

2024

# ESG REPORT

Environmental,  
Social & Governance



**BABCO**  
BUILDING SERVICES

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# 1. MESSAGE FROM THE CEO

## A Commitment to Sustainability and Empowerment

At Babco Services LLC, our commitment to sustainability and social responsibility is embedded in everything we do. We recognize that our role goes beyond providing excellent services, we have a responsibility to our employees, communities, and the environment. This report outlines our ongoing efforts to integrate Environmental, Social, and Governance (ESG) principles into our business strategy.

We are proud of the progress we have made in reducing waste through reuse programs, supporting our workforce with education and well-being initiatives, and strengthening our governance framework to promote transparency and ethical practices. Our efforts to empower women, especially through our Babco Foundation, reflect our dedication to fostering inclusive growth and social equity.

Our journey is ongoing, and we are committed to continuous improvement. By sharing this report, we hope to inspire confidence in our stakeholders and demonstrate our dedication to building a more sustainable and equitable future.



*Thank you for your continued support.*

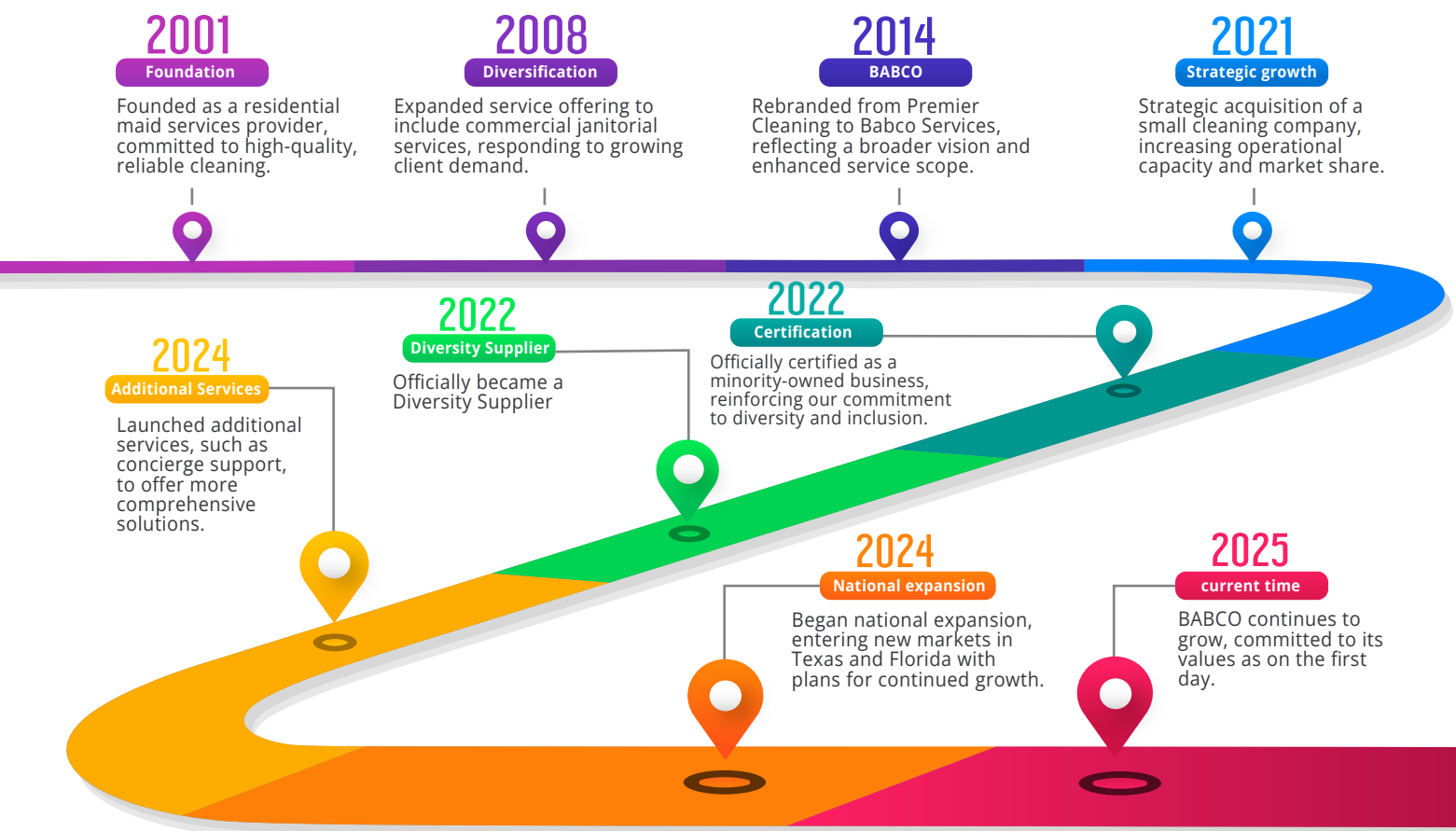
**Diana Betancourth**  
Chief Executive Officer  
Babco Services LLC

## 2. ESG STRATEGY OVERVIEW

### Purpose and Vision

Babco Services LLC is dedicated to integrating ESG principles into our core business operations. Our vision is to create sustainable value for our stakeholders by balancing environmental stewardship, social responsibility, and strong governance.

### Babco Services – ESG Timeline:



### Key Focus Areas:

- Environmental Sustainability:** Implementing programs that reduce waste, conserve resources, and lower our carbon footprint.
- Social Responsibility:** Empowering employees through education, health programs, and inclusion initiatives.
- Governance:** Maintaining transparent, ethical practices supported by a strong code of conduct and effective reporting.

### ESG Integration Model

We adopt a holistic ESG model where Environmental, Social, and Governance aspects overlap and reinforce each other to drive sustainable growth and positive impact.

# 3. ENVIRONMENTAL IMPACT

## Towards a Greener Operation

Babco Services LLC has implemented multiple initiatives aimed at minimizing our environmental impact:



### **Vacuum Maintenance Program:**

We repaired 455 vacuums this year, extending their lifespan and reducing waste.

### **Green Products and Software Automation:**

Use of environmentally friendly cleaning products and automation to reduce paper and operational waste.

### **Uniform Reuse:**

305 uniforms were reused, supporting circular economy practices within the company.

### **Recycling Campaigns and Waste Separation:**

Ongoing efforts to ensure proper waste disposal and recycling within all departments.

### **Packaging Reuse:**

9,604 gallons of cleaning product containers were reused, significantly reducing single-use plastic waste.

### **Digitalization:**

Adoption of **DocuSign** and other paperless technologies to reduce paper consumption.

### **Cleaning Cloth Reuse and Efficient Laundry Practices:**

Only full loads of laundry are washed to conserve water and energy.

### **Route Optimization:**

Advanced planning to reduce fuel consumption and emissions in our service routes.



# Environmental Impact Summary

Initiative	Quantity / Metric
Vacuums Repaired	455 units
Cleaning Containers Reused	9,604 gallons
Uniforms Reused	305 units
Paper Saved via Digitalization	Estimated 10,000+ sheets

## 4. SOCIAL INITIATIVES & WORKFORCE DEVELOPMENT

### Empowering People from Within

At Babco, our employees are our greatest asset. We invest in their growth, health, and well-being:

#### Workforce Development:

- English as a Second Language (ESL) classes offered to non-bilingual employees.
- Career development plans and internal promotion pathways.
- DISC assessments to help team members understand their work styles and improve collaboration.
- Training verification to ensure skills and certifications are up to date.
- Access to therapy and immigration advice.

#### Employee Well-being:

- Financial Assistance Program: An unofficial but vital program providing support in times of financial hardship.
- Health and Safety Campaigns: Including annual breast cancer awareness (Pink October), workplace safety protocols, and mental health support.
- Psychological support services available for employees.
- Special occasion celebrations and recognition programs to build morale and community.
- Coffee with People & Culture sessions to promote dialogue and inclusion.

#### Internal Communication & Belonging:

- Monthly Babco News to keep all employees informed.
- Cultural events and recreational activities to foster teamwork.
- Role-switching exercises to enhance empathy and understanding across functions.

#### Additional Highlights:

- Two workplace satisfaction surveys conducted to gather feedback and improve conditions.
- Monthly empathy and humanity campaigns promoting respect and kindness in the workplace.



## Advancing the United Nations Sustainable Development ideas

Babco Services LLC conducted a strategic assessment of how our operations and sustainability initiatives align with the United Nations Sustainable Development Goals (SDGs). This analysis helped us identify our contributions and commitments to global priorities across relevant targets.

To guide this process, we utilized the Practical Guide for Integrating the SDGs into Corporate Reporting, developed by the Global Reporting Initiative (GRI) and the United Nations Global Compact. Following this framework, we reviewed each SDG target relevant to our industry and service delivery, evaluated associated risks and opportunities, and outlined the following approach to map our alignment and impact:

### BABCO MATERIAL SDGs



### BABCO SUSTAINABLE SOLUTIONS PORTFOLIO





# 6. GOVERNANCE & ETHICS

## Transparency and Ethics at the Core

Babco Services LLC maintains a strong governance framework to ensure accountability and ethical conduct:

Component	Description
Code of Conduct	Launched in 2023, it outlines our values and expected behavior.
Reporting	Monthly departmental reports to track performance and compliance.
Performance Evaluations	Biannual reviews including both qualitative and quantitative metrics.
Internal Audits	Regular audits to ensure adherence to policies and identify areas for improvement.
Customer Feedback	Systematic collection and review of customer comments and complaints.
Data Security	Commitment to protecting employee and customer information with robust privacy measures.

## Governance Structure

Role	Number of Employees
CEO	1
Directors	2
Managers	7
Supervisors	13
Analysts	14
Assistants	8
Operations Staff	631





## 7. SUPPLIER DIVERSITY

### Creating Opportunities Within and Beyond

Babco promotes supplier diversity through initiatives that encourage internal entrepreneurship and support minority vendors:

- Preference for internal vendors to foster business growth among employees.
- Support programs for minority-owned businesses to participate in Babco's supply chain.
- Mentorship opportunities to develop entrepreneurial skills and business acumen.



### — Babco Employee & Vendor

*Becoming an internal vendor through Babco's program has empowered me to grow my own business while contributing to the company's success.*

## 8. THE BABCO FOUNDATION



*Thanks to a microloan from the Babco Foundation, I was able to start a small catering business to support my family.*



— Foundation Beneficiary

### Women Empowerment & Microloans

The Babco Foundation focuses on empowering women, particularly heads of households, through microloans and social programs:

- Provides emergency and developmental loans to women to promote financial independence.
- Integrates social impact efforts with Babco's core business operations for sustainable change.



# 9. KPIs & IMPACT METRICS

## Gender Equity Breakdown

Role	Women	Men	Total
Operations	293	338	631
Assistants	5	3	8
Analysts	6	8	14
Supervisor	8	5	13
Managers	5	2	7
Directors	2	0	2
Total	319	356	675

**Women make up 47%** of total roles and hold 2 out of 2 director positions.

## Environmental KPIs

Initiative	Quantity / Metric
Vacuums Repaired	455 units
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# 10. LOOKING AHEAD

## A Future Built on Responsibility

Babco Services LLC is committed to advancing our ESG initiatives with the following priorities:

- Expanding financial aid and employee support programs.
- Implementing further automation to increase operational efficiency and reduce environmental impact.
- Pursuing supplier diversity certifications and expanding minority vendor engagement.
- Developing carbon emissions tracking and reporting mechanisms.
- Integrating an ESG scorecard to measure and communicate our progress transparently.



## CONTACT INFORMATION

For questions or more information about Babco Services LLC's ESG efforts, please contact:  
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