



2023

# IMPACT REPORT

## ABOUT THIS REPORT

Welcome to the 2023 Eco-Products Impact Report. Our focus on the social and environmental impacts of our products and value chain drives innovation and sparks hard conversations — the results of which we hope will lead to solutions that can tackle the climate crisis and lead to a more circular, socially just, and vibrant future.

Our external Sustainability and Impact Advisory Committee has provided valuable guidance on our journey to build a lasting company committed to doing good. Their feedback on our reporting structure, programs, and strategies elevates this important work. We are thankful for their ongoing contributions and support.

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We'd love to hear your feedback!  
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## LETTER FROM THE PRESIDENT



**Ian Jacobson**  
**Eco-Products President**

Welcome to the 11th annual edition of the **Eco-Products Impact Report**. Each year we set aside time to remind you that we take the environmental and social impacts of our business extremely seriously, and maintain a comprehensive set of short- and long-term goals to hold ourselves publicly accountable.

While I'm happy to report that you will find reason for optimism in these pages as it relates to progress on those goals, the news from the front lines of the climate crisis more broadly is less encouraging. In its latest report, State of the Global Climate 2023, the World Meteorological Organization (WMO) confirmed that 2023 was unequivocally the hottest year on record.<sup>1</sup> And while the most recent U.N. Climate Change Conference in Dubai (COP28) featured a deal that saw countries commit to moving away from fossil fuels<sup>2</sup> for the first time in history, we still have a long way to go.

I'm also a firm believer that most of the public has no idea that the food waste they send to landfills — more than any other single material on an annual basis — is meaningfully contributing to the climate crisis.

All five of our Impact Pillars are connected, either directly or indirectly, to the unique ability of compostable products to help keep food out of landfills by the only means possible once reduction and donation options have been exhausted — composting.

Unfortunately, composters are facing unprecedented challenges to their business models in the form of exponential volume increases often driven by well-intended legislation that recog-

nizes the connection between food waste and climate change. The problem is that the average consumer is largely uneducated on what is compostable and what is not, and composters have an extremely limited ability to deal with contamination from non-compostable products.

This year, the accomplishments I'm most proud of are direct responses to the contamination challenges that impede the adoption of an organics diversion system that collects and processes food waste and compostable products at scale, including our Controls Intended to Remove Contamination (CIRC) program, Veridian™ collection, and BlueStripe™ rebrand.

There are plenty of other stories to share as well, like our third recertification as a B Corp, a continued focus on Scope 3 GHG inventory and reduction targets, the expansion of our Vanguard™ line of no intentionally added PFAS molded fiber products that now includes over 90 unique items, and a sneak peek into our plans to offer a whole new class of products and solutions that has been top of mind for so many at Eco-Products for so long — reusables.

Whether you are a casual observer or a long-time partner, I thank you for your willingness to engage as we chronicle the milestones and challenges that are the hallmarks of this work. In these complex times, we remain focused on action as the most effective antidote for the uncertainty and anxiety that rightly accompany the climate news of the day. I invite you to join us on that journey of action, however it might look.

**See you out there.**

<sup>1</sup> [https://www.climate.gov/news-features/featured-images/2023-was-warmest-year-modern-temperature-record#:~:text=Details,decade%20\(2014%E2%80%932023\).](https://www.climate.gov/news-features/featured-images/2023-was-warmest-year-modern-temperature-record#:~:text=Details,decade%20(2014%E2%80%932023).)

<sup>2</sup> <https://news.un.org/en/story/2023/12/1144742>

*“This year, the accomplishments I’m most proud of are direct responses to the contamination challenges that impede the adoption of an organics diversion system that collects and processes food waste and compostable products at scale.”*



### [1] “CIRC”

Controls Intended to Remove Contamination — a first-of-its-kind, operator-focused program designed to systematically control and mitigate contamination from non-compostable materials. CIRC is all about increasing composter confidence in organics streams that contain food scraps and certified compostable packaging, and demonstrating that a systems approach to contamination mitigation can work in an array of foodservice environments. And, it is only feasible to implement if you have a passionate group of local experts, as we do, whose primary responsibility is to help their customers implement successful composting programs.

### [2] Veridian™

An innovative product bundle specifically designed to make it easier for consumers, composters, and others to identify products as compostable. Eco-Products introduced green-tinted and green-colored items, knowing full well they would be met with skepticism. Why? Because we agree with the intention of the legislation in Washington and Colorado, and know that without proper on-item labeling, we have no chance in the fight against contamination.

### [3] Rebrand of BlueStripe™

When we first brought products to market made from post-consumer recycled content, we had no idea how synonymous the Eco-Products name had become with all things “compostable.” As the urgency around contamination grew, it became impossible to keep the Eco-Products brand name on these items and their packaging, so we have begun the process of removing it entirely, leaving only the BlueStripe name on the product. We started the transition with the product category most susceptible to confusion — clear container lids.

# WE ARE ECO-PRODUCTS

As a proud member of the Novolex® family of brands, Eco-Products provides foodservice products with meaningful environmental benefits. We make products made with renewable resources or post-consumer recycled content, and we care deeply about what happens to our products after use. We’re constantly evaluating the impacts foodservice packaging has on the environment.

Today, consumers and business owners alike have more choices than ever, and we are proud of the pioneering role we’ve played in sculpting this landscape. We also acknowledge that now, more than ever, we must push harder on choice, innovation, and sustainability to support a healthy planet.

Eco-Products is committed to working across the value chain in the race to save our planet from the most negative impacts of climate change. This race isn’t an easy one. Our focus on innovation, paired with our passion for environmentally responsible foodservice packaging, will push us to cultivate systems for foodservice packaging that prioritize sustainability and circularity. And we do not stop at the packaging itself — we have an obsessive approach to trying to keep as many of our products out of landfills as possible.

We know we have a lot of work to do to improve these systems, and acknowledge we aren’t perfect. But we are proud of our progress thus far in this challenging journey.

**B CORP**

In 2023, Eco-Products was recertified as a B Corp for the third time. Being a certified B Corp recognizes and highlights for our stakeholders the important social and environmental work we do, as well as our continuous improvement mindset, to meet the social and environmental needs of our changing world.

In 2023, Vegware received its inaugural B Corp certification. We are proud to share this journey with them.

## United Nations Sustainable Development Goals

**What Eco-Products is Doing**

**11 SUSTAINABLE CITIES AND COMMUNITIES**

We advocate for effective responsible sourcing and waste diversion infrastructure. Our compostable GreenStripe® products are made from renewable resources and are compostable, which helps keep food scraps, organics, and foodservice products out of landfills. Finished compost, when applied to land, can help combat climate change and build more resilient communities. We are also helping to grow market demand for post-consumer recycled materials and decreasing the use of virgin materials with our BlueStripe® products.

**12 RESPONSIBLE CONSUMPTION**

By using our GreenStripe® products, foodservice operators can purchase products made from renewable materials, and establish and scale successful waste diversion systems that divert both packaging and food scraps from landfills. Our BlueStripe® products incorporate post-consumer recycled material, keeping valuable material out of the landfill and giving it a second life.

**13 PROTECT THE PLANET**

We connect our work every day to the power of circular systems to address the climate crisis and provide our stakeholders and customers with meaningful opportunities to mitigate climate change through responsible sourcing and circular solutions.

Certified



Eco-Products meets high standards of social and environmental impact.

Corporation

### Using Business as a Force for Good

We are proud to be a certified B Corp since 2016. We appreciate how the ever-evolving framework of the B Impact Assessment pushes us to be better stewards of our communities and the planet.



After joining our family in 2021, Vegware (also a certified B Corp!) continues to provide environmentally responsible products to the market, and works to advance waste diversion infrastructure globally.



## Our Vision

Eco-Products will be in the vanguard of our Zero Waste future.



## Our Mission

At Eco-Products, we understand the connection between the health of the planet and the impacts of disposable packaging. Every day we work to advance Zero Waste systems, and help our customers be better stewards of the environment.



PRODUCTS®

77  
EMPLOYEES

450+  
PRODUCTS

Certified



Corporation

SINCE 2016

MARKETS:  
U.S., Canada, Europe,  
Latin America,  
Australia, & New Zealand

HEADQUARTERS:  
Boulder, Colorado

PARENT COMPANY:



# IMPACT AT ECO-PRODUCTS

We care about the social and environmental impacts of our products, value chain, and operations.

These pillars ground our company in its core values, and are critical to the unique Eco-Products Impact approach. This is an approach we believe can change the world of foodservice packaging, and its responsible sourcing and circularity potential. As a proud member of the Novolex family of brands, Eco-Products is able to benefit from their trusted Governance policies and strategies.

## Pillars of Impact

PRODUCTS & SUPPLY CHAIN	ZERO WASTE INFRASTRUCTURE	WASTE DIVERTING OPERATORS	PEOPLE	OUR OPERATIONS
<p>How our products impact our communities and the planet.</p>	<p>How we support increased circularity for the products we make.</p>	<p>How we support operators in their Waste Diverting journeys.</p>	<p>How we treat our employees, communities, and individuals working throughout our value chain.</p>	<p>How the way we operate impacts the planet and our communities.</p>
<p>We seek to understand the social and environmental impacts of our products and supply chain in order to reduce GHG emissions, restore biodiversity, and focus on regenerating ecosystems.</p>	<p>We are passionate about circularity and its role as a solution to climate change. We actively engage with industry partners, customers, and communities to enhance commercial composting and recycling infrastructure.</p>	<p>We love helping our customers and their communities implement responsible procurement and waste diversion practices. We support with a focus on beginning-of-life attributes, diversion logistical support, education, and a boots-on-the-ground mentality.</p>	<p>We give back to our communities and are committed to building an equitable and inclusive environment.</p>	<p>We are obsessed with ensuring our operational footprint is reflective of our values by focusing on energy, water, and waste at our HQ, and the carbon impact of our business operations.</p>



**MATERIALITY ASSESSMENT**

In 2023, we conducted our first materiality assessment, and the results were analyzed through the Sustainability Accounting Standards Board (SASB) materiality lens to inform the development of the materiality road map.

Our goal with this process was to identify our stakeholders' top priorities and issues as related to relevant impacts across our entire value chain. Ultimately, we found that the Eco-Products Impact approach broadly resonated with our stakeholders.

It is important to note that the Eco-Products Materiality Assessment is different from the Novolex Materiality Assessment highlighted in the annual Novolex Sustainability Report, due to the different nature of our business models, supply chains, raw material inputs, and end-of-life focuses.

Material Topics Identified		
Biodiversity	Legislative Compliance	Sustainable Corporate Operations
Charitable Giving & Community Engagement	Life Cycle Studies	Sustainable Product Innovation
Emissions Reduction	Management of Substances of Concern	Supplier ESG Standards and Practices
Employee Development & Retention	Product Environmental Impact	Support for Composting Infrastructure
Employee Diversity, Equity, & Inclusion	Product Labeling	Working Conditions Throughout the Supply Chain
Employee Grievance Mechanisms	Promoting a Circular Economy	Use & Disposal Education

# PRODUCTS & SUPPLY CHAIN

Our products must meet the performance expectations of our customers AND the future needs of the planet. Every product has its own social and environmental impacts, and our impacts become our customers' impacts.

In 2023, we either made progress on, or achieved, all goals in our Products & Supply Chain pillar. While we understand there is still a lot of work to do to improve impacts in this area, we are proud of where we are today.

## PRODUCT DEVELOPMENT IN 2023

At Eco-Products, innovation and awesome foodservice products are almost as ubiquitous as the color green. But here are some of our favorite Product Development highlights from 2023:



### 1. VERIDIAN COLLECTION OF PRODUCTS

With contamination from non-compostable products a major challenge to composters, Colorado and Washington states enacted labeling requirements for products classified as compostable. Enter our Veridian collection of BPI-Certified products. This curated collection of printed and green-tinted products effectively labeled for composting has been designed to comply with labeling requirements in Colorado and Washington, and hopefully reduce contamination at compost facilities.



### 2. ALTERNATIVES TO TRADITIONAL AND PLANT-BASED PLASTICS

The desire to have products made without either traditional and plant-based plastic resins has grown. Our Product Development team has been innovating to provide customers with alternatives made with molded fiber, paper, and wood. Think of a molded fiber or paper lid to top off your hot cup, a molded fiber lid for our WorldView™ molded fiber bases, and cutlery made with wood or paper.



### 3. REBRAND OF OUR BLUESTRIPED LINE OF PRODUCTS

Not seeing “Eco-Products” on our BlueStripe line of products anymore? That was intentional! Due to a risk of contamination in compost streams, we rebranded our BlueStripe line of products, which are made with post-consumer recycled plastic resin and are not compostable, to read “BlueStripe” instead of having our typical Eco-Products logo. We hope this greatly reduces the chance of these non-compostable products ending up at compost facilities where they do not belong.



### 4. PILOTED USE OF POST-CONSUMER RECYCLED CONTENT IN PRODUCT SLEEVES IN CHATTANOOGA, TN

Putting post-consumer recycled content (PCR) into our product sleeves has been a goal for years! We placed the efforts on hold while working on other innovations, but in 2023 re-engaged in a collaborative effort with other Novolex business units. We are pleased to have officially launched a trial to utilize 25% PCR content in the polyethylene cup sleeves used for products manufactured in the Novolex Chattanooga, Tennessee, facility.

## Goal Progress Report

	What We Said We Would Do	What We Did
In 2023	<p>Maintain current beginning-of-life (BOL) certifications.</p> <p>And achieve new BOL certification through FSC for wood items (cutlery and stir sticks), and Bonsucro certification for PLA derived from sugarcane.</p>	<p>We maintained all BOL certifications we already achieved.</p> <p>■■■■■■■■■■</p> <p>We achieved FSC for wood cutlery,</p> <p>■■■■■■■■■■</p> <p>and partially achieved FSC for non-stock stir sticks.</p> <p>■■■■■□□□□□</p> <p>We continued discussions with our suppliers about Bonsucro for PLA derived from sugarcane, and are confident in our ability to achieve this certification for some of our products in 2024.</p> <p>■■■■■□□□□□</p>
	<p>Pilot the use of Post-Consumer Recycled content in polyethylene product sleeves for PLA cups from our Chattanooga, Tennessee, facility,</p>	<p>It took a lot of hard work from our teams in 2023, and we officially launched the pilot of using 25% PCR in product sleeves for PLA cold cups in our Novolex Chattanooga, TN facility. We are excited about the potential for this pilot to lead to increasing the use of PCR in product sleeves, and reduce overall costs, for all Novolex products produced at this facility.</p> <p>■■■■■■■■■■</p>
By 2025	<p>Maintain current BOL certifications, and achieve BOL certifications for 50% of virgin paperboard and sugarcane.</p>	<p>Our team focused heavily on FSC and Bonsucro certifications in 2023. For FSC, a pilot purchase occurred in 2023 to test the process to ensure our ability to maintain chain of custody. For Bonsucro, we are confident certification for sugarcane used in molded fiber products will occur in 2024.</p> <p>■■■■■□□□□□</p>
	<p>Update the environmental standards for our products, by which Eco-Products continues to innovate to meet evolving expectations and technologies in sustainability, circularity, and legislation.</p>	<p>In 2023 our teams came together to review and update Environmental Product Standards that were previously established.</p> <p>■■■■■■■■■■</p>
	<p>Maintain supplier participation in the Intertek Inlight™ end-to-end Supplier Qualification Operating System. In combination with the Novolex Supplier Code of Conduct, use the survey to ensure ESG performance throughout our supply chain.</p>	<p>In 2023, 100% of our suppliers based in high inherent risk countries completed the Intertek Self-Assessment Questionnaire, which covers human rights, environmental, and other ESG practices.</p> <p>■■■■■■■■■■</p>
	<p>Continue working toward building our Scope 3 GHG Inventory, and in partnership with Novolex develop, plan, and update targets through which we will work on Scope 3 GHG reduction targets.</p>	<p>We completed our Scope 3 Inventory for 2022 and 2023.</p> <p>■■■■■□□□□□</p>

### PRODUCTS & SUPPLY CHAIN HIGHLIGHTS:

Developed new products and branding to help combat compost contamination

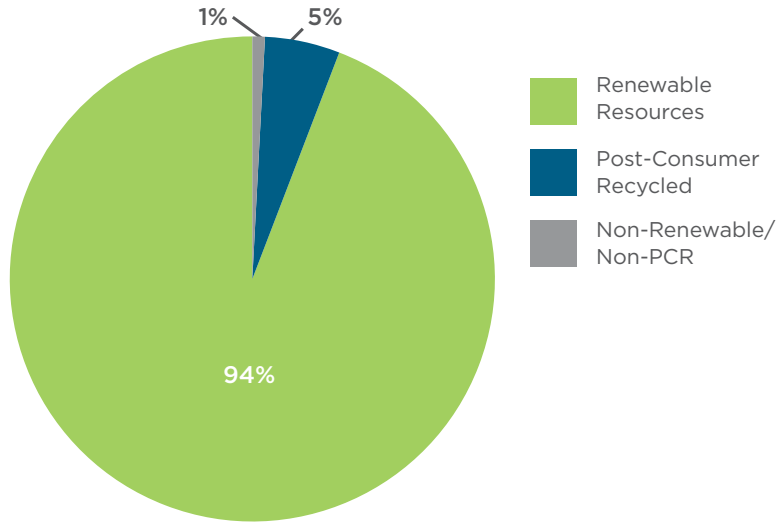
Piloted PCR content in our product secondary packaging

Added more material options to product types typically made with plastic

Updated our product environmental standards

### Beginning-of-Life Attributes of Raw Materials Used to Make Products in 2023

Beginning-of-life characteristics of raw materials used to make products are measured by pounds of materials purchased.



**Renewable Resources:**

A plant-based raw material, like sugarcane, trees, or corn, that can grow back again and again.

**Post-Consumer Recycled (PCR):**

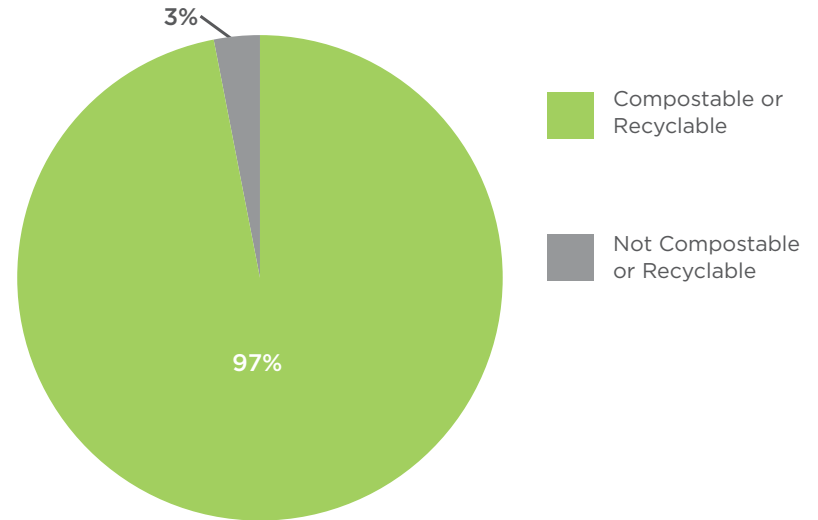
Resin made from post-consumer recycled content. Products that are made with this resin range from having 30 to 100% PCR resin in their makeup.

**Non-Renewable/Non-PCR:**

Resin made from non-renewable or non-PCR feedstocks such as virgin PET or Polypropylene. Products that are made with this resin range from having 1 to 70% virgin resin.

### End-of-Life Classifications of Products Sold in 2023

End-of-life characteristics are measured through sales to customers.



Represents industry approved terms and qualifications for composting and recycling. Acceptance and recovery of products varies by community, composter, or Materials Recovery Facility (MRF). A compost facility or MRF that accepts these materials may not exist in your area.

**Compostable or Recyclable:**

These products are classified as one of the following:

- BPI-Certified Commercially Compostable
- Meets ASTM Standards for Compostability
- Using the How2Recycle guidelines are either: Widely Recyclable or Check Locally.

**RAW MATERIALS: BEGINNING-OF-LIFE CERTIFICATIONS**

In 2023, Eco-Products sold products made with renewable resources or that were made with post-consumer recycled content. Use of renewable content also facilitates our ability to design products to be composted and demonstrates the Eco-Products commitment to design products that support circular and zero waste systems.

Even though these raw materials already have meaningful environmental benefits, we are still committed to further understanding how these raw materials are sourced and confirming we understand their environmental impacts.

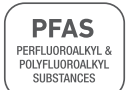
To the left is a snapshot of the raw materials used in our products in 2023, along with their status in having a beginning-of-life (BOL) certification.

Raw Material	Beginning-of-Life Status
Molded Fiber	<p><b>Sugarcane:</b> We continued to explore Bonsucro certification for sugarcane (bagasse) sourced for our molded fiber products in 2023, and are confident that it will be achieved in 2024.</p> <p><b>Bamboo:</b> We do not have a BOL certification for the bamboo sourced for our molded fiber products, but will continue to research what opportunities are available for certified bamboo, including Bonsucro.</p>
Paperboard	<p><b>Virgin:</b> In 2023, a pilot purchase of product occurred for FSC-certified paperboard. We look forward to seeing how this program may be able to progress in the future.</p> <p><b>PCF (Post-Consumer Fiber):</b> The post-consumer fiber we use for Eco-Grips does not have a BOL certification at this time.</p>
PBAT (Polybutylene Adipate Terephthalate)	There is not a BOL certification available for PBAT, but we will continue to explore opportunities for this raw material.
PHA (Polyhydroxyalkanoates)	There is not a BOL certification available for PHA, but we will continue to explore opportunities for this raw material.
PLA (Polylactic Acid)	<p><b>Corn:</b> Our Ingeo PLA, which is derived from corn, has maintained its ISCC+ certification.</p> <p><b>Sugarcane:</b> We had discussions with our suppliers about Bonsucro certification for the PLA we purchase that is derived from sugarcane, and feel confident in our ability to transition purchases to PLA derived from sugarcane to be Bonsucro certified through a mass balance approach in 2024.</p>
PSM (Plant Starch Material)	Eco-Products ceased the sale of PSM cutlery in March 2023. There was not a BOL certification available for this material.
rPET (Post-Consumer Recycled Polyethylene Terephthalate)	The rPET purchased to make our WorldView lids maintained SCS Global certification. We changed manufacturing partners for our rPET cups and are working with the new supplier to achieve SCS Global certification. Percentages of rPET in these products range from 30% to 100%. If the percentage of rPET is below 100% for a product, it is blended with virgin PET, which does not have a BOL certification.
rPS (Post-Consumer Recycled Polystyrene)	All purchases of in 2023 were from SCS Global certified sources, with percentages of rPS in these products ranging from 25% to 100% rPS. If the percentage of rPS is below 100% for a product, it is blended with virgin PS, which does not have a BOL certification.
Wood	We achieved FSC for wood cutlery, and partially achieved FSC for non-stock stir sticks.

## UPDATE ON ADDED PFAS: VANGUARD LINE OF MOLDED FIBER PRODUCTS



Since its debut in 2019, the Vanguard line of products has been expanded to more than 100 SKUs and has seen its grease resistance performance improve.



No-Added PFAS



The first molded fiber products made without intentionally added PFAS to be certified by BPI.



The largest assortment of molded fiber products made without intentionally added PFAS to achieve CMA-W certification, at 19 SKUs!



The first molded fiber products to achieve Green Screen Certification.



Since 2022, we have helped customers in states requiring foodservice products to contain no intentionally added PFAS transition to Vanguard products, and will continue to work with customers in other states with upcoming compliance deadlines.

Moving forward, any new or relaunched molded-fiber SKU introduced to U.S. markets in the Eco-Products brand will only be made in the Vanguard no intentionally added PFAS grease resistance formula.

For now, conventional chemistry molded fiber products are offered in unregulated markets.

The best way to identify our Vanguard line with no intentionally added PFAS is to look for the Vanguard logo, BPI logo, and/or “NFA” (no fluorine added) in the SKU number.

## ENVIRONMENTAL STANDARDS FOR OUR PRODUCTS

Having standards for the raw materials used to make our products, along with what will happen to the product after use, have always been important to us. In 2023 we revisited our Product Sustainability Scorecard to ensure that we maintain our “Green is All We Do” status as we will inevitably venture into new raw materials, update end-of-life capabilities of products, and invest in the reusables space.

### THE ECO-PRODUCTS SCORECARD FOR PRODUCT STANDARDS

For a product to meet our standards it must score at least 1 point on our Product Standard Scorecard, however many product categories score higher. See scorecard and examples below.

## A STRATEGIC INVESTMENT IN REUSABLES

We've known for a long time that reusable options deserve a place in the Eco-Products offering, and now we are one step closer to making that a reality. In April 2024, Novolex announced a strategic investment in OZZI, a Rhode-Island based reusable systems and container brand.



We think reusable and compostable solutions can be complementary in the right settings, and also know there are plenty of closed-system environments that already lend themselves well to full reusable programs.

We understand how important it will be to label reusable packaging and educate consumers in ways designed to ensure reusable products are reused. Check back in with us next year to see how our own Eco-Products reusables program is going!

### Product Standard Scorecard

For a product to qualify to be in our lineup, it must earn a minimum score of “1” using this scorecard. For example, this is how we would score a Vanguard Fiber Clamshell, PLA Cold Cup, BlueStripe™ Recycled Cutlery, and our Veda™ reusable containers currently in development.

### Example Product Scores



Category	Characteristic	Points	3	3	1	1
Product Beginning of Life (Raw Material)	Virgin Traditional Plastic Resin	0				0
	Renewable	1	1	1		
	BOL Certification Achieved	1		1		
	Contains Post-Consumer Recycled Content	1			1	
Product End of Life (Disposal)	Reclaimed Resource	1	1			
	Compostable	1	1	1		
	Widely Recyclable	1				
	Reusable	1				1
	Landfill	0			0	

**SOCIAL AND ENVIRONMENTAL RESPONSIBILITY OF OUR SUPPLY CHAIN**

We are focused on supporting a strong global supply chain. In partnership with Novolex, we use the Intertek Inlight™ end-to-end Supplier Qualification Operating System to assess suppliers operating in high inherent risk countries. Using country risk scores from the World Bank Governance Indicators, the U.N. Human Development Index, the Transparency International Corruption Index, and the U.S. State Department Trafficking in Persons Report — high inherent risk countries in our supply chain are identified. In 2023, 100% of our suppliers based in high inherent risk countries completed the Intertek Self-Assessment Questionnaire, which covers human rights and other ESG practices.

Additionally, in 2023, 77% of our suppliers who are based in high inherent risk countries held valid certificates for a variety of social audits, including BSCI, SA 8000, or SMETA 4-Pillar. Eco-Products is working with current suppliers who do not have a valid certificate of social accountability to obtain one through an on-site audit by the end of 2024.

Other notable programs developed in 2023 at



The Novolex Supplier Code of Conduct covers our expectations of suppliers related to human rights, labor, environmental, and other management practices.

Novolex include the formalization of a Forced Labor Prevention Program as an additional means to identify risks of the use of forced labor in our supply chain, and the development of a Supplier Diversity Program that implements the provision of the company's Diversity, Equity and Inclusion Policy to support supplier diversity. We look forward to implementing these policies and programs throughout the Eco-Products supply chain.

**ECOVADIS RATING**

In 2023, we improved our EcoVadis score to 67 from 49, which ranked Eco-Products in the 89th percentile of reporting companies in our category and earned us a 2023 EcoVadis Silver Medal.

The EcoVadis rating covers a broad range of non-financial management systems covering Environmental, Labor & Human Rights, Ethics, and Sustainable Procurement impacts. The goal is to drive superior performance in each of the

In 2023 Eco-Products ranked in the 89th percentile of reporting companies in our category.



four categories by assessing company policies, performance measures, and actions.

**GHG EMISSIONS FROM PRODUCT & SUPPLY CHAIN**

**SCOPE 3 INVENTORY, CATEGORIES 1, 4, AND 12**

We officially launched an extension of our Scope 3 Greenhouse Gas (GHG) inventory process in 2023 as part of the broader Novolex Scope 3 inventory assessment program.

We have previously reported this type of information by calculating data through a Life Cycle Assessment database — allocating our Product Carbon Footprint based on SKU-specific information by cases sold throughout the year.

This year, we transitioned to presenting this information by calculating data based on the GHG Protocol of Scope 3 Categories 1 (purchased goods and services), 4 (upstream transportation and distribution), and 12 (end-of-life treatment of sold products).

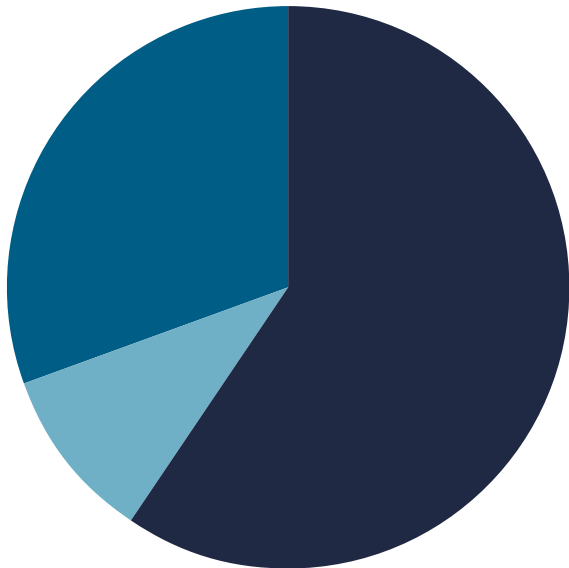
We plan to use this data as we work toward integrated target setting that encompasses all three scopes. Eco-Products is aligned with the efforts of our parent company, Novolex, to assess the Science Based Targets Initiative and prepare for emerging regulations and reporting standards.

To review our Scope 1, Scope 2, and Scope 3 (categories 3, 5, 6, and 7), visit page 32 in the Our Operations section.





## 2023 GHG Emissions from Products & Supply Chain (MT CO2e) Scope 3, Categories 1, 4, 12



**Total = 49,214 MT CO2e**

## PRODUCT CARBON FOOTPRINT

In 2023 Eco-Products conducted a major update to our Life Cycle Analysis process, which will ultimately produce Product Carbon Footprint data for our 450+ SKUs in 2024.

All analysis provided to customers will use the ISO 27001 certified Trayak EcoImpact sustainability platform, which utilizes a combination of primary and secondary data to build product carbon footprint data for our products.

We are proud of the work that goes into understanding our product impacts, and plan to use the information to better understand decarbonization opportunities in our value chain and drive further product development innovations.

# ZERO WASTE INFRASTRUCTURE

**Eco-Products is obsessed with circularity and the opportunities it presents for climate change mitigation. To us, it is not just about selling a compostable product. It is about advocating for effective compost and recycling infrastructure and working across the value chain of our products to help bring the right partners together to keep food scraps and compostable products out of landfills.**

Even though our products have valuable beginning-of-life environmental benefits, their full environmental potential is achieved when their intended end-of-life occurs. For our GreenStripe line of products, that means capturing food scraps, along with other compostables, and being sent to a compost facility to be processed into compost. For our BlueStripe line of products, end-of-life designation is complicated, as food waste on these products can reduce its ability to be recycled.

## COMPOSTING

The compost industry faces many challenges to its operations and viability, but the opportunities presented by effective compost infrastructure are plentiful and keep us going. Some of the many benefits of composting include keeping food scraps and other organics out of landfills, reducing methane emissions, and turning those valuable resources into an incredibly valuable soil amendment. Not to mention the soil amendment's ability to sequester carbon from the atmosphere, enrich soil, support the growth of healthy plants, and reduce the need for synthetic fertilizers.

### HOW WE ARE ADDRESSING CONTAMINATION FROM NON-COMPOSTABLE MATERIALS

Contamination from non-compostable materials is the biggest challenge composters face. While addressing contamination takes more than just the product manufacturer, we are committed to doing everything we can to help keep the source separated organics stream clean.

Here are some of the ways we addressed contamination in 2023:

- [1] Development of the CIRC Program**  
CIRC stands for Controls Intended to Remove Contamination. It is a “generator-focused” (think restaurants, stadiums, venues, etc.) contamination mitigation program. It is a collection of free, open-source tools and frameworks designed to improve composting systems by removing contamination at the start. It intends to build trust and process between generators, composters, haulers, distributors, and product manufacturers. All parts of the system must come together to remove contamination from compost streams, and we believe this detailed approach can help.






## COMPOSTING CHALLENGES FOR FOODSERVICE PACKAGING THAT WE ARE ADDRESSING

1. Contamination from Non-Compostable Materials
2. Compostability Standards and Degradation Times
3. End-Market Demand Challenges for Finished Compost, including National Organic Program (NOP) Rules



[ecoproducts.com/circ-program](https://ecoproducts.com/circ-program)

## Goal Progress Report

	What We Said We Would Do	What We Did
In 2023	Support expansion of access to commercial composting of foodservice packaging in at least five communities across the U.S. and two communities across Canada.	<p>In the U.S., our teams supported expansion of access to commercial compost that accepts foodservice packaging in six communities.</p> <p></p> <p>Canada: Not Met</p> <p></p>
	Launch the Contamination Task Force at Eco-Products, with the initial 2023 focus of tackling contamination issues with composters, cleaning up waste streams, and supporting better waste diversion efforts across the country.	<p>“Forming a task force” is not the best way to describe all of the anti-contamination work that we completed in 2023. Our work included rebranding our BlueStripe line of products and developing the CIRC program, as explained on page 20 and page 18 in this report, respectively.</p> <p></p>
By 2025	Develop program to better support compost infrastructure through effective end-market demand of finished compost.	<p>Our focus on addressing contamination in compost streams took the front seat in 2023. We plan to better address end-market demand for finished compost through 2025.</p> <p></p>
	Update labeling, consumer education, and product development program to support effective end-of-life (EOL) scenarios of products through increased access and enhanced recovery. It is not just about access, but ensuring the products are collected, received, and recovered.	<p>This is a continuous work in progress, but our teams made progress in this area in 2023, including the rebrand of our BlueStripe line of products, as explained on page 20 in the Zero Waste Infrastructure section of this report.</p> <p></p>

### ZERO WASTE INFRASTRUCTURE HIGHLIGHTS:

Created and launched the CIRC program

Created anti-contamination training materials

Rebranded our BlueStripe line due to contamination concerns

Nurtured relationships with composters and haulers

Supported the expansion of compost infrastructure in five communities

- [2] Innovations in Product Development**  
We innovated with intention in 2023 to provide the market with products that respect the challenge of contamination.

***Development of the Veridian Collection of Products***

Sometimes contamination is sent to compost facilities because (a) the user is unsure if a product is compostable or not, or the product may not be labeled effectively, or (b) the hauler or composter cannot distinguish between certified compostable products and non-compostable products that may look similar. These non-compostable products are often called “look-a-likes” and cause major challenges to the compost industry. In response, the states of Colorado and Washington enacted labeling requirements for products classified as compostable. Enter our Veridian collection of BPI-Certified products. This curated collection of printed and green-tinted products has been designed to comply with legislation in Colorado and Washington, and hopefully reduce contamination to compost facilities. These products are available outside of these legislated markets and can be used to address contamination concerns elsewhere.

***Rebrand of the BlueStripe Line of Products:***

Before 2023, our BlueStripe line of products looked similar to our GreenStripe line of products, just in blue hues instead of green. Because the Eco-Products logo has become well known for compostable foodservice products — this was causing confusion at the user level as to which waste stream the products

belonged in after use. If non-compostable BlueStripe products make their way to a compost facility, they arrive as contamination and cause major headaches to composters. So, we decided to change that. The rebrand of our BlueStripe line of products was a complicated process — redesigning the BlueStripe logo, removing the Eco-Products logo from all production tools, and communicating the change to our customers. But the lasting impact we hope this has in reducing contamination to compost facilities is worth it.

- [3] Enhancing Anti-Contamination Education and Communications**







One of the reasons contamination is an issue is that the general public has not been educated on just how detrimental contamination from non-compostable materials is to the compost industry. In 2023 we tried to fix this by developing some anti-contamination education videos, updating communications in our product catalogue and on our website, focusing on anti-contamination on our social channels, and educating our sales teams and brokers about the importance of focusing on contamination at the procurement level. These initiatives complement the curricula we provide in the CIRC program. We plan to continue this work into 2024, working across the industry to teach the public why keeping the (compost) stream clean is vital to keeping organics out of landfills and going to compost facilities instead.

**“A1 Organics is committed to creating clean, certified compost that benefits the environment by avoiding methane emissions and restoring soil quality in communities and agricultural areas for future generations.**

**Our partnership with Eco-Products is focused on providing contamination education, offering responsible products, and promoting regenerative markets — crucial for sustainability efforts in Colorado and worldwide.”**



**Clinton T. Sander**  
Marketing Manager, A1 Organics

The compostability of our GreenStripe® products has been consistently verified in the lab and in the field	
	<b>BPI:</b> 344 SKUs
	<b>ASTM:</b> 389 SKUs
	<b>CMA-W:</b> 228 SKUs
	<b>CMA-I:</b> 204 SKUs
	<b>CMA-A:</b> 6 SKUs
	<b>CMA-S:</b> 24 SKUs
	<b>Din Certco (Seedling):</b> 307 SKUs
	<b>OK Compost - IND:</b> 114 SKUs
	<b>OK Compost - HOME:</b> 111 SKUs

**HOW WE ARE ADDRESSING COMPOSTABILITY STANDARDS AND DEGRADATION TIMES**

In order for an organics diversion system that includes food scraps and packaging to work, composters must have confidence that the products they are accepting will break down in their facilities. This has been a headline topic of late in the industry, and one that can be difficult to separate from the more pervasive contamination issue.

Eco-Products works with the Biodegradable Products Institute (BPI), the Composting Manufacturing Alliance (CMA), and other partners in Europe to make sure that our products meet a wide array of composter testing requirements.

With respect to field testing specifically, Eco-Products continues to lead the industry in sheer volume of field-testing work — both with CMA and with individual composters across the country. Composters remain concerned that lab-based standards may not be sufficient to adequately predict how an item will perform in a real-world composting setting. And it is becoming clear that field testing is not a silver bullet for addressing those concerns. This is largely due to the lack of a consistent, public standard that all testing environments conform to.

As a result, field test results are better viewed as “moment in time” indicators of how an item performed in a particular testing environment during the specific time it was being studied.

Composting is a manufacturing process that requires very specific inputs and operating conditions. Without agreed upon and strictly adhered to best management practices (BMPs) that set targets for moisture content and other critical operational variables, field test results must be examined carefully.

In 2022 we officially launched the Molded Fiber Degradation Study, with results analyzed in 2023, and the report scheduled to publish in 2024. We hope the results of this study can help support composters in understanding what operational variables may be able to more effectively process molded fiber at their facilities.

**HOW WE ARE ADDRESSING END-MARKET DEMAND CHALLENGES**

A viable organics diversion system depends on end-market demand for the compost that is manufactured as a result. Without a steady stream of demand that economically incentivizes composters to continue processing new material, it is impossible to expect the system to work long term.

Purchasing finished compost product from composters not only supports compost infrastructure, but applying finished compost to land is also a planet-friendly climate fighting tool!

In 2023, our anti-contamination work took a front seat to working on how we can bring partners together across the value chain to better support effective end-market demand for finished compost. We plan to pick this work back up to develop better programming through 2025.



**COMPOSTER PARTNERSHIP AND SUCCESS STORIES**

No composters — no compost. No haulers — no compost at compost manufacturing facilities. What a sad world that would be! We are huge fans of composters and haulers that work hard to make organics diversion and enhanced soil health happen. We appreciate partnerships we’ve been able to develop with the ultimate effort of keeping food scraps and compostable products out of landfills and manufactured into compost instead.

**The Eco-Products Composter Hauler Distributor (CHD) program is designed with composters and haulers in mind.**

They distribute Eco-Products foodservice items to customers whom they are already servicing, or build new business by offering the sale of our compostable foodservice products along with service for composting our products and food waste from the operation.

This gives composters and haulers control over which products customers are using, so they can reduce contamination and trust the compostable products being sent to compost facilities. And, as an added bonus, it helps increase revenue streams for these often small to medium-sized businesses.



**COMPOSTNOW**



CompostNow was founded in 2011, in Raleigh, North Carolina. As part of a growing grassroots movement to rebuild soil health, their team saw an opportunity to create a more circular system by diverting food waste from landfills and using that to create nutrient-rich compost for their community.

Since then, they have expanded operations to Durham and Asheville, N.C., Charleston, S.C., Atlanta, and Cincinnati. In 2017, they opened their Georgia Composting Facility, which has supported the growth of their collection business in Atlanta and processes 6,000 tons of food and organic waste annually. The Georgia Composting Facility was awarded the U.S. Composting Council’s Compost Manufacturer of the Year for small-scale facilities in 2023.

CompostNow has been a distribution partner for Eco-Products for nearly a decade and has worked tirelessly to advocate and advance access to commercial composting across the South.

**SUPPORTING EXPANSION OF COMMERCIAL COMPOST FOR COMPOSTABLE PRODUCTS**

Our Product and Zero Waste Specialist (PZW) team works across the country to help co-create meaningful waste diversion success stories. Whether it's helping a composter field test our products to ensure they will work in their system, or connecting foodservice operators to haulers or composters to increase route density and bring more feedstock to composters — our team is out there trying to support the system.

We had a goal in 2023 to support the expansion of compost infrastructure that accepts compostable products in five communities. We are extremely proud to share that our team supported expansion in at least six communities in the U.S.! A huge thank you is due to our PZW team, the composters and haulers they work with, and the foodservice operators committed to organics diversion.

**COMPOSTJAX**

Compost Jax located in Jacksonville, Florida, was founded by Mike Kelcourse in late 2022 after learning about the lack of food waste composting from Atlanta to Orlando. They accept pre- and post-consumer vegetative food waste and bakery products, dairy products, agricultural and forestry waste, yard trimmings, BPI-certified compostable foodservice ware and liner bags, along with food manufacturing residuals from local companies including spent brewery grains, eggplant breeding, and bread waste. Eco-Products visited the site in 2023 to strategize with Mike on how to bring more food waste to the facility using BPI-certified products.



**OUR PZW TEAM SUPPORTED EXPANSION OF COMPOST INFRASTRUCTURE FOR COMPOSTABLE FOODSERVICE PACKAGING**



**Waste Not Composters & Environmental Defenders**  
McHenry, Illinois

**Nature's Way Resources**  
Houston, Texas

**Better Earth Logistics**  
Peoria, Illinois

**CompostJAX**  
Jacksonville, Florida

**Rutgers University**  
New Brunswick, New Jersey

RECYCLING

Effective compost and recycling infrastructure go hand in hand in enabling waste diversion systems. Even though our BlueStripe line of products only accounted for 8% of products sold in 2023, we are still focused on the challenges and opportunities presented with recycling. A part of how we support effective recycling infrastructure is by using post-consumer recycled inputs in our BlueStripe line of products. We will continue to explore opportunities related to recycling these products as markets allow, and communicate progress accordingly.

COLLABORATION IS ESSENTIAL

Our teams spend countless hours working with organizations in the compost and recycling industries to advocate for effective waste diversion infrastructure. We are thankful for the work these organizations do in addressing challenges to build a more circular future for our economy and planet.

We continue to nurture industry partnerships to advocate for the climate benefits of our products, and the potential additional environmental benefits we can see through the expansion of effective zero waste infrastructure.





## HOW YOU CAN SUPPORT COMPOST INFRASTRUCTURE

1. Read product labels and bin signage
2. Sort compostable materials properly
3. Use our CIRC program to set up successful waste diversion system
4. Keep non-compostable materials like glass and conventional plastics out of composting systems
5. Purchase finished compost
6. Encourage your community or workplace to use finished compost for larger projects



# WASTE DIVERTING OPERATORS

We believe the foodservice products we provide to the market can help shift the industry toward more responsible options when it comes to foodservice packaging. But the overall impact they can make, and their full environmental potential, is largely dependent upon the foodservice operators who use them, and their customers.

## WASTE DIVERTING OPERATORS



### PORTLAND TRAIL BLAZERS | PORTLAND, OR

Last year, we announced a partnership with the Portland Trail Blazers and Rose Quarter. For 14 years, the Blazers have diverted organic waste, and Eco-Products is thrilled to support this landmark program as an Official Zero Waste Partner. Our role involves supplying the arena with compostable foodservice packaging and Novolex reusable cups for their first-of-its-kind Rip City Reuse program, bolstering the organization's ambition to achieve zero waste at every event by 2030.

We commend the Trail Blazers for their exemplary efforts in establishing a program that exemplifies responsible material use and operations. The success at Moda Center has validated our belief that reusables and single-use compostables can harmoniously contribute to one comprehensive waste diversion and reduction program. Moreover, the partnership's commitment to zero waste extends its impact to local Oregon businesses, with post-event compost being sorted and transported to a local hazelnut farm for processing — a true win-win scenario!



### THE FOUR SEASONS HOTEL | VAIL, CO

When our PZW specialist first met with the Four Seasons in Vail, the hotel simply wanted to stop throwing away the orange peels from their fresh-squeezed juice.

Over the course of a year, we collaborated to tailor for them a sequenced compost program. They began by adding composting bins and durable signage to their back-of-house; now they are transitioning all their single-use items to compostables, providing staff training, and making plans to introduce front-of-house collection.

Countless generators are exactly where the Four Seasons started, and stories like these illustrate how anyone can go from square one to composting, one step at a time.








### PRINCETON UNIVERSITY DINING AND SUSTAINABILITY | PRINCETON, NEW JERSEY

Our story with Princeton University's Campus Dining and Sustainability demonstrates the breadth and depth of our PZW team! We connected with the university in 2019 through the New Jersey Composting Council and were happy to see them secure a grant supporting in-vessel composting on campus. Princeton First Campus Center conducted a waste audit that revealed over 60% of the dining hall waste generated could be diverted to compost.

Eco-Products supported the Princeton S.C.R.A.P. lab, Princeton Dining, and Princeton Sustainability teams streamlining the campus disposables line and identifying the compostable substrates that make up the products they would transition to. After fine-tuning signage and collection methods, we are happy to report that food scrap diversion — including certified compostable packaging — launched in the Frist Campus Center in late 2023!

**Goal Progress Report**

	What We Said We Would Do	What We Did
In 2023	Help at least 25 U.S. foodservice operators and three Canadian foodservice operators implement a Front-of-House (FOH) Waste Diversion Program.	<p>Incredible! Our Product &amp; Zero Waste (PZW) team helped 24 foodservice operators implement a FOH Waste Diversion Program in 2023.</p> <p align="center">U.S.: 24                        Canada: 0  </p>
	<p>Develop the Waste Diversion Operator Tune-Up Program. Conduct the tune up with 10 current Waste Diverting Operators to ensure Waste Diversion success is still occurring, hoping to reduce contamination and support waste diversion infrastructure across the U.S..</p> <p align="center"><i>Goal Topic Updated</i></p>	<p>This concept evolved into the CIRC (Controls Intended to Remove Contamination) program, as explained on pg 22 in the Zero Waste Infrastructure section of this report.</p> <p align="center"></p>
By 2025	Enhancing training program and support for Waste Diversion success at the operator level. To include updates to training manuals and support to drive proper waste diversion practices, reduce contamination, and get closer to Zero Waste.	<p>In 2023, the contamination and benefits of compost work our teams completed supported this task. Through 2025, we hope to enhance training opportunities even more to support effective Waste Diversion success at the operator level.</p> <p align="center"></p>
	<p>Using the Waste Diverting Operator Tune Up Program, all Waste Diverting Operator partnerships finalized before 2024.</p> <p align="center"><i>Transitioned to the CIRC Program</i></p>	<p>Since the “Waste Diverting Operator Tune Up” program evolved into the “CIRC” program, this goal will be updated to reflect how this program evolved due to emerging market needs.</p> <p align="center"></p>

**WASTE DIVERTING OPERATORS HIGHLIGHTS**

Our Product & Zero Waste Specialist and Sales teams welcomed 24 new customers to Waste Diverting Operator status in 2023.

Enhanced composting and anti-contamination education and communications to support training at the operator level.

Developed the CIRC Program, which Operators can use to support their organics diversion programs.

# PEOPLE

Respect for our employees and the communities in which we operate is essential to our operations. If we aim to be better stewards of the planet through our products and services, we must start with the people we work with and communities that support the process along the way.

We are lucky to have access to Novolex resources to ensure we have the most effective programs in place to address people topics such as safety, training, ethics, DE&I, and a fun culture!

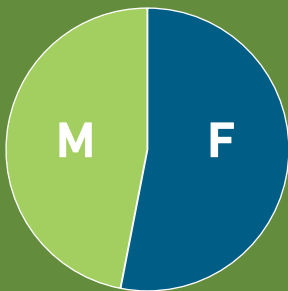
## OUR PEOPLE BY THE NUMBERS: ECO-PRODUCTS + VEGWARE U.S.

### Employees

41 Female

36 Male

77 Total



### Women & People of Color in Leadership Positions

14

Female  
(White)

2

Female  
Reporting two or  
more races

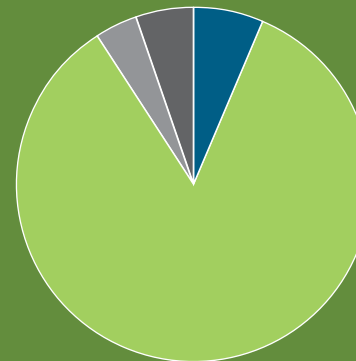
### People of Color

Hispanic or Latino: 5

White: 65

Asian: 3

Two or more races: 4

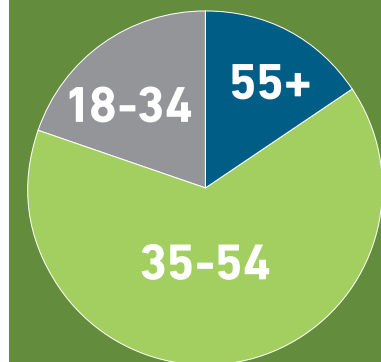


### Employee Age






55+: 12

35-54: 50

18-34: 15



**Goal Progress Report**

	What We Said We Would Do	What We Did
In 2023	Welcome five new Composter, Hauler, Distributors (CHD) who qualify as an economically or socially disadvantaged business	In 2023, our PZW team worked hard to welcome four new CHDs who qualify as economically or socially disadvantaged business enterprises. 
	Integrate with Novolex DE&I initiatives to ensure hiring practices and company culture are embedded into Eco-Products Justice, Equity, Diversity, and Inclusion (JEDI) programs	In 2023 we partnered with Novolex to streamline DE&I efforts, ultimately transitioning our joint focus to DE&I. 
	Hold quarterly JEDI committee meetings	We held three quarterly DE&I Committee meetings, hosted two consecutive DE&I focused trainings, and encouraged employees to attend Novolex DE&I Inclusion Panels throughout the year. 
Every Year Moving Forward	Publish open positions to associations for underrepresented groups	All open positions are published with organizations representing economically or socially disadvantaged groups. 
	Have at least 55% of employees take advantage of paid volunteer time	Wow! In 2023, 67% of employees took advantage of our paid volunteer time benefit. 
	Have at least 90% of our employees include a sustainability and/or JEDI goal in their performance-based goals	Due to inconsistencies in our ability to accurately track this goal, we have decided to remove this goal from future goal sets. We will continue to encourage our employees to have an Impact-minded goal in their annual goal set. <i>Removed</i>

**PEOPLE HIGHLIGHTS:**

67% of our employees took advantage of their paid volunteer time

We joined forces with Novolex to strengthen our DE&I programming

We welcomed four CHDs that qualify as a Disadvantaged Business Enterprise (DBE) to our distributor network

**PARTNERING WITH NOVOLEX FOR EFFECTIVE PEOPLE PROGRAMS**

**SAFETY**

Safety is a big focus for our teams. Our Safety Handbook guides safety requirements and best practices for employees to be safety advocates for themselves and others. The Sustainability & Environment, Health and Safety Committee of the Novolex Board of Directors reviews safety performance and program progress every quarter, ensuring our commitment to safety is a focus throughout our organization starting with our highest governing body.

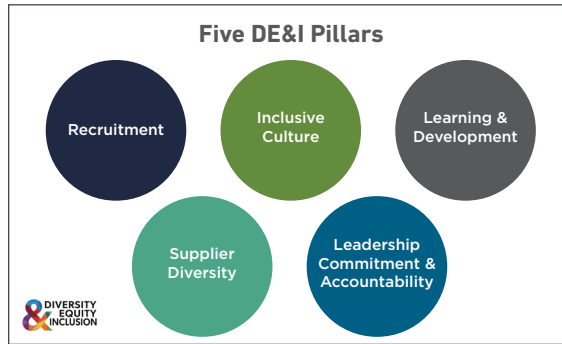
**ETHICS AND HUMAN RIGHTS**

Ethical standards and expectations are communicated through our Employee Code of Conduct and our Supplier Code of Conduct, and the related policies, programs, and procedures outlined within. Additional supply chain sustainability programs are outlined on page 36 of this report in the Products and Supply Chain section.

**DIVERSITY, EQUITY & INCLUSION**

Eco-Products is proud to embody and support the Novolex Diversity, Equity, and Inclusion (DE&I) program and pillars. In 2023 our Sustainability Maven joined the Novolex DE&I Council, which was created as a part of the Leadership Commitment & Accountability Pillar of the DE&I strategy. The council is comprised of leaders across Novolex who provide governance, guidance, and support to DE&I programs and strategies.

In 2023, Novolex formalized its DE&I Policy, launched the DE&I Council, added requirements for hiring managers to complete a DE&I training, and conducted two virtual DE&I



inclusion panels throughout the year.

Additionally, to foster a more diverse workplace, all open positions are posted on websites that serve underrepresented communities. In 2023, all hiring managers were mandated to complete training to help minimize bias during the hiring process.

**EMPLOYEE HEALTH AND WELLNESS**

Novolex offers a range of benefits and tools that support the well-being of our employees. In addition to the comprehensive benefits provided by Novolex, Eco-Products provides employees with a \$25 per month stipend to reimburse employees for expenses related to personal health and well-being, including reimbursements for gym memberships, workout equipment, or mental health resources.

**COMMUNITIES**

**VOLUNTEERING**

Eco-Products employees love being active members in their communities. Every Eco-Products employee is given eight paid volunteer time hours a year, and are encouraged to use all hours allotted to them. Each year we have a goal to have 55% of our employees take advantage of

**EMPLOYEE SPOTLIGHT**

“Working with Eco Products makes me feel incredibly lucky because I am surrounded by passionate, bright people who not only care, but ACT for sustainability. Together we create, share, and problem-solve. With the majority of my work history based in the food industry, I know that it is crucial to find cleaner packaging solutions and reduce food waste going to the landfill. The mission behind our work continues to inspire me and encourages me to keep taking steps towards finding more ways in reducing waste, investing in reusable products, and leading by example.”



Becca Trupiano

“I appreciate that Eco-Products offers a paid volunteer time benefit so that I can continue my commitment to the Oregon Humane Society as a Dog Walking Anchor (team leader) and running with dogs every week. This benefit goes a long way to promoting work-life balance and being engaged in our community.”



Jenny Slepian

their Paid Volunteer Time Off benefit, and in 2023 we exceeded this goal for the second year in a row. **Two-thirds (67%) of Eco-Products employees utilized their paid volunteer time off**, with many employees reporting more than eight hours of volunteer time in their communities.

### DONATIONS

Eco-Products donates products and/or services to organizations in our communities that are trying to drive change for their communities or the planet. While we prioritize events focusing on waste diversion, it is not a requirement for donations. **In 2023, we donated \$443,000 worth of products to our communities.**

### COMPOSTER, HAULER, DISTRIBUTOR (CHD) AS DBE

In 2021, Eco-Products initiated the CHD as a Disadvantaged Business Enterprise (DBE) program. In 2023, **we had a goal of onboarding five CHDs that classify as a DBEs, and are proud to report that four were officially onboarded.**

## FOUR CHDS REPRESENTING DBE WELCOMED IN 2023

**COR Compost**  
*Savannah, Georgia*

**CompostableLA**  
*Santa Monica, California*

**New Earth Farms**  
*St. Louis, Missouri*

**Tommy's Compost**  
*Berkshire County, Massachusetts*



# TOMMY'S

COMPOST SERVICE

### Tommy's Compost

Tommy's Compost is a woman-owned business in Western Massachusetts that helps homes and businesses throughout the Berkshires compost their food waste and generate a nutrient-dense soil amendment.

We worked with Mary, the founder, to develop her business.

In 2023, Tommy's Compost officially became an Eco-Products CHD. The company also recruited its first volunteer employee.

We love being part of their journey and can't wait to continue to watch them grow!

# OUR OPERATIONS

We recognize that as we strive to improve the impacts of our products and the effects they have on our customers and communities, we must also consider the environmental footprint that results from our own operations.

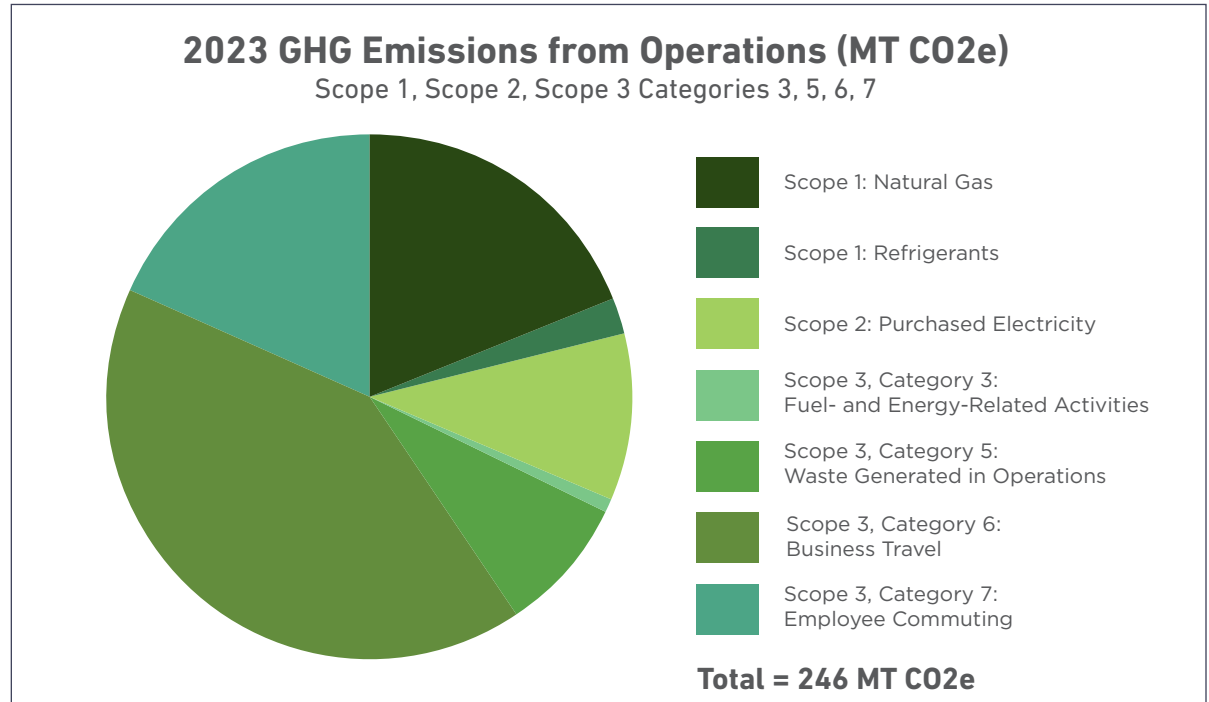
Our operational carbon footprint refers to the total amount of greenhouse gas emissions that are produced by our company's daily operations, outside of our products and supply chain. This includes emissions from sources such as energy consumption at our headquarters, business-related travel, and waste generated at our headquarters.

This section does not include Scope 3 Categories 1, 4, and 12 emissions from our products and supply chain. Eco-Products has measured our operational carbon footprint from our Boulder, Colorado, headquarters and business-related travel since 2010, and has been publishing the data and setting goals for improvement since 2013.

This year, we are proud to report our Scope 1, Scope 2, and Scope 3 Categories 3, 5, 6, and 7 emissions in our operational carbon footprint.

*\*For data pertaining to Scope 3 categories 1, 4, and 12, view page 16 in our Products & Supply Chain section*

Throughout the past 13 years, industry standards for what should be included in an operational carbon footprint have evolved, which we believe is a good thing!



**Scope 1:**  
Direct emissions that result from sources that a company owns or controls, such as combustion or diesel used on site for driving vehicles or burning coal to generate electricity

**Scope 2:**  
Indirect emissions that result from purchased heat, steam, or electricity

**Scope 3:**  
Indirect emissions from within a company's value chain, both upstream and downstream activities

*To learn more about how Eco-Products approaches GHG Inventories, and what we calculate, go to page 36*

Source: <https://www.wri.org/insights/ghg-accounting-corporate-climate-disclosures-explained>





To be aligned with evolving industry standards, we continually strive for improvement and efficiency within our inventory process to make sure the most accurate and up-to-date data are being tracked according to best practices, ensuring each year's inventory is as accurate as possible. This year, we improved our approach to understanding emissions from refrigerant leakage in our headquarters' cooling systems<sup>1</sup> resulting in lower refrigerant emissions than what was reported in previous years.

Due to the reduction in emissions from refrigerants in 2023, our overall operational emissions decreased 17% from what was reported in 2022. Despite this decrease in overall emissions from last year, some individual categories increased from previous years, as we saw a return to more normalized operational activities. Although increased emissions occurred in some categories, emissions from operations stayed below our 2013 baseline amounts.

### ENERGY USE AT HEADQUARTERS

Each year, we have a goal to achieve net-zero electricity consumption at our Boulder headquarters. In 2023, we are proud to have achieved this goal, which we have successfully met every year since 2020.

**In 2023, the rooftop solar panels at our headquarters generated 43% more electricity than we consumed!**

In 2023, our electricity use increased for the first time since 2017. Still, our on-site solar generation is significantly higher than our usage, and illustrates the robust possibilities that renewable energy can provide. With a continual increase

## NOVOLEX'S GHG REDUCTION TARGET

Energy use at our HQ in Boulder also counts toward Novolex's target to reduce GHG emissions by 30% by 2030.

in on-site solar generation year after year, we are confident that we will be able to successfully maintain our net-zero electricity status at headquarters into the future.

Natural gas consumption at headquarters also increased in 2023, with usage 30% higher than in 2022. On-site combustion of fossil fuels is a key contributor to our operational carbon footprint, making up 19% of total operational emissions in 2023. This change in natural gas use can be attributed to increased office occupancy and weather variations from previous years.

### WATER USE AT HEADQUARTERS

With more employees returning to the office in 2023, we saw a 40% increase in water usage from 2022. Each year we strive to maintain our water consumption at 2019 levels and balance our water use through water restoration credits. In 2023, we are proud that we achieved this goal!

**Although our water use increased 40% from 2022, our 2023 water use was still 68% lower than 2019 levels.**

This year, we will continue to monitor our water usage and take actions to conserve water as we resume regular in-office activities.

### MATERIAL AND WASTE GENERATED AT HEADQUARTERS

As a company focused on creating and expanding Zero-Waste solutions and infrastructure, we strive to ensure our daily operations embody this mission as well. We set ourselves an ambitious target to divert 90% of the waste generated at headquarters. **In 2023, we diverted 40% of the waste that we created at our headquarters, which is a decrease in waste diversion from 2022 and from our 2013 baseline.**

While the diversion rate has decreased, the total amount of waste generated at headquarters remains significantly below 2019 and 2013 amounts. Looking ahead, we will be conducting a waste audit at our headquarters to revisit our in-office waste diversion habits, alongside working with our waste haulers to develop methods for more accurate tracking and reporting of our waste data.<sup>2</sup>

### BUSINESS-RELATED TRAVEL

In 2023, we were excited to continue meeting with our customers, stakeholders, and partners face to face. As such, miles driven and flown to these meetings continued to increase from 2020 levels.

Business-related travel emissions increased by 34% from 2022 and miles flown on long-distance flights were the highest since 2019. Despite these increases, business travel emissions were

<sup>1</sup> Previous inventories estimated refrigerant emissions based on refrigerant purchase orders. These orders do not occur every year and therefore did not capture actual annual refrigerant emissions. Our new approach uses best practices from the Intergovernmental Panel on Climate Change to estimate annual leakage based on the building size.

<sup>2</sup> To note: Our trash and recycling hauler aggregates the total weight of waste collected each year from all their customers in the community, and then appropriates waste amounts to customers based on the size of their dumpsters; therefore, regardless of how full our trash or recycling dumpsters are, they are assumed to be filled to the brim every week, which results in skewed data.

still 50% below 2019 levels, before travel was halted in 2020.

We set a goal to maintain business air travel emissions flown per \$1,000 in sales by 5% compared to 2019 levels.

**Relative to our company’s total revenue, emissions from business air travel in 2023 were 41% lower than 2019.<sup>3</sup>**

While we saw more frequent business travel compared to 2022, remote meetings still provide opportunities to keep business travel emissions low moving forward. We know from the last three years that we can successfully support our customers and pursue our mission both in person and virtually, and we look forward to continuing to optimize our business travel where possible.

**EMPLOYEE COMMUTING**

In 2023, we continued to support a hybrid remote work environment, while bringing employees back to the office on a more scheduled frequency.

**In 2023, emissions from employee commuting were 83% higher than similar emissions in 2022, which is expected due to the increase of in-office workdays.** Even with this increase from 2022, commute emissions were still 59% lower than pre-pandemic levels in 2019.

Additionally, an estimated 14% of miles traveled to headquarters were driven by electric vehicles, the highest share recorded since we began tracking commute emissions.<sup>4</sup>

Remote work is just one effective way to continue to keep commute emissions low into the future. Moving forward, we will continue

to investigate methods to encourage walking, biking, public transit or multi-modal options, and low- or zero-emission vehicles.

**OUR OPERATIONS IN RELATION TO OUR PRODUCT & SUPPLY CHAIN FOOTPRINT**

Eco-Products is proud of the work we do to maximize efficiency within our operational carbon footprint, and we also recognize that our operations make up only a tiny fraction of our company’s entire carbon footprint. By setting annual targets and having a continuous improvement mindset, we commit to making resource efficiency a standard and integrated practice within our operational carbon footprint.

To understand how the metrics shared in the Our Operations section of this report relate Scope 3 emissions reported upon in the Products & Supply Chain section of this report, please see the Greenhouse Gas (GHG) Inventory section of the report.

**CARBON OFFSETS**

As part of our commitment to environmental stewardship, Eco-Products has offset our operational emissions through carbon offset programs since 2013.

Over the years, we have participated in technology based offset programs that contribute to GHG avoidance projects, such as landfill gas capture and renewable energy processes.

Looking forward, we are committed to investing in programs with reputable organizations that work to mitigate GHG emissions through nature-based solutions and other avoidance and removal projects.

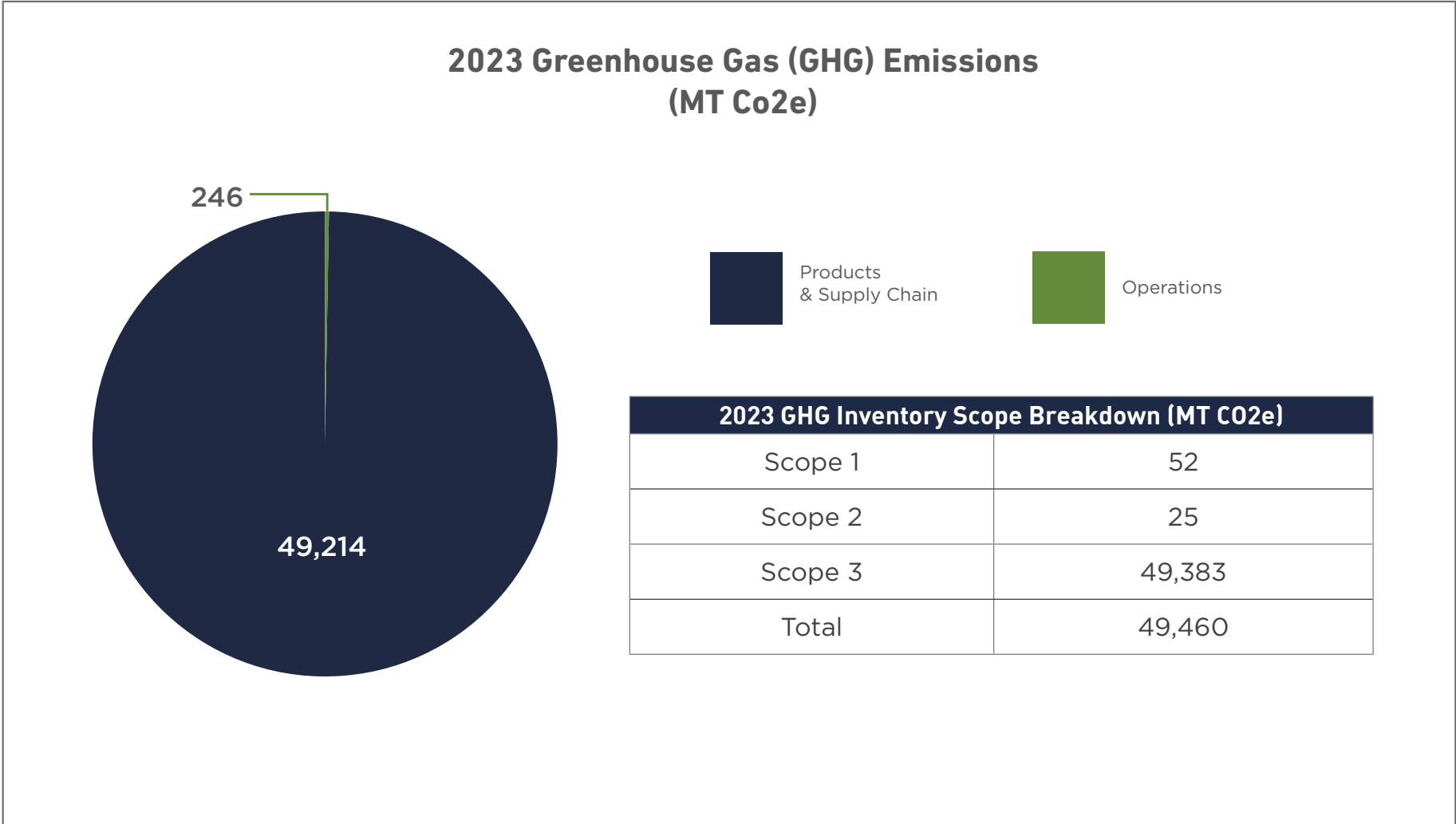
Category	% change from 2013	% change from 2022
On-Site Solar Produced	+39%	+0.1%
Electricity Consumption	-40%	+40%
Water Consumption	-68%	+40%
Carbon Emissions from Business Travel	-28%	+34%
Employee Commuting	-45%	+83%
Waste Diverted	-31%	-11%

<sup>3</sup> Starting in 2023, Vegware U.S. sales are included as part of total revenue.

<sup>4</sup> Commute emissions are estimated based on an employee commute survey. Respondents report their vehicle type, distance to headquarters, and frequency of commuting. Actual miles traveled by electric vehicles or other modes may vary from those estimated from the survey.

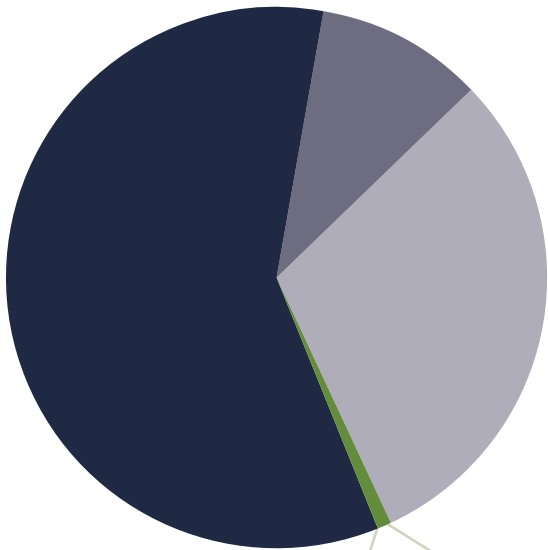
# GREENHOUSE GAS (GHG) INVENTORY

Eco-Products reports on its GHG Inventory in two different sections of this report. In the Products and Supply Chain section, we report on Scope 3 Categories 1, 4, and 12. In the Our Operations section, we report on Scope 1, Scope 2, and Scope 3 Categories 3, 5, 6, and 7. As with many companies, the majority of our GHG emissions occur in Scope 3.



## 2023 GHG Inventory: Products & Supply Chain and Operations (MT CO2e)

**Total = 49,460 MT CO2e**



### Products & Supply Chain 49,214 MT CO2e

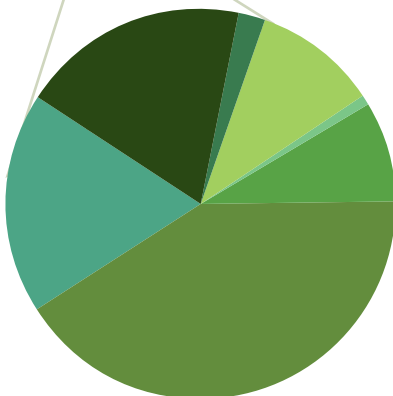
- Scope 3, Category 1: Purchased Goods and Services
- Scope 3, Category 4: Upstream Transportation
- Scope 3, Category 12: End-of-Life Treatment of Sold Products

### Operations 246 MT CO2e

- Scope 1: Natural Gas
- Scope 1: Refrigerants
- Scope 2: Purchased Electricity
- Scope 3, Category 3: Fuel- and Energy-Related Activities
- Scope 3, Category 5: Waste Generated in Operations
- Scope 3, Category 6: Business Travel
- Scope 3, Category 7: Employee Commuting

#### Operations Detail

The Operations portion of our GHG Inventory is less than 1% of our total emissions, so we've enlarged that portion of the pie chart here to share the category breakdown.



Scope 3 Categories	If/Where We Report this Data
Category 1: Purchased Goods/ Services	Yes (Products & Supply Chain)
Category 2: Capital Goods	N/A
Category 3: Fuel & Energy Related Activities	Yes (Operations)
Category 4: Upstream Transportation & Distribution	Yes (Products & Supply Chain)
Category 5: Waste Generated in Operations	Yes (Operations)
Category 6: Business Travel	Yes (Operations)
Category 7: Employee Commuting	Yes (Operations)
Category 8: Upstream Leased Assets	N/A
Category 9: Downstream Transportation & Distribution	Not Yet
Category 10: Processing of Sold Products	N/A
Category 11: Use of Sold Products	N/A
Category 12: End-of-Life treatment of sold products	Yes (Products & Supply Chain)
Category 13: Downstream Leased Assets	N/A
Category 14: Franchises	N/A
Category 15: Investments	N/A

# GOALS PROGRESS OVERVIEW

We are proud of the work we did in 2023 to make progress in each goal area. While it is not always possible to demonstrate linear or measurable progress towards each goal in a 12 month period, we continually look for ways to keep moving forward. In 2024, we plan to utilize findings from our Materiality Assessment and GHG Inventory to update our goal structure through at least 2030.

What We Said We'd Do		Status
<b>Our Products &amp; Supply Chain</b>		
In 2023	Maintain current beginning-of-life (BOL) certifications. And achieve new BOL certification through FSC for wood items (cutlery and stir sticks), and Bonsucro certification for PLA derived from sugarcane	
	Pilot the use of Post-Consumer Recycled content in polyethylene product sleeves for PLA cups from our Chattanooga, Tennessee, facility.	
By 2025	Maintain current BOL certifications, and achieve BOL certifications for 50% of virgin paperboard and sugarcane.	
	Update the environmental standards for our products, by which Eco-Products continues to innovate to meet evolving expectations and technologies in sustainability, circularity, and legislation.	
	Maintain supplier participation in the Intertek Inlight™ end-to-end Supplier Qualification Operating System. In combination with the Novolex Supplier Code of Conduct, use the survey to ensure ESG performance throughout our supply chain.	
	Continue working toward building our Scope 3 GHG Inventory, and in partnership with Novolex develop, plan, and update targets through which we will work on Scope 3 GHG reduction targets.	
<b>Zero Waste Infrastructure</b>		
In 2023	Support expansion of access to commercial composting of foodservice packaging in at least 5 communities across the U.S. and 2 communities across Canada.	U.S.: Surpassed Canada: Not Met
	Launch the Contamination Task Force at Eco-Products, with the initial 2023 focus of tackling contamination issues with composters, cleaning up waste streams, and supporting better waste diversion efforts across the country.	
By 2025	Develop program to better support compost infrastructure through effective end-market demand of finished compost.	
	Update labeling, consumer education, and product development program to support effective end-of-life (EOL) scenarios of products through increased access and enhanced recovery. It is not just about access, but ensuring the products are collected, received, and recovered.	

# GOAL PROGRESS OVERVIEW



What We Said We'd Do		Status
<b>Waste DIVERTING OPERATORS 1</b>		
In 2023	Help at least 25 U.S. foodservice operators and three Canadian foodservice operators implement a front-of-house (FOH) Waste Diversion Program.	U.S.: 24 Canada: Not Met
	Develop the Waste Diversion Operator Tune-Up Program. Conduct the tune up with 10 current Waste Diverting Operators to ensure Waste Diversion success is still occurring, hoping to reduce contamination and support waste diversion infrastructure across the U.S. <i>Goal Topic Update</i>	
By 2025	Enhancing training program and support for Waste Diversion success at the operator level. To include updates to training manuals and support to drive proper waste diversion practices, reduce contamination, and get closer to Zero Waste.	
	Using the Waste Diverting Operator Tune-Up Program, all Waste Diverting Operator partnerships finalized before 2024. <i>Transitioned to the CIRC Program</i>	
<b>People</b>		
In 2023	Welcome five new Composter, Hauler, Distributors (CHD) who qualify as an economically or socially disadvantaged business	
	Integrate with Novolex DE&I initiatives to ensure hiring practices and company culture are embedded into Eco-Products JEDI programs.	
	Hold quarterly JEDI committee meetings.	
Every Year Moving Forward	Publish open positions to associations for underrepresented groups.	
	Have at least 55% of employees take advantage of paid volunteer time.	
	Have at least 90% of our employees include a sustainability and/or JEDI goal in their performance-based goals.	Removed
<b>Our Operations 1</b>		
In 2023	Maintain our normalized carbon dioxide (CO2e) emissions from business travel at 5% or lower than 2019 travel.	
Every Year Moving Forward	Offset our operational emissions through carbon offsets.	
	Maintain water consumption at 2019 levels and balance our water use through water restoration credits.	
	Reach and maintain waste diversion of 90% or greater at HQ.	
	Maintain net-zero electricity consumption at HQ.	

## CONCLUSION: FUTURE GOALS

We strive to make sure we're always improving upon our social and environmental impacts.

In 2024, we will revisit and update our Sustainability and Impact strategy and plan to have goals extend through at least 2030. But for now, here are the goals we continue to work toward.

### OUR PRODUCTS & SUPPLY CHAIN

How our products impact our communities and the planet.

#### In 2024:

- » Maintain current beginning-of-life (BOL) certifications, and achieve new BOL certification through FSC for wood items (cutlery, stir sticks, etc.), and Bonsucro certification for PLA derived from sugarcane.
- » Pilot the use of Post-Consumer Recycled content in Polyethylene product sleeves for PLA cups from our Chattanooga, Tennessee, facility.

#### By 2025:

- » Maintain current BOL certifications, and achieve BOL certifications for 50% of virgin paperboard and sugarcane.
- » Update the environmental standards for our products, by which Eco-Products continues to innovate to meet evolving expectations and technologies in sustainability, circularity, and legislation.
- » Maintain supplier participation in the Intertek Inlight™ end-to-end Supplier Qualification Operating System in combination with the Novolex Supplier Code of Conduct, and use the survey to ensure ESG performance throughout our supply chain.
- » Continue working toward building our Scope 3 GHG Inventory, and in partnership with Novolex, develop, plan, and update targets through which we will work on Scope 3 GHG reduction targets.

### ZERO WASTE INFRASTRUCTURE

How we support increased circularity for the products we make.

#### In 2024:

- » Support expansion of access to commercial composting of foodservice packaging in at least five communities across the U.S., and two communities across Canada.

#### By 2025:

- » Develop program to better support compost infrastructure through effective end-market demand of finished compost.
- » Update labeling, consumer education, and product development program to support effective end-of-life (EOL) scenarios of products through increased access and enhanced recovery. It is not just about access, but ensuring the products are collected, received, and recovered.



## WASTE DIVERTING OPERATORS

How we support operators in their Waste Diverting journeys.

### In 2024:

- » Help at least 25 U.S. foodservice operators and three Canadian foodservice operators implement a front-of-house (FOH) Waste Diversion Program.

### By 2025:

- » Enhance training program and support for Waste Diversion success at the operator level. To include updates to training manuals and support to drive proper waste diversion practices, reduce contamination, and get closer to Zero Waste.

## PEOPLE

How we treat our employees, communities, and individuals working throughout our value chain.

### In 2024:

- » Welcome five new Composter, Hauler, Distributors (CHDs) that qualify as economically or socially disadvantaged businesses.

### Annual Standard

- » Publish open positions to associations for underrepresented groups.
- » Have at least 55% of employees take advantage of paid volunteer time.

## OUR OPERATIONS

How the way we operate impacts the planet and our communities.

### In 2024:

- » Maintain our normalized carbon dioxide (CO<sub>2</sub>e) emissions from business travel at 5% lower than relevant 2019 travel.

### Every Year Moving Forward We Will:

- » Offset our operational emissions through carbon offsets.
- » Maintain water consumption at 2019 levels and balance our water use through water restoration credits
- » Reach and maintain waste diversion of 90% or greater at HQ.
- » Maintain net-zero electricity consumption at HQ.



Email your comments or questions to [sustainabilitymaven@ecoproducts.com](mailto:sustainabilitymaven@ecoproducts.com)

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