

ECOS®
Plant Powered Clean

SUSTAINABILITY REPORT

2022

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From the CEO

At ECOS, sustainability means making safer cleaning products today that don't compromise tomorrow.



Since 1967, we've been on a mission to make products that are better for people, pets, and the planet. As a women-owned, minority-owned, and family-owned company, we're creating a more sustainable and equitable future with green cleaning products that are affordable and accessible for all.

We've reached new heights in clean chemistry and sustainable manufacturing, but we're not done yet. We're rolling out more innovations in our products, our packaging, and our practices. Built on a foundation of zero waste operations and 100% renewable energy use, we're creating lower carbon products and more responsible packaging that can make a real difference for our shared future.

It's more urgent than ever that we all make better choices to fight global warming and environmental injustices. That's why we're renewing our commitments to lower emissions, support stronger climate policies, and fight for underserved communities that are on the front lines of climate change.

Working together, we can create a safer and more resilient future for our families, our communities, and our planet.

With gratitude,

Kelly Vlahakis-Hanks

Kelly Vlahakis-Hanks, President & CEO

Our Journey to a Climate Positive Clean

Our mission is to protect the health and wellness of people, pets, and the planet by creating safer, sustainable, and affordable cleaning products for all.



In 1967 we began our mission to make cleaning products that are safer for people and our planet. Growing up on a beautiful island in Greece, our founder Van Vlahakis was inspired by the natural ingredients that his mother used to clean their home, like vinegar, lemon juice, and olive oil. When he immigrated to the U.S. and began working for a chemical cleaning products manufacturer, he saw the toxic impact of those chemicals on his health and knew there was a better way to clean, in harmony with nature.

Over the years, ECOS cleaners have become greener and more sustainable, and the way we make them has become more sustainable too. At ECOS, sustainability means safer ingredients, smarter processes, and greater inclusion of our partners, suppliers, and stakeholders.

In 2022, with the global threat from climate change accelerating, we are more committed than ever to making green cleaning products that help protect the well-being of consumers and help protect and regenerate the health of the ecosystems.

Today, our facilities across the U.S. are Climate Positive, as we invest in clean energy and water restoration programs at 110% of our environmental impact. But we're still innovating ways to further reduce our impacts in carbon emissions, plastic use, water, and waste. From our products to our operations, from our supply chain to our industry partners, from public policy advocacy to educating the next generation of environmental stewards, we're working together to create a cleaner, greener world.

Our Approach to Sustainability



2022 Impacts by the Numbers

Carbon

840.42 tons Scope 1 (direct) CO2 emitted

0 tons Scope 2 (indirect) market-based CO2 emitted

100% renewable energy used to power our office and production facilities

2,435 MWh of renewable energy procured

468.73 metric tons of GHG emissions saved through innovative new formulas and packaging design

Waste

98% waste diverted from landfills and incineration

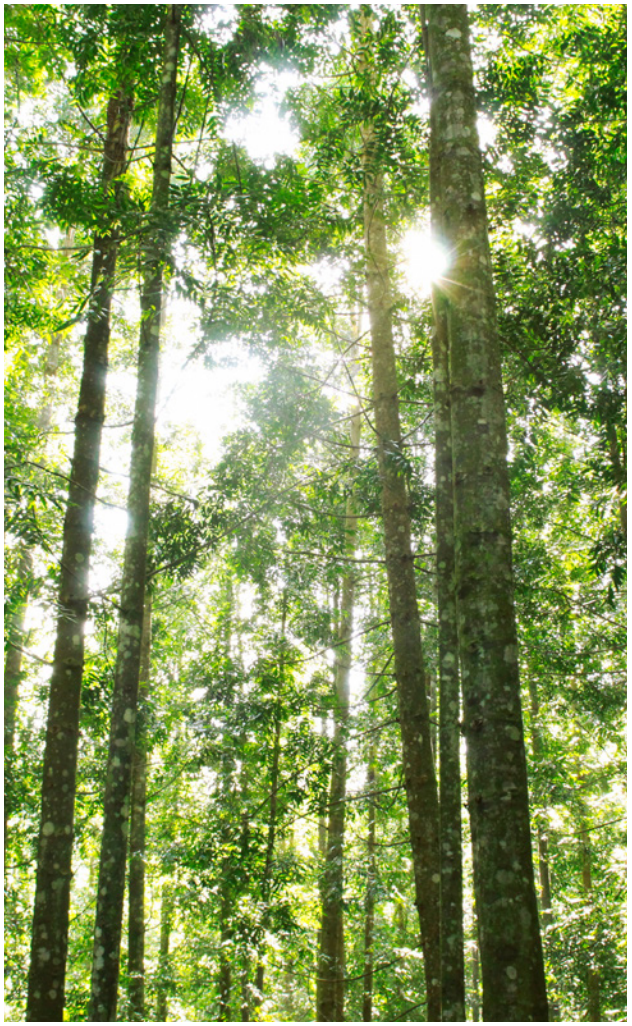
Water

~14 million gallons of water restored to critically endangered ecosystems

584,274 million gallons of water saved through innovative new formulas and packaging designs

Green Chemistry

6 times U.S. EPA Safer Choice Partner of the Year for safer green chemistry



Reducing Our Impact on the Environment

Carbon

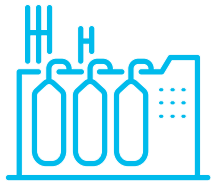
The Earth's climate is changing, and it's important that we take quick action to reduce the amount of carbon dioxide (CO2) we release into the atmosphere. If we don't act soon, it could lead to serious problems for our health, communities, economies, and the natural world.

In our plan to be more environmentally friendly, we focus on understanding and controlling the gases that contribute to the greenhouse effect, especially carbon dioxide. This involves carefully looking at how our activities, especially in manufacturing, affect the environment, and setting goals to reduce our impact on the planet. By understanding and working to reduce our carbon footprint, we hope to make a positive difference for our planet.

Understanding the "Scopes"?

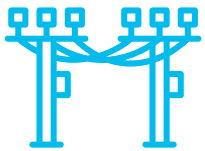
Scope 1 – Direct Emissions

Encompasses greenhouse gas emissions resulting from the energy consumption within our facilities, including natural gas and non-electric vehicle usage.



Scope 2 – Indirect Emissions

Involves greenhouse gas emissions generated during the production of the energy we acquire from utility companies.



Scope 3 – Indirect Emissions

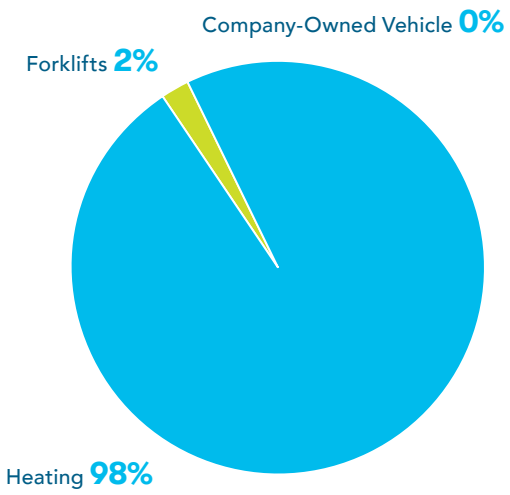
Encompasses greenhouse gas emissions linked to the usage of our products, covering all aspects from ingredients and packaging to distribution.



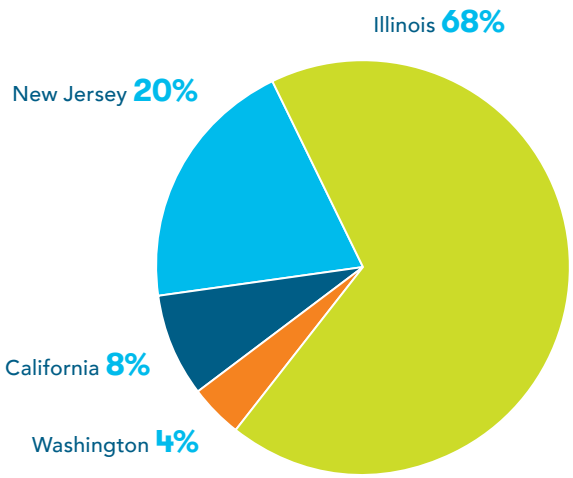
Scope 1 – Direct Emissions

We're actively working to reduce our Scope 1 emissions, which come from using natural gas to heat our facilities in California, Washington, Illinois, and New Jersey. This is important for keeping our employees comfortable and maintaining optimal conditions for plant-based ingredients during the winter. As part of our sustainability commitment, we're taking steps to replace propane-powered forklifts, which contribute to Scope 1 emissions, with electric battery-powered ones during each upgrade. This helps improve our environmental impact and air quality in our facilities, aligning with broader environmental goals. We're also actively looking for ways to reduce natural gas usage and consistently offset 110% of our usage through Verified Carbon Standard (VCS) carbon offsets each year. This proactive approach reflects our commitment to carbon neutrality and sustainable operations.

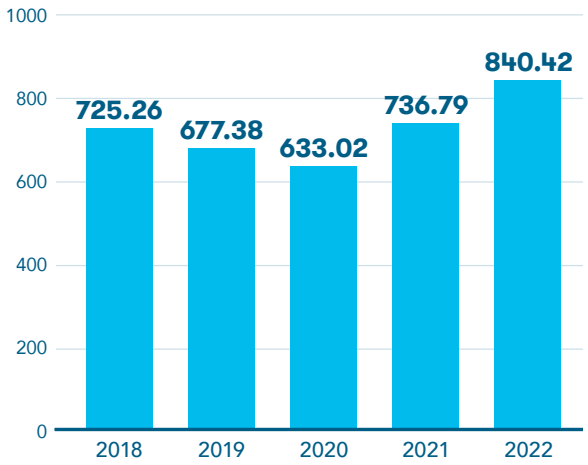
Scope 1 – Emissions by Use



Scope 1 – Emissions by Facility



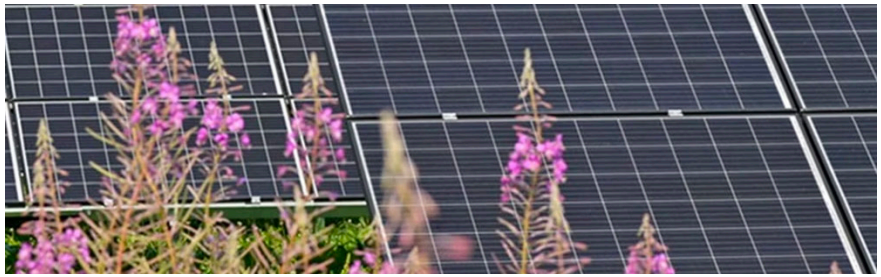
Scope 1 – Emissions: 2018 – 2022



(Emissions measured in metric tons)

Scope 2 – Indirect Emissions

Scope 2 emissions encompass indirect greenhouse gas emissions linked to the procurement of electricity, steam, heat, or cooling. Since 2013, our Scope 2 market-based emissions have consistently remained at zero. This achievement is attributed to our commitment to powering our buildings entirely with renewable energy, leveraging on-site solar power generation, and strategic investments in renewable energy credits (RECs).

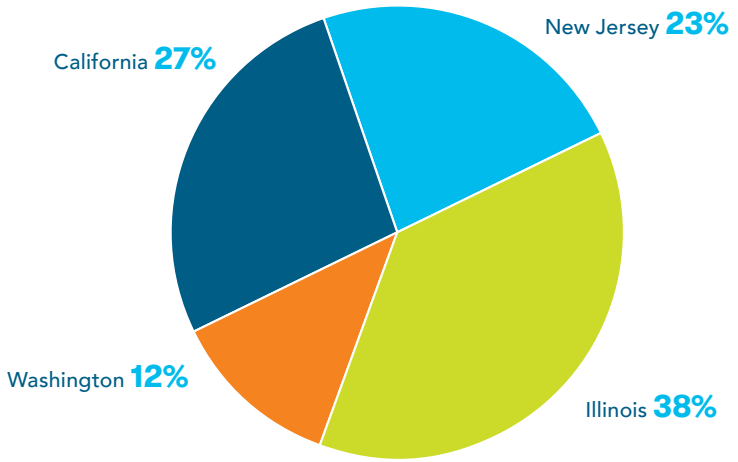


In 2022, the majority of our Renewable Energy Certificate (REC) purchases were sourced from a photovoltaic park near Hammock, Florida. Our investment in the Hammock photovoltaic park supports our commitment to using 100% renewable energy in manufacturing and contributes to the creation of additional clean energy jobs, further supporting the transition to a cleaner energy grid.

Our facility in Cypress, CA, actively participates in California's Community Solar program in collaboration with Ampion Renewable Energy. Specifically, the facility subscribes to a complete 100% share of the **Sheep Creek Community Solar Farm in El Mirage, CA**. This collaboration serves as a direct contribution to advancing renewable energy initiatives in California, fostering a cleaner electricity grid for the local community.

It's important to emphasize that emissions based on location are closely connected to the characteristics of the local grid area where electricity is consumed. Various regions across the U.S. function on separate electric grids, each having its own distinctive carbon footprint.

Scope 2 Emissions by Facility



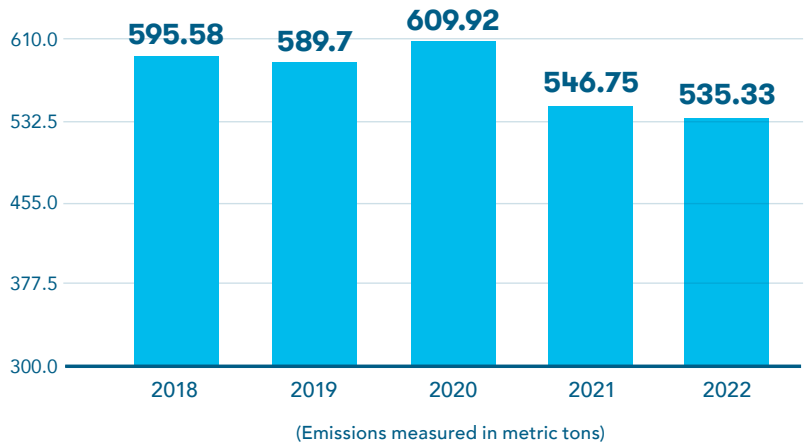
Scope 2 – Indirect Emissions

Our Scope 2 emissions in 2022 were the lowest of the past five years, due in part to the updated emission factors for the regional electricity grids that we operate in. As electricity grids become "cleaner" with more renewable energy, our carbon footprint has gone down. In addition, we used less electricity in our office spaces as a result of the ongoing COVID-19 pandemic and hybrid work schedules for our office employees. Compared to 2020 levels, our electricity usage (kWh) decreased by over 12%.

In our quest for accuracy, we teamed up with SCS, a partner we trust to verify to review our emissions calculations. This audit ensures that our numbers for Scope 1 and 2 emissions are accurate. It guides us as we aim to meet our Science-Based Target reduction goals.

In 2021, we set ambitious Science-Based Targets, charting a course to cut our Scope 1 and Scope 2 emissions in half by 2030. This aligns with the 1.5-degree Celsius limit set by the 2015 Paris Agreement. These targets go beyond being mere numbers – they signify our deep commitment to a sustainable future. Every audit and goal is a deliberate step forward in that direction.

Scope 2 Emissions 2018 – 2022



(Emissions measured in metric tons)

In 2021, we set a **Science-Based Target** to reduce our Scope 1 and Scope 2 emissions by **50%** of our 2018 levels **by 2030.**

Scope 3 – Indirect Emissions

Scope 3 emissions represent the carbon footprint stemming from processes indirectly influenced by our company across the entire value chain. These emissions cover everything beyond what we directly control in Scope 1 and 2, showing the bigger impact our operations have on the environment.

Our commitment to environmental stewardship extends to meticulously measuring and monitoring several Scope 3 emissions categories.

These emissions categories include Purchased Goods (raw materials and packaging), Waste, Business Travel, Employee Commute, Downstream Transportation (shipping finished goods), and Use of Sold Products. This comprehensive approach allows us to gain insights into and take responsibility for the holistic impact of our activities.

Our commitment to environmental stewardship extends to meticulously measuring and monitoring various Scope 3 emissions categories, spanning Purchased Goods (raw materials and packaging), Waste, Business Travel, Employee Commute, Downstream Transportation (shipping finished goods), and Use of Sold Products. This comprehensive approach allows us to gain insights into and take responsibility for the holistic impact of our activities.

This year, we went through a process to reconfirm our Scope 3 emissions specifically related to the goods we purchase and the services we use, reinforcing our commitment to transparency and accountability.

Emissions from Purchased Goods & Services

Understanding emissions throughout the life cycles of our products is crucial for setting goals and reducing our carbon footprint. Indirect emissions bring unique challenges involving many people and factors in estimating emissions.

In our total calculated emissions, about 10% comes from plastic packaging. To strengthen our commitment to sustainability, our teams are actively looking for new ideas to replace plastic containers, aiming to make a big difference in our environmental impact. While searching for better packaging solutions, our focus is on using more recycled material in our plastic, which helps lower our footprint. Simultaneously, we endorse efficient recycling initiatives and urge individuals to enhance their understanding of waste management practices. This approach shows our dedication to always getting better at being environmentally friendly.

Scope 3 – Indirect Emissions

Transportation Emissions

We strategically positioned our four manufacturing facilities in key locations across the United States—California, Washington, Illinois, and New Jersey—to minimize emissions linked to transporting our finished products. As part of our ongoing commitment to sustainability, we have been partnering with the U.S. Environmental Protection Agency (EPA) SmartWay Transportation program over the last several years. Throughout 2022, we made significant strides in reducing shipping-related emissions, building upon our continuous efforts.

Business Travel and Environmental Stewardship

In our commitment to environmental responsibility, we closely monitor and proactively manage the environmental impact of our business travel, particularly air travel. Recognizing the substantial carbon footprint associated with aviation, we collaborate with our travel partners to diligently record and offset all emissions stemming from company-related travel.

The global shift brought about by the COVID-19 pandemic has fundamentally changed the landscape of business interactions. Throughout 2020 and 2021, we experienced a surge in virtual conferences and the widespread adoption of video conferencing technologies to substitute in-person meetings. This trend continued into 2022 as we aimed to capitalize on the environmental benefits of reduced travel. The lessons learned during the pandemic have highlighted the viability of remote collaboration, and we are committed to integrating these practices into our long-term business strategy to mitigate our overall carbon impact.

Despite our sustained focus on virtual meetings for sustainability, business travel saw a slight uptick in late 2022 as COVID-19 restrictions eased and confidence in air travel safety returned. Balancing the benefits of remote collaboration with the essential need for face-to-face interactions, our commitment to minimizing our environmental footprint remains unwavering. Ongoing efforts concentrate on optimizing travel plans, exploring alternative transportation modes, and investing in innovative technologies to ensure sustainable business practices amid evolving circumstances.

In 2022, our air travel emissions totaled 35.43 metric tons of CO2e, and we offset 110% of this amount, equivalent to 39.00 metric tons. This underscores our commitment to maintaining our Climate Positive status by not only neutralizing but exceeding our environmental impact mitigation efforts.

Metric Tons CO2e from Air Travel			
2019	2020	2021	2022
21,548	**15.4**	**32.4**	**35.43**

Scope 3 – Indirect Emissions

Employee Commute Emissions

In addition to measuring emissions from business travel, we also account for the environmental impact of our employees' commutes to work. These emissions are offset through our annual carbon offset purchase. To promote sustainable commuting practices, we encourage employees to use low-carbon transportation methods like carpooling, walking, biking, or public transportation. Those who opt for eco-friendly commuting methods are recognized through an internal rewards program.

In 2022, we successfully implemented a hybrid schedule for our office employees, allowing them to split their work time between home and the office. This initiative significantly reduced the carbon footprint associated with commuting. We plan to continue this hybrid approach in the long term.

We incentivize our employees to reduce their commute.

Consumer Use Emissions

Since 2020, we have estimated the emissions linked to how consumers use our products. Most of these emissions stem from the electricity used in laundry machines when consumers use our laundry detergents. Estimating this number is challenging due to the various factors in household laundry (like water temperature and washing machine type). Currently, we rely on publicly available data from consumer behavior studies. In the future, we aim to conduct an ECOS-specific consumer survey to get a better understanding of how our customers use our products at home.

These emissions primarily come from electricity associated with laundry machines when consumers use our laundry detergents.



Science Based Targets

In 2022, we continued to align ourselves with over 1,500 organizations committed to a zero-carbon transition and fostering a circular economy through our participation in the Science Based Target initiative (SBTi).

Our Science-Based Target sets a goal to reduce our Scope 1 and 2 emissions by 50% from 2018 levels by 2030.

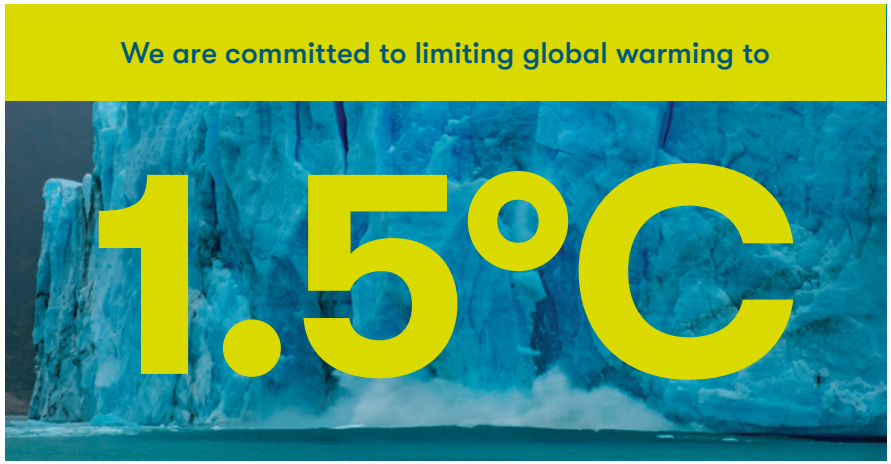
Although we've been a carbon-neutral manufacturer since 2013, this new target focuses on reducing our carbon footprint from absolute emissions produced during our operations (emissions produced before offsetting). By achieving this, we aim to minimize the need for annual offsetting using carbon offsets and RECs.

To meet this reduction goal, we're exploring various emission-reduction projects, encompassing initiatives such as electrifying our buildings, transitioning from propane to electric forklifts, and installing additional onsite solar capacity. Additionally, we recognize the importance of water conservation measures, and we are exploring the implementation of water-saving technologies and practices. This holistic approach aligns with our commitment to sustainability, aiming to reduce our ecological footprint associated with water usage. Moreover, we remain dedicated to procuring 110% renewable energy through our existing onsite solar and Green-e-certified RECs.

Our Science-Based Target, emphasizing a 50% reduction in Scope 1 and 2 emissions from 2018 levels by 2030, underscores our commitment to sustainable manufacturing and reducing our climate impact. We will continue to update on our progress and hope to inspire other manufacturers to join us in the collective effort to combat global warming. For more details on the Science-Based Target initiative and our participation in SBTi, visit sciencebasedtargets.org.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

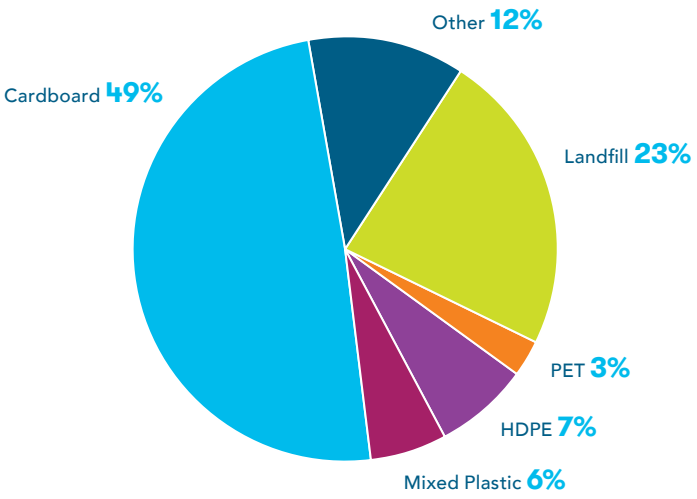
THE NET ZERO STANDARD
APPROVED NET-ZERO TARGETS



Solar Energy Generation

All four of our U.S. facilities use onsite solar photovoltaic panels. Our solar arrays in Lacey, Washington, and Addison, Illinois are the largest and most productive of our four facilities, where we produce more than 20% of our energy from the sun. In 2022, our solar installations saved approximately 60 metric tons of CO_2 compared to energy from the grid.

Total CO_2e Emissions Associated with Waste Recycling



Electric Vehicle Charging Stations



Throughout the past year, we have upheld our commitment to sustainability by maintaining electric vehicle (EV) charging stations at all four of our U.S. facilities. These well-maintained stations serve as a cornerstone of our efforts to support zero-emission transportation options for our employees.

In support of our commitment to sustainability, we provide our employees with a meaningful incentive of up to $2,500 when they choose to purchase a vehicle with a fuel economy exceeding 45 miles per gallon. This initiative not only promotes fuel-efficient transportation but also demonstrates our dedication to encouraging eco-friendly choices.

We actively encourage our employees to embrace sustainable actions, both within the workplace and at home. Lowering the carbon footprint of their daily commute is a shared goal, aligning with our broader commitment to environmental responsibility. To enhance these efforts, we are actively working towards expanding the availability of EV charging stations for our employees. By offering convenient and accessible infrastructure, we hope to facilitate and further encourage sustainable commuting practices, contributing to a reduction in GHG emissions associated with employee travel. Our multifaceted approach reflects our dedication to fostering a culture of sustainability within and beyond the workplace.

Product Innovation

Our Innovation team is continually improving our products to become more effective with safer ingredients; they also look to reduce the environmental footprint of our products by developing formulas that require less water and less plastic packaging. These include products like our ECOS Laundry Detergent sheets.



ECOS Laundry Detergent sheets significantly reduce the water needed to build a safer, effective laundry detergent and can dissolve effectively in both warm and cold water. These sheets use over 90% less water than our traditional liquid detergent, saving almost 230,000 gallons of water a year. They are packaged in 100% plastic-free packaging, which removes almost 107 metric tons of plastic from the environment and saves over 177 metric tons of CO2 annually. Removing the liquid in our products has also resulted in a 90% decrease in shipping emissions and a savings of 103 metric tons of CO2 per 500 miles by reducing the weight of the products we ship.

We will continue to measure the emissions associated with using plastic packaging and include this impact in our annual carbon offset program while we continue to research additional sustainable solutions.

Our company has recently made a significant investment in pioneering manufacturing equipment, enabling a strategic move towards vertical integration for one of our fastest expanding product lines within our U.S.-based manufacturing centers. This evolution in our operations focuses on the production of our market-leading liquidless laundry products.

The newly implemented machinery, sourced only recently due to its advanced technology, enables us to manufacture these products in-house. This shift in production methodology drastically reduces water consumption by over 75%, reinforcing our commitment to environmental sustainability. The compact nature of the liquidless products also introduces significant outbound freight savings, leading to a direct reduction in operating costs, which produces a significant margin delta for the new products as compared to existing liquid products. This transition also eliminates reliance on overseas manufacturing, further cutting down on our carbon footprint.

Simultaneously, we are expanding our manufacturing capabilities to address the growing consumer demand for environmentally friendly solutions, specifically those free from plastic. We have incorporated a new unit dose "packs" machine into our operation line, which will help create products with less plastic. This advanced machinery not only fortifies our commitment to sustainability but also opens new avenues for contract manufacturing opportunities, enhancing our position in the market.



Together, these dual advancements in our U.S.-based manufacturing centers strengthen our ability to cater to the growing demand for sustainable, less plastic options across multiple product categories. By doing so, we are redefining our business operations, driving environmental sustainability, and paving the way for cost-effective, eco-friendly solutions, while providing for expanded sales and market share growth.

Our company has made significant strides in the burgeoning market of liquidless cleaners with the successful launch of our ECOS liquidless laundry detergent. This initial offering has demonstrated a strong market demand for innovative, sustainable cleaning solutions.

Building on this success, we are extending our reach in the liquidless technology market by launching new product formats, including autodish and toilet cleaners. These product extensions are a direct response to the identified market needs and are part of our broader strategy to diversify and enhance our liquidless product portfolio.

Moreover, we are advancing our commitment to sustainability by developing additional line extensions utilizing this plastic-free and water-free technology. These include higher biobased versions of laundry, hand soap on the go, foaming dish soap, and foaming hand soap. Each of these upcoming products aligns with our core mission of offering sustainable, eco-friendly cleaning solutions.

Our activities in this arena are a testament to our dedication towards environmental sustainability and our commitment to lead innovation within the liquidless cleaning market. By doing so, we are not only responding to the rising consumer demand for eco-conscious products but also positively impacting our operational footprint.

In total, our innovative formulas and packaging designs saved over 468 metric tons of GHG emissions and over 584,000 gallons of water in 2022.

As we continue to advance our products and grow our liquidless line, we expect to see greater carbon and water savings in the future.

Plastic

We understand the serious environmental impacts of plastic, and we are working to reduce our plastic packaging wherever possible.



Waste

At our core, we are committed to producing products with the least environmental impact, recognizing the potential harm manufacturing processes can inflict on our planet. This commitment extends to our waste and recycling practices as we actively work towards aligning with the principles of a circular economy.

Waste Management & Circular Economy Initiatives

Having achieved the gold standard in sustainable manufacturing, we continuously push boundaries to elevate our waste and recycling practices. In 2015, we proudly obtained TRUE Platinum-level Zero Waste certification at all four of our U.S. manufacturing facilities. **The year 2021 marked another milestone with the attainment of the U.S. Green Building Council (USGBC) LEED Zero Waste certification, acknowledging our commitment to diverting a minimum of 95% of waste from landfills.**

Through rigorous recycling processes and a commitment to the principles of a circular economy, we have repurposed over 2,200 tons of material, preventing them from reaching landfills. These efforts have resulted in saving 48 metric tons of CO2 from entering the atmosphere. Our robust recycling program, operational across all four facilities, underscores our dedication to fostering a culture of waste reuse.

On the consumer side, we approach product packaging with the end of life in mind. Our bottles are crafted from commonly recycled plastics, such as #1 PET and #2 HDPE, while caps are made of #5 PP. The intentional design of pumps and spray bottles using 100% plastic ensures easy recycling without mixed materials.

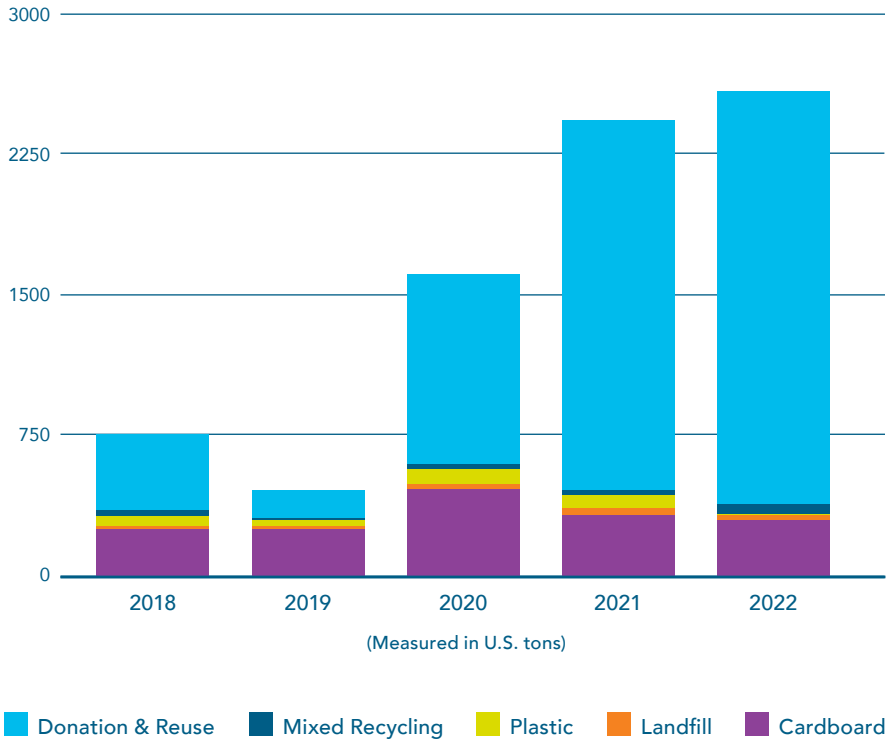


Our waste reduction journey began in 2009, where only 10% of our waste was diverted. With unwavering commitment and strategic goals, we achieved an unparalleled standard in sustainable manufacturing by 2015, diverting over 95% of waste from landfills. **In 2022, our waste diversion reached an impressive 98%, a culmination of zero-waste practices and ongoing recycling education initiatives.**

Integral to our sustainable manufacturing process is the emphasis on reusing materials. By sending back shipping materials like plastic containers, steel drums, wood pallets, and cardboard packaging to our suppliers for reuse within the supply chain, we contribute to resource conservation. Additionally, unmarketable products are collected at our facilities and donated to local non-profit organizations, further extending our commitment to community outreach and waste reduction.



Waste Profile 2018 – 2022



Water

Since 2016, we have proudly maintained water neutrality within our facilities. Our approach involves the strategic installation of low-flow water fixtures, water-efficient appliances, and comprehensive employee education programs.

Water Conservation Initiatives

Acknowledging that a substantial portion of our water use (approximately 80%) is dedicated to the production of our cleaning products, our Innovation team remains dedicated to crafting more concentrated cleaning formulas. This includes the development of innovative liquidless products, aligning with our goal of minimizing water usage in product manufacturing.

Water Restoration Initiatives

As part of our commitment to sustainable water practices, we actively engage in water restoration projects to counterbalance our water usage. Through the purchase of Water Restoration Certificates® (WRCs), we contribute to programs aimed at revitalizing critically dewatered rivers and streams. These offsets play a vital role in the restoration of ecological, recreational, and economic health within essential freshwater ecosystems.

Our dedication to responsible water stewardship is underscored by the certification of all WRC projects through rigorous third-party assessments. These evaluations ensure strict adherence to criteria that guarantee optimal environmental benefits by restoring water flow to the environment at specific locations and times.



In the year 2022, we not only offset 100% of our water usage through WRCs but went a step further to achieve Climate Positivity. This ambitious step resulted in the purchase of 13,951 WRCs, contributing to the restoration of an impressive 13,951,000 gallons of water to critically dewatered rivers and streams. This initiative exemplifies our unwavering commitment to not only mitigate our environmental impact but actively contribute to the restoration and preservation of vital water resources.

Hillabahatchee Creek Flow Restoration

The Hillabahatchee Creek Basin covers over 80 square miles within the Middle Chattahoochee River Basin near Franklin, Georgia. It is one of the most ecologically diverse river basins in Georgia, with varied landscapes and a high diversity of fish, mussels, reptiles, and amphibians, which are increasingly threatened by both local and global stressors. This project includes fencing installation to keep livestock out, constructing wells and alternative water sources for livestock to drink, and aquatic organism passage to critical spawning and foraging habitats.



Merced County Seasonal Wetland Habitat Project

The Merced County Seasonal Wetland Habitat project will expand a successful pilot program by Audubon California to create shorebird habitat in the Grasslands Ecological Area (GEA) of Merced County through the flooding and gradual drawdown of seasonal wetlands during spring shorebird migration. Seasonal wetlands that have been managed exclusively for waterfowl and left dry during the spring will be flooded from April–May to create shallow water habitat during the peak shorebird migration. The project will provide 4,200 acres of crucial habitat.



Certifying Our Progress

We work closely with best-in-class organizations to verify our sustainability actions and certify our achievements in reducing our environmental impacts and increasing the wellbeing of our team members at our facilities.



Achieving Platinum TRUE Zero Waste Certification

Our dedication to sustainability is exemplified through our achievement of the Platinum-level rating in the USGBC's TRUE Zero Waste certification program. This prestigious certification serves as a guiding framework for our manufacturing practices, propelling us toward the goal of zero waste, a reduced carbon footprint, and the status of a TRUE Zero Waste business.

Earning the Platinum-level rating signifies a remarkable accomplishment, validating that over 95% of our total solid waste is effectively diverted away from landfills and incineration (waste-to-energy). This achievement is attributed to our comprehensive efforts in reducing, reusing, recycling, and composting. The TRUE certification not only attests to our waste and recycling practices aligning with local, state, and federal regulations but also reflects the validation of at least 12 months of data by leaders in the zero-waste field.

Our Platinum TRUE Zero Waste certification spans across 15 credit categories, including Redesign, Zero Waste Purchasing, Leadership, and Upstream Management. While achieving our initial goal of becoming a zero-waste company heavily focused on recycling, our priorities have evolved. Today, our mission is to further reduce and reuse, recycling less, as we steer our waste diversion efforts towards the principles of a circular economy. This strategic shift aligns with our forward-thinking approach to sustainable manufacturing, reinforcing our commitment to minimizing environmental impact and contributing to the advancement of a green economy.

Attaining LEED Existing Building Certification

In 2021, ECOS achieved the prestigious LEED (Leadership in Energy and Environmental Design) Existing Building certification at all four manufacturing facilities, marking a significant milestone in our commitment to sustainable practices. This distinguished certification is bestowed upon buildings that undergo substantial sustainable improvements, showcasing a steadfast dedication to environmental responsibility within their existing structures. The certification rigorously evaluates performance across key sustainability categories, including energy efficiency, water conservation, indoor air quality, and waste management. This accomplishment underscores our proactive commitment to sustained environmental stewardship and the continual reduction of our buildings' environmental impact.

Elevating Wellbeing through Platinum-Level WELL Certification

Our commitment to prioritizing the health and well-being of individuals within our built environment has earned our Illinois facility the prestigious Platinum-level WELL certification, accredited by the International WELL Building Institute. As the first company in the Industrial sector to achieve this distinguished award, we underscore our dedication to enhancing the quality of life in spaces where we live, work, and play. This recognition is based on our excellence in seven key categories of building performance — Air, Water, Light, Nourishment, Fitness, Comfort, and Mind, reinforcing our position at the forefront of creating healthy and sustainable workspaces.

Pioneering LEED Zero Certifications in Sustainability

ECOS has been honored with three prestigious LEED Zero certifications — LEED Zero Carbon, LEED Zero Energy, and LEED Zero Waste — across all four of our U.S. manufacturing facilities, marking a significant global milestone. As the inaugural manufacturer worldwide to attain LEED Zero Carbon, LEED Zero Energy, and LEED Zero Waste certifications at 100% of our manufacturing sites, we proudly lead the way in sustainable practices.

LEED Zero Carbon acknowledges buildings achieving net zero carbon emissions, encompassing those from energy consumption, transportation, as well as avoided or offset carbon emissions. Meanwhile, LEED Zero Energy recognizes buildings that strike a balance with zero source energy use. Additionally, LEED Zero Waste acknowledges buildings reaching the Platinum level of GBCI's TRUE Zero Waste certification, signifying a minimum of 95% waste reduction.



Expanding Green Chemistry

Our mission is to eliminate the negative impact of harmful chemicals by using environmentally sound ingredients that are safer for human and planetary health.



Our product designs align with international standards, and we are committed to transparently sharing our results as we progress. We work with the U.S. EPA's Safer Choice program to certify that our products are made using chemicals that are safer for human and planet health. Important factors we consider when formulating a product are sourcing green chemicals and ensuring that each of those chemicals has a functional purpose in the formula. This ensures that we do not have any unnecessary added carbon costs for non-vital ingredients.

We are committed to staying at the forefront of green chemistry; from removing phosphates from our products ahead of regulations in 2010 to banning more than 500 known toxins from our formulas, we ensure that our chemical policy adapts ahead of shifting consumer preferences and regulatory requirements.

Innovations in Safer Chemistry

Our research and development work is the catalyst for our success in sustainability. Eliminating toxic ingredients in cleaning products must be scientifically substantiated. **We have been awarded the U.S. EPA Safer Choice Partner of the Year award six times, including 2022.** One of the criteria for this award is continually innovating more effective and sustainable products. We strive to continually be at the forefront of green chemistry and help consumers make smarter decisions when it comes to purchasing their cleaning products. We're working to expand our liquidless product line to reduce the water used in our products, cut down on shipping emissions and costs, and provide a plastic-free alternative to packaging dry products compared to liquid.

SAFER CHOICE
U.S. EPA PARTNER OF THE YEAR

U.S. EPA Safer Choice Certification

As a long-time partner in the Safer Choice program, we are committed to advancing EPA's mission of safeguarding human and environmental health through safer chemistry in manufacturing. Our mission is strongly aligned with that of the Safer Choice program—to ensure access to products that are safer for families and the environment.

We are proud to be one of the founding companies in the Safer Choice labeling program. We were honored to have the first product to feature the Safer Choice logo—one of our ECOS laundry detergent SKUs—when we unveiled it at the grand opening of our New Jersey facility in 2015. Since that day, we have been dedicated to promoting the Safer Choice program as the heart of our product formulation and marketing efforts, offering Safer Choice-certified products throughout our consumer, pet, and industrial green cleaning product lines.

We offer over 200 SKUs in our consumer and industrial product lines. In addition, we have had the opportunity to help many of our private-label customers promote safer chemicals through their participation in the Safer Choice program as well.

USDA Organic Certification

All four of our U.S. facilities are USDA Organic certified, which allows us to manufacture USDA Organic products.

Leaping Bunny Certification

Leaping Bunny is the internationally recognized gold standard for cruelty-free organizations. ECOS is a Leaping Bunny-certified company, meaning that all our products and ingredients are not tested on animals, either by us or by our suppliers.



Advancing Climate Action: Our Continued Commitment

In the ongoing pursuit of environmental stewardship, our commitment to addressing climate change remains unwavering.



Recognizing the critical role GHG emissions play in global warming, particularly stemming from industrial and agricultural activities, we understand the urgency of achieving and maintaining the internationally agreed-upon goal of limiting the temperature increase to 1.5 degrees Celsius. As a responsible member of the household and cleaning products industry, we acknowledge the comprehensive nature of our carbon footprint, extending from the extraction of raw materials, such as surfactants, to the final stages of product life.

Embracing the principles set forth in international climate agreements like the Paris Agreement, we continue our journey of continuous improvement, steadfast in our commitment to sustainable practices. This year, our climate resilience efforts include an intensified focus on identifying, assessing, and responding to climate-related risks and opportunities throughout our value chain. Our sustainability policy mandates an annual review, involving key stakeholders from executive leadership, Operations, Finance, Procurement, and Quality, in close collaboration with our dedicated Sustainability team.

Building upon our ISO 9001 certification, which provides a robust framework and tools for risk evaluation, we leverage these resources to conduct a thorough and comprehensive assessment. This evaluation process not only guides our decision-making but also forms the basis for actionable items, prospective mitigation plans, and strategic implementation. By fostering a culture of proactive risk management and sustainable innovation, we reaffirm our dedication to minimizing our environmental impact and contributing to a resilient, low-carbon future.

Advancing Climate Engagement in Consumer Goods Manufacturing

Fostering a steadfast commitment to climate action, ECOS maintains its membership with The Sustainability Consortium (TSC), a global nonprofit catalyzing positive transformations in the consumer goods industry. In alignment with TSC standards, we collaborate with suppliers through an annual survey to understand their sustainability strategies, climate impact, goals, and practices.

Survey data identifies and prioritizes environmentally responsible suppliers. We offer tailored training for supplier development, providing sustainability resources and webinars. Proactively measuring business connections in supplier engagement yields economic gains, including cost reductions, enhanced support, higher product quality, and improved development processes.

Strategic engagement with suppliers in component development addresses global warming challenges. Leveraging their expertise streamlines our processes, yielding significant time and cost savings. The effectiveness of our supply chain is pivotal for operational success, contributing to refined component design and efficient manufacturing.

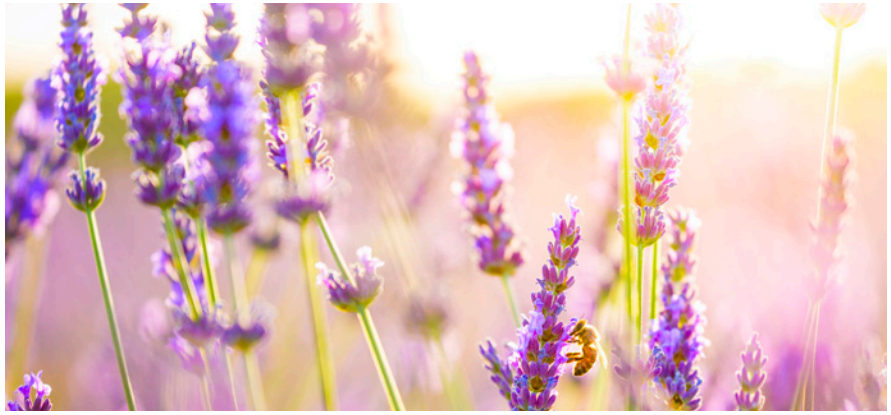
Our collaborative framework with suppliers, marked by innovation and trust, results in tangible outcomes, such as transitioning to recyclable label backings and replacing metal springs with all-plastic alternatives for enhanced recyclability. This ongoing partnership underscores our commitment to sustainability and showcases mutual benefits in our dynamic industry landscape.

Eco-Conscious Sourcing: Nurturing Sustainability Partnerships

In our commitment to sustainable practices, our engagement has expanded to include a diverse range of stakeholders such as sustainability organizations, agribusinesses, suppliers, consumers, academia, public health experts, human rights organizations, and e-waste recyclers. This collaboration is built on a foundation of information disclosure, dialogue, and active participation.

Stakeholders are strategically identified based on the impact of our activities and relationships and their potential to influence our business objectives. This approach ensures a comprehensive understanding of their interests, concerns, and aspirations as we navigate our business transformation.

Recognizing the pivotal role of suppliers in achieving our sustainability goals, we cultivate close partnerships with our raw material and packaging suppliers. Together, we integrate sustainability principles at every level of our supply chain, fostering a shared commitment to environmental responsibility and ethical sourcing practices.



Investing in Our Employees

For over five decades, sustainability has been intrinsic to our mission, woven into the fabric of our business. True sustainability extends beyond product creation; it's the foundation of how we operate.



Nurturing Our Team, Enriching Our Future

Our commitment isn't confined to manufacturing; it's integral to how we engage with our team. Recognizing the profound impact of our employees, we prioritize well-being with a living wage and family-friendly benefits. This commitment aligns with our vision, benefiting our company, employees, communities, and the economy.

Our people management mirrors our core principles, respecting the rights of every employee. At ECOS, each individual contributes to our success, drawing from diverse talents to spark innovation and create rewarding opportunities.

Central to our philosophy is a work environment grounded in trust and respect, where diversity and inclusion are valued. Every team member:

- Understands role expectations,
- Engages in open and constructive conversations,
- Develops capabilities in an innovative culture,
- Receives recognition and competitive rewards,
- Actively participates in improving team performance,
- Experiences fair treatment without discrimination,
- Feels supported in managing personal priorities.

Our commitment to sustainable employment practices is a testament to our dedication to fostering an inclusive, innovative, and supportive workplace. Each member plays a crucial role in shaping our company's success and reputation.

Fostering Diversity, Equity & Inclusion

We're committed to helping to build a company culture where everyone is empowered to thrive, and our diverse workforce is representative of the communities where we do business. Only with genuinely inclusive and diverse teams can we generate the best ideas and product innovations. We're committed to creating a workplace where all employees feel valued, respected, and included and have the space to deliver their best, individually and collectively.

ECOS President and CEO Kelly Vlahakis-Hanks, a woman of African American and Greek descent, has made equity and inclusion for women and minorities central to our mission. As a women-owned and minority-owned company, ECOS is a WBENC-certified Women-Owned Business Enterprise (WBE) and an NMSDC-certified Minority Business Enterprise (MBE).

We have cultivated a corporate culture of diversity and empowerment with a leadership team that is 60% female and 40% BIPOC (Black, Indigenous, and People of Color). In addition, our Innovation/R&D team and Quality Control/Technical team are over 60% female, which reflects our strong support of women in STEM fields. Through mentorship and a clear focus on DE&I in hiring and promotions, our company reflects the diversity of ECOS consumers across the U.S. and around the world.

WOMEN® OWNED

CERTIFIED NMSDC MBE

ECOS Leadership Team is **60% Female & 40% BIPOC**

Innovation, Quality Control & Technical Teams are over **60% Female**



Employee Incentives: Nurturing Green Lifestyles

Our commitment to sustainability extends beyond the workplace, empowering our employees to lead environmentally conscious lives. To make sustainable living more accessible, we provide financial incentives for full-time employees after completing 90 days of employment. These incentives are directly deposited and cover various sustainable activities:

- **High-Efficiency Vehicles:** Employees who purchase a vehicle achieving over 45 miles per gallon or is all-electric qualify for a $2,500 rebate.
- **Solar Panels:** Installing solar panels at home is rewarded with a $2,000 incentive.
- **Relocation:** Employees living more than 10 miles away can receive a $1,000 incentive for relocating within a 10-mile radius.

These green incentives not only encourage sustainable choices but also contribute to a collective commitment to environmental responsibility, fostering a culture where every employee actively contributes to a greener future.

Employee Engagement: Sowing Seeds of Sustainability

In 2022, our commitment to employee engagement remained a cornerstone of our corporate ethos. We actively participated in various ongoing employee and community engagement initiatives, reinforcing our dedication to making a positive impact beyond the workplace. We made significant donations to our partnered organizations, hosted sustainability-focused events, engaged in fundraising activities, and maintained a hands-on approach with our employees. Our annual Re-Party events, a beloved tradition, allowed employees to exchange unwanted items, embodying the ethos that "One man's trash is another man's treasure." All remaining items found new homes through donations to local charities.

Our employees can participate in the ECOS Sustainability Passport program, designed to incentivize sustainable choices. It provides an accessible way for all full-time employees to record their sustainable actions, and top performers are rewarded with gift cards. In 2022, to honor our employees' sustainability efforts, we purchased 500 Mangrove trees from Ecodrive, planting them in Madagascar. Each tree offsets 670 lbs. of carbon dioxide, contributing to a total reduction of 340,000 lbs.

Our sustainability education continues through our monthly "Sustainability Corner" newsletter. Covering topics such as food waste, new partnerships, eco-challenges, gardens, composting projects, and pallet repurposing, these updates keep our employees informed and inspired in their sustainability journey.

Shaping Our Sustainable Tomorrow

As we reflect on our journey since 1967, we acknowledge the pressing need for continual progress in the face of accelerating climate change impacts. Our commitment to sustainability propels us forward, and our vision for the future is more ambitious than ever.



By 2030, we aspire to achieve a 50% reduction in both Scope 1 and Scope 2 emissions from our 2018 levels.

While maintaining carbon-neutral facilities since 2013, this new target is a strategic step to further diminish emissions produced during operations, diminishing our reliance on offsetting GHG emissions with carbon offsets and RECs. Aligned with the SBTi, our goal adheres to the imperative reductions necessary to limit global warming to 1.5 degrees Celsius, aligning with the latest climate science and the Paris Agreement.

To realize our SBTi goal, we will explore additional energy efficiency initiatives, transitioning our facilities to zero- or low-carbon operations. This includes implementing solar thermal solutions, adopting energy-efficient equipment and lighting, and electrifying operations where feasible. Concurrently, we remain steadfast in our commitment to sourcing 100% renewable energy, utilizing both onsite solar infrastructure and Green-e certified RECs.

Recognizing the urgency of the moment, we are poised to instigate the radical changes needed to curtail global warming and shape a safer, more abundant future. Proudly contributing to the solution, we invite you to join us on this transformative journey as we play our part in creating a more sustainable world.

Amplifying Our Social Impact

Throughout 2022, ECOS donated over 9 tons of cleaning products, with an estimated value of $215,000 USD, to local non-profit organizations.

Throughout our four manufacturing facilities, we proudly partnered with and donated to various organizations, including Soles4souls, The Pet Food Bank, Combatting Absenteeism in School, Think Watts, Environmental Nature Center (ENC), Feed the Children, SCARCE, The Chicago Children's Museum, God's Portion Food Bank, Thurston County Food Bank, and the Hands On Children's Museum. In 2022, we donated over 9 tons of cleaning products to these and other community partners. This collaborative effort underscored our commitment to creating a positive impact on both local and global communities.



Addendum – Community Partnerships

We're passionate about giving back to the communities where our employees work and live. We have four manufacturing facilities strategically located across the U.S. to reduce emissions from the distribution of our products. Our diverse locations also allow us to work with and contribute to local non-profit organizations across the country.

All Facilities

Soles4Souls

Soles4Souls is a non-profit organization that collects unwanted shoes and clothing to distribute to people in need across the U.S. and worldwide. During Earth Month in 2022, we held a company-wide shoe drive and collected 342 pairs of shoes to support Soles4Souls micro-enterprise model. The shoes donated will serve as resources for individuals who live in economically under-developed countries who can use the shoes to start a small business. In countries like Haiti and Honduras, our donation provides over 4 months of consistent, quality food, housing, and education for a family.

Cypress, CA

The Pet Food Bank

The Pet Food Bank is the largest national supplier of donated pet food for no-kill animal rescue organizations. In 2022, ECOS donated an assortment of cleaning products and ECOS pet products to help keep people and pets healthy.

Environmental Nature Center (ENC)

The Environmental Nature Center (ENC) is a 501(c)(3) organization that serves as an educational center for students to receive science education and appreciation of the natural world. In 2022, ECOS donated hand soap, disinfectant, and dishwasher rinse aid to help in the operations of the ENC.

Combatting Absenteeism in Schools

A lack of clean clothes is the second-most cited reason students in the city of Watts miss class, leading to students to fall behind in school.



ECOS' Monika Hanks (left) and President & CEO Kelly Vlahakis-Hanks (right) donating ECOS Laundry Detergent to schools in South Los Angeles.

Addison, IL

Feed the Children

Feed the Children is one of the leading anti-hunger organizations, distributing product donations and food from corporate donors to those in need. In 2022, ECOS cleaning products to help support Feed the Children's mission of providing hope and resources such as cleaning products to those in need of life's essentials.

Northern IL Food Bank Northern Illinois Food Bank's vision is to provide everyone in Northern Illinois with the food they need to thrive. In 2022, ECOS donated assorted cleaning products to help support its mission.

School & Community Assistance for Recycling and Composting Education

SCARCE is an award-winning environmental education non-profit organization dedicated to creating sustainable communities. SCARCE collects and distributes donated supplies to schools. In 2022, ECOS donated an assortment of cleaning products to support students and schools in the local area.

Chicago's Children Museum

The mission of the Chicago Children's Museum (CCM) is to improve children's lives by creating a community where play and learning connect. In 2022, ECOS contributed to CCM's belief in the power of play by providing hand soaps, and dish soaps to help maintain the cleanliness of the museum.





ECOS products donated to children's museum exhibit on how to clean a healthy home.

Parsippany, NJ

Feed the Children

In 2022, we donated product to Feed the Children – a nonprofit organization that delivers food, daily essentials and necessities to children and their families in need.

Lacey, WA

God's Portion Food Bank

God's Portion Food Bank serves organizations directly aiding the most vulnerable community members. A large part of their work is providing food to alleviate food insecurity and hunger in several counties in Washington. In 2021, ECOS donated 500 gallons of laundry detergent to be distributed to communities in need.

Thurston County Food Bank

Thurston County Food Bank's mission is to eliminate hunger in the local community. In 2021, ECOS donated 4 tons of cleaning products to Thurston County Food Bank to help support the local community near our Lacey facility.

Hands On Children's Museum

The Hands On Children's Museum (HOCM) provides hands-on science and art education for young children. The museum is a 501(c)(3) non-profit that believes all children deserve respect and the opportunity to learn. ECOS provides an assortment of cleaning products to the museum, including ECOS Hand Soap used in their restrooms annually. ECOS' Lacey facility has also donated scrap materials such as cardboard rolls and plastic strappings to support children's learning via recycled art projects.



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