

# **Eco-Products, PBC**

Disclosure Report

Date Submitted: October 16th, 2023



## **Disclosure Materials**

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company



## **Disclosure Questionnaire**

#### **Industries and Products**

#### Yes No Please indicate if the company is involved in production of or trade in any of the following. Select Yes for all options that **Animal Products or Services** $\boxed{}$ **Biodiversity Impacts** Chemicals $\boxed{}$ **Disclosure Alcohol Disclosure Firearms Weapons** $\boxed{}$ **Disclosure Mining** $\boxed{}$ **Disclosure Pornography** $\boxed{}$ **Disclosure Tobacco** $\boxed{}$ **Energy and Emissions Intensive** $\boxed{}$ Industries Fossil fuels $\square$ Gambling **Genetically Modified Organisms** $\boxed{}$ Illegal Products or Subject to $\boxed{}$ **Phase Out** Industries at Risk of Human $\square$ **Rights Violations Monoculture Agriculture** $\square$ **Nuclear Power or Hazardous** $\overline{\mathbf{A}}$ **Materials** Payday, Short Term, or High **Interest Lending Water Intensive Industries** $\overline{\mathbf{A}}$ Tax Advisory Services $\overline{\mathbf{A}}$

#### **Outcomes & Penalties**

	Yes	No	
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.			
Anti-Competitive Behavior		$\searrow$	
Breaches of Confidential Information		V	
Bribery, Fraud, or Corruption		N.	
Company has filed for bankruptcy		$\checkmark$	
Consumer Protection		V	
Financial Reporting, Taxes, Investments, or Loans		N	
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		N	
Labor Issues		V	
Large Scale Land Conversion, Acquisition, or Relocation		N	
Litigation or Arbitration		V	
On-Site Fatality		V	
Penalties Assessed For Environmental Issues		N	
Political Contributions or International Affairs		N	
Recalls		V	
Significant Layoffs		V	
Violation of Indigenous Peoples Rights		V	
Other		$\checkmark$	



### **Practices**

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		K
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		V
Company prohibits freedom of association/collective bargaining		
Company workers are prisoners		$\searrow$
Conduct Business in Conflict Zones		V
Confirmation of Right to Work		V
Does not transparently report corporate financials to government		N
Employs Individuals on Zero-Hour Contracts		V
Facilities located in sensitive ecosystems		N
ID Cards Withheld or Penalties for Resignation		\
No formal Registration Under Domestic Regulations		V
No signed employment contracts for all workers		V
Overtime For Hourly Workers Is Compulsory		V
Payslips not provided to show wage calculation and deductions		V

	Yes	No
Sale of Data		V
Tax Reduction Through Corporate Shells		V
Workers cannot leave site during non-working hours		V
Workers not Provided Clean Drinking Water or Toilets		$\supset$
Workers paid below minimum wage		N
Workers Under Bond		$\checkmark$
Other	$\checkmark$	

## Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		$\checkmark$
Child or Forced Labor		$\checkmark$
Negative Environmental Impact		$\vee$
Negative Social Impact		$\vee$
Other		$\checkmark$



## **Disclosure Questionnaire Statement**

**Disclosure Questionnaire Category: Disclosure Industries** 

Topic	The company produces single-use foodservice products.
Summary of Issue	Eco-Products PBC offers single-use foodservice products - everything from cups, straws and lids, to sandwich wraps, bowls, and cutlery. The products are made predominantly with renewable sources (92% of sales in 2022) including corn, sugarcane or wood, or with post-consumer recycled content (5% of sales in 2022) such as rPET (recycled polyethylene terephthalate), or rPS (recycled polystyrene).
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The company earns 100% of its annual revenue from the sale of single-use food service products. Around 85% of the company's product portfolio has third-party environmental certifications. In 2022, 92% of products were made with renewable resources, and 5% were made with post-consumer recycled content. In 2022, 93% of products were classified as compostable or recyclable at the end of their useful life. This data is available on page 15 of the <a href="Eco-Products 2022"><u>Eco-Products 2022</u></a> <a href="Impact Report"><u>Impact Report</u></a> .
Impact on Stakeholders	The single-use plastics industry presents some risks flagged by B Lab as material environmental concerns:  - Raw materials: While only a small portion of Eco-Products' sales rely on fossil fuel based raw materials, the use of oil-based raw materials contribute to the increase of carbon emissions throughout the supply chain.  - Business Model: Underutilization of the product life cycle, loss of material economic value  - Generation of excessive waste that takes a long time to degrade.  B Lab has flagged the single-use plastic industry as a material issue and new standards will be created to address possible
	risks related to this matter. Eco-Products will have a grace period of one recertification cycle, whenever new standards are available, to abide by the new risk requirements.
Implemented	Eco-Products positions itself as a business that provides



#### **Management Practices**

environmentally responsible alternatives to single-use plastics for food service needs by providing single-use food service products made from renewable resources (93% of products in 2022) that can be composted at the end of their useful life, or products made from post-consumer recycled content, which help drive recycling infrastructure demand.

Eco-Products, PBC is engaged in the following practices to address the concerns about single-use from the perspectives of the materials that go into the company's products and how their packaging products are disposed of after use.

- The vast majority of the raw materials used to make Eco-Products food packaging come from renewable (92%) or post-consumer recycled (5%) content. Renewable materials include sugarcane, bamboo, paperboard, Polylactic acid (PLA, a thermoplastic monomer derived from renewable, plant-based sources such as corn starch or sugar cane), Polyhydroxyalkanoates (PHA, naturally occurring compostable polymer). Products made with renewable materials are designed to be composted after use. Post-consumer recycled content (PCR) includes recycled polyethylene terephthalate (rPET) or recycled polystyrene (rPS). In 2022, 93% of the products were designed to either be composted or recycled. Further information about their renewable and PCR materials can be found on page 15 of the <a href="Eco-Products 2022 Impact Report">Eco-Products 2022 Impact Report</a>.
- Eco-Products assertions about the sustainable attributes of their products are backed up by leading third-party certification organizations and testing laboratories, and the majority of the company's products benefit from one or more third-party evaluations, including:
- (1) <u>Biodegradable Products Institute (BPI)</u>: is the most widely recognized organization that certifies products as compostable, meeting American Society for Testing and Materials (ASTM) standards for compostable products in North America.

  (2) <u>SCS Global Services</u> provides independent verification of the use of recycled content, certifying the percentage of a product that was made from recycled content or recycled materials. This certification is for product manufacturers that use post-consumer or pre-consumer recycled content and want to make a verified claim.



(3) In some instances, Eco-Products adheres to guidance from the United States Department of Agriculture (USDA) for identifying the percentage of biopreferred content in a product. The <u>USDA BioPreferred® Program</u> designates categories for federal purchasing as well as provides certification categories for voluntary labeling that identifies products with renewable content. Unique biobased content minimums have been established as part of the process of designating categories for federal purchasing preference. Product categories that are part of the federal purchasing program and associated labeling must have a minimum of 25% biobased content.

Eco-Products also reported that there is a growing concern over the use of per- and polyfluoroalkyl (PFAS) substances in food service products, in spite of the fact they are permitted for use in food contact packaging by the US Food and Drug Administration. PFAS chemistry is used to provide oil and grease resistance. The company stated that some US states have banned or will ban the use of PFAS in food packaging. Long before the bans began, Eco-Products began to develop a grease-resistant chemistry to prevent oil and water absorption without the need for added PFAS. These products are marketed as Vanguard molded fiber plates, bowls and clamshells (for example), and are available to all customers, but mandated in legislated states. To read more about the progression of the Vanguard line of molded fiber products, review pg 16 of the Eco-Products 2022 Impact Report.

Report

- Eco-Products 2022 Impact Report