving three-year average of the fair value of the endowment fund to be maintained indefinitely.

Changes in the endowment net assets for the year ended December 31, 2025 are as follows:

With Donor Restrictions	**2025**	**2024**
Endowment net assets, beginning of year	$ 12,736,608	$ 12,092,693
Contributions	250,000	-
Interest and dividends, net	258,542	316,202
Net realized and unrealized gains	875,282	894,435
Spending policy distribution	(620,690)	(566,722)
Endowment net assets, end of year	$ 13,499,742	$ 12,736,608

10. CONTRIBUTIONS OF NON-FINANCIAL ASSETS

The fair value of donated services, supplies, travel and utilities is included as contributions in the consolidated financial statements and the corresponding expenses for the years ended December 31, 2025 and 2024 are as follows:

2025	**Strategic Solution Team**	**Communications**	**Education**	**Organic Consultancy**	**Management and General**	**Development**	**Total**
Contractor and subcontractors	$ 85,927	$ -	$ -	$ -	$ -		$ 85,927
Supplies	-	-	-	-	-	348,315	348,315
Equipment maintenance	11,300	-	-	-	-	-	11,300
	$ 97,227	$ -	$ -	$ -	$ -	$ 348,315	$ 445,542

2024	**Strategic Solution Team**	**Communications**	**Education**	**Organic Consultancy**	**Management and General**	**Development**	**Total**
Contractor and subcontractors	$ 357,683	$ -	$ 30,000		$ 1,425		$ 389,108
Supplies	2,855	2,787				9,932	15,574
Travel	12,532	1,346	281	58	734	1,048	15,999
Utilities	-	-	120,000	-	-	-	120,000
	$ 373,070	$ 4,133	$ 150,281	$ 58	$ 2,159	$ 10,980	$ 540,681

11. DEFINED CONTRIBUTION PLAN

The Institute and Affiliates participate in a participatory defined contribution plan that covers substantially all of their employees. Employees can contribute any percentage of their income up to the Internal Revenue Service limit for the year. The Institute and Affiliates match contributions by the participants up to 6% of annual compensation. The Institute and Affiliates contributed $224,124 and $194,486 to the plan in 2025 and 2024, respectively.

12. LINE OF CREDIT

The Institute and Affiliates have a line of credit arrangement with a local bank under which they may borrow up to $250,000. The line bears interest at prime plus ¾%. The arrangement has no maturity date and is due on demand by the bank. There were no advances outstanding at December 31, 2025 and 2024.

13. COMMITMENTS

During 2022, the Institute and Affiliates entered into construction contracts with two companies to design and build a science center and other campus infrastructure upgrades estimated to cost $22,000,000. As of December 31, 2025, the Institute and Affiliates had incurred costs of $4,003,555 under this contract. The construction is expected to be completed in 2026 and is funded by a capital campaign.

14. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Institute and Affiliates' financial assets as of the consolidated statement of financial position date, which has been reduced by financial assets not available for general expenditures within one year.

	2025	2024
Cash and cash equivalents	$ 5,315,509	$ 8,486,786
Contributions and grants receivable, net	9,273,515	6,072,996
Accounts receivable	451,726	208,869
Investments	28,907,240	29,717,285
Total financial assets	43,947,990	44,485,936
Less: Financial assets not available for general operations within one year		
Designated by Board of Directors	(141,750)	-
Restricted by donor for specific purposes	(12,075,867)	(9,889,828)
Restricted by donor to be maintained indefinitely	(13,499,742)	(12,736,608)
Investments with liquidity horizons greater than one year	(1,088,081)	(5,647,274)
Total financial assets available within one year	$ 17,142,550	$ 16,212,226

Liquidity Management
As part of the Institute and Affiliates' liquidity management, they invest cash in excess of daily requirements in short-term investments, typically money market funds.

15. ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

The following is a summary of assets and liabilities measured at fair value on a recurring basis and the valuation inputs used to value them:

Description	Balance December 31, 2025	Quoted Prices In Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Money market funds	$ 335,923	$ 335,923	$ -	$ -
U.S. Treasury obligations	1,404,223	-	1,404,223	-
Corporate bonds	2,571,337	-	2,571,337	-
Asset backed securities	2,557,086	-	2,557,086	-
Common stocks	13,591,420	13,591,420	-	-
Equity exchange traded funds	1,508,603	1,508,603	-	-
Equity mutual funds	1,491,845	1,491,845	-	-
Alternative investments (a)	5,446,803	N/A	N/A	N/A
Total Investments	28,907,240	16,927,791	6,532,646	-
Beneficial interest in perpetual trust	661,125	-	-	661,125
	$ 29,568,365	$ 16,927,791	$ 6,532,646	$ 661,125

Description	Balance December 31, 2024	Quoted Prices In Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Money market funds	$ 300,053	$ 300,053	$ -	$ -
U.S. Treasury obligations	1,012,858	-	1,012,858	-
Corporate bonds	2,709,734	-	2,709,734	-
Asset backed securities	2,726,794	-	2,726,794	-
Common stocks	14,032,288	14,032,288	-	-
Equity exchange traded funds	1,749,722	1,749,722	-	-
Equity mutual funds	1,538,562	1,538,562	-	-
Alternative investments (a)	5,647,274	N/A	N/A	N/A
Total Investments	29,717,285	17,620,625	6,449,386	-
Beneficial interest in perpetual trust	602,789	-	-	602,789
	$ 30,320,074	$ 17,620,625	$ 6,449,386	$ 602,789

(a) Certain investments that are measured at net asset value in accordance with the practical expedient have not been classified in the fair value hierarchy. These investments have been included in the table to permit reconciliation to the amounts presented in the consolidated statement of financial position.

16. SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 22, 2026 the date on which the consolidated financial statements were available to be issued. Other than noted below, there are no subsequent events that have occurred that require recognition in the consolidated financial statements.

In March 2026, the Institute and Affiliates were awarded a grant from the U.S. Department of Agriculture for the expansion of markets for vegetables and to support farmers totaling approximately $27,000,000.

SUPPLEMENTARY INFORMATION

Rodale Institute and Affiliates
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2025

Federal Grantor/Pass-Through/ Program Title	Federal Assistance Listing Number (ALN)	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
Research and Development Cluster				
U.S. Department of Agriculture programs				
Direct Program:				
Agricultural Research Service programs				
Agricultural Research Basic and Applied Research	10.001	N/A	$ 28,790	$ -
Pass-Through programs				
Agricultural Marketing Service programs				
Specialty Crop Block Grant Program - Farm Bill				
Pennsylvania Department of Agriculture	10.170	C940000983	43,396	-
Pennsylvania Department of Agriculture	10.170	C940001090	43,643	-
Pennsylvania Department of Agriculture	10.170	C940001531	55,740	-
California Department of Food and Agriculture	10.170	22-0001-026-SF	49,897	-
		Total ALN 10.170	192,676	-
Pass-Through programs				
National Institute of Food and Agriculture programs				
Sustainable Agriculture Research and Education				
University of Vermont	10.215	LNE23-473R-AWD00001024	64,303	-
Integrated programs				
Washington University	10.303	2023-51106-41077	88,337	-
Total National Institute of Food and Agriculture programs			152,640	-
Direct program				
Natural Resources Conservation Service programs				
Environmental Quality Incentives Program	10.912	N/A	3,874	-
Pass-Through programs				
Natural Resources Conservation Service programs				
National Fish and Wildlife Foundation				
Environmental Quality Incentives Program	10.912	2004.25.085432	12,167	-
		Total ALN 10.912	16,041	-
National Fish and Wildlife Foundation				
Conservation Stewardship Program	10.924	2004.25.085432	12,167	-
National Fish and Wildlife Foundation				
Regional Conservation Partnership Program	10.932	2004.25.085432	6,082	-
Pennsylvania Department of Agriculture				
Regional Conservation Partnership Program	10.932	N/A	60,247	-
		Total ALN 10.932	66,329	-
Total National Resources Conservation Service programs			94,537	-
Total Research and Development Cluster			468,643	-
U.S. Department of Agriculture				
Pass-Through programs				
Oregon Tilth, Inc.	10.163	N/A	80,575	-
Direct program				
Partnership for Climate-Smart Commodities	10.937	N/A	2,365,783	1,766,356
Pass-Through programs				
Mad Agriculture				
Environmental Quality Incentives Program	10.912	N/A	22,778	-

The Notes to the Schedule of Expenditures of Federal Awards is an integral part of this statement.

Rodale Institute and Affiliates
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2025

Federal Grantor/Pass-Through/ Program Title	Federal Assistance Listing Number (ALN)	Pass-Through Grantor's Number	Total Federal Expenditures	Passed Through to Subrecipients
Pass-Through programs				
Pennsylvania Certified Organic				
Organic Agriculture Research and Extension Initiative	10.307	N/A	$ 88,046	$ -
Florida Certified Organic Growers				
Organic Agriculture Research and Extension Initiative	10.307	N/A	60,000	-
OCIA International, Inc.				
Organic Agriculture Research and Extension Initiative	10.307	N/A	145,000	-
Oregon Tilth, Inc.				
Organic Agriculture Research and Extension Initiative	10.307	N/A	43,907	-
The Land Connection				
Organic Agriculture Research and Extension Initiative	10.307	N/A	72,800	-
Total ALN 10.307			409,753	-
Total Expenditures of Federal Awards			$ 3,347,532	$ 1,766,356

The Notes to the Schedule of Expenditures of Federal Awards is an integral part of this statement.

1. GENERAL INFORMATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Institute and Affiliates under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Institute and Affiliates, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Institute and Affiliates.

2. BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The amounts reported in this schedule as expenditures may differ from certain financial reports submitted to federal funding agencies due to those reports being submitted on either a cash or modified accrual basis of accounting.

3. INDIRECT COSTS

The Institute and Affiliates have not elected to use the 15% de minimis indirect cost rate for federal contracts allowed under the Uniform Guidance.

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ADVISORY TAX AUDIT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rodale Institute and Affiliates:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Rodale Institute (a nonprofit organization) and Affiliates (limited liability companies), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated July 22, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Rodale Institute and Affiliates' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rodale Institute and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of Rodale Institute and Affiliates' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rodale Institute and Affiliates' consolidated financial statements are free from material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rodale Institute and Affiliates' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rodale Institute and Affiliates' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Withum Smith+Brown, PC

July 22, 2026

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rodale Institute and Affiliates:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rodale Institute and Affiliates' compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on Rodale Institute and Affiliates' major federal program for the year ended December 31, 2025. Rodale Institute and Affiliates' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Rodale Institute and Affiliates complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Programs

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*"Government Auditing Standards"*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards, and the Uniform Guidance is further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Rodale Institute and Affiliates and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Rodale Institute and Affiliates' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Rodale Institute and Affiliates' federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Rodale Institute and Affiliates' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Rodale Institute and Affiliates' compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Rodale Institute and Affiliates' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Rodale Institute and Affiliates' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Rodale Institute and Affiliates' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

WithumSmith+Brown, PC

July 22, 2026

Rodale Institute and Affiliates
Schedule of Findings and Questioned Costs
Year Ended December 31, 2025

Section 1 - Summary of Auditor's Results

Consolidated Financial Statements

Type of auditor's report issued on whether the consolidated financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to the consolidated financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for the major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):	No

The following federal program was designated as the major program:

	Assistance Listing Number
Partnerships for Climate-Smart Commodities	10.937

Dollar threshold used to distinguish between Type A and Type B programs	$1,000,000
Auditee qualified as a low-risk auditee?	Yes

Section 2 - Financial Statement Findings

None.

Section 3 - Major Federal Award Programs Findings and Questioned Costs

None.

Section 4 - Prior Year Findings

None.