BABCO
BUILDING SERVICES

babcoservicellc.com

2025

ESG REPORT

Environmental, Social & Governance



Reporting period: January – December 2025
Babco Services LLC · NMSDC-certified MBE

GROWING WITH PURPOSE

Table of CONTENTS

Message from the CEO	03
ESG Strategy Overview	04
Environmental Impact	05
Social Initiatives & Workforce Development	06
Sustainable Development Goals	07
Governance & Ethics	08
Supplier Diversity & Supply Chain	09
Community Partnerships	10
KPIs & Impact Metrics	11
Looking Ahead	12

1. MESSAGE FROM THE CEO

Growing with Purpose

At Babco Services LLC, 2025 was a year of growth and of building the structure to sustain it. We now serve clients across nine states, and we have organized our company so that every client, every property and every employee has clear leadership and support behind them.

Growth only matters if it is responsible. In 2025 we laid the groundwork that, by the time of this report, has delivered the renewal of our Minority Business Enterprise certification with the National Minority Supplier Development Council (NMSDC), a dedicated Compliance function, stronger payroll and financial controls, and a formal annual budgeting process. We continued to extend the life of our equipment and uniforms, reuse product containers, and move our processes from paper to digital.

Our people remain at the center of everything we do. Our leadership team is led by women, and we keep investing in the well-being, training and growth of the team members who care for our clients' spaces every day. At Babco, we continue to support women heads of household on their path to financial independence.

This report shares what we achieved, where we still have work to do, and what comes next.

Thank you for your continued trust.

Diana Betancourth
Chief Executive Officer
Babco Services LLC



2. ESG STRATEGY OVERVIEW

Our purpose is unchanged: to create sustainable value for clients, employees and communities by balancing environmental stewardship, social responsibility and strong governance. What changed in 2025 is scale — today Babco runs two operating regions plus a dedicated Hospitality line, supported by central Finance, Customer Experience, Talent and Compliance teams.

SERVICE LINES

Commercial Janitorial & Porter · Hospitality · Maintenance Tech · Best Maids (residential)

FOOTPRINT · 9 STATES

NJ · NY · MA · PA · CT · RI · NH · TX · FL

Babco Services – ESG Timeline

2001
Founded as a residential maid services provider.

2008
Expanded into commercial janitorial services.

2014
Rebranded from Premier Cleaning to Babco Services.

2021–22
Strategic acquisition; certified minority-owned and diversity supplier.

2024
National expansion into Texas and Florida; concierge services launched.

2025 → today Building the structure to grow responsibly

2025
Organizing and structuring our team

2026
Investing in technology and AI innovation, and a strong expansion in Florida

Key Focus Areas

Environmental
Extend asset life, cut paper and start measuring our carbon footprint.

Social
Develop, protect and listen to our workforce; empower women economically.

Governance
Clear accountability, compliance, financial controls and transparent reporting.

3. ENVIRONMENTAL IMPACT

Towards a Greener Operation

We focus on what a cleaning company controls most directly: equipment and uniform life, chemicals and packaging, paper and miles driven. In 2025 we kept every 2024 program running, scaled container reuse and started measuring our fleet.

600
Vacuums repaired
455 in 2024 · +32%

25,822
Gallons of containers reused
9,604 in 2024 · +169%

~350
Uniforms reused (est.)
305 in 2024 · +15%

70.7%
Product bought as concentrate
diluted in-house

Vacuum Maintenance Program

600 repairs for $8,707 in parts (about $14.50 each vs. $147 for a new unit), saving about $79,500. Only 25 units retired all year.

Green & Concentrated Products

24% of chemical spend went to CleanIt's green line; 70.7% of product is bought as concentrate and diluted in-house.

Packaging Reuse

13,572 gal of containers reused from purchased product plus 12,250 gal recycled by inspectors; 17,207 gal dispensed in-house.

Uniform Reuse

An estimated 350 uniforms reused, including 286 recovered from departing employees, avoiding about $5,900 in new polos ($16.94 each).

Cloth Reuse & Efficient Laundry

One consolidated wash a week. Reconditioned rags go only to Best Maids residential cleaners, never to common areas.

Route Optimization

Routes planned with Google Maps for 22 company vehicles: 14 Babco and 8 Best Maids.

Digitalization

100% of 2025 hiring (about 500–600 positions) was done online and 80 contracts were signed digitally, saving an estimated 12,000 sheets of paper.

Recycling & Waste Separation

Proper waste disposal and recycling in every office and department.

NEXT: Measuring our footprint

Our fleet inventory is complete: 22 company vehicles plus 6 personal vehicles in service. Tracking fuel use and office energy is our next step toward a first carbon estimate.

4. SOCIAL INITIATIVES & WORKFORCE DEVELOPMENT

Empowering People from Within

Our team grew to 888 employees (675 in 2024), 55% of them women, and we built dedicated structures to support them: a Talent area for Human and Organizational Development, a Workplace Well-being lead, a Team Care unit that supports field employees day to day, and recruitment teams specialized by service line.

Workforce Development	• ESL classes for 93 non-bilingual employees • Career plans and 2 internal promotions • 42 DISC assessments and 44 performance evaluations • 5 administrative training sessions and coaching for 10 team members • New virtual training model on our internal Sites to keep field teams trained on quality standards • Payroll and billing controls training for the Payroll team
Employee Well-being	• Dedicated Workplace Well-being lead within People & Culture • Psychological support for 5 employees • Employee Benefits program: $39,469 in emergency loans to 15 team members • Health campaigns, including Pink October
Health & Safety	• Workplace safety protocols and 4 safety training sessions • 54 workplace incidents and 60 lost-time days in 2025
Listening to Our People	• Employee NPS of 82.5: 88% promoters and 5.5% detractors • Coffee with People & Culture sessions • Leadership field visits to critical properties
Communication & Belonging	• Monthly Babco News: 12 editions in 2025 • Cultural, recognition and recreational events • Role-switching exercises and monthly empathy campaigns
Supporting Field Teams	• Team Care unit for day-to-day field employee support • Bilingual supervision and recruitment across all regions • Commission program open to all employees, not only sales

5. SUSTAINABLE DEVELOPMENT GOALS

We keep the SDG mapping we built in 2024 with the GRI and UN Global Compact practical guide for integrating the SDGs into corporate reporting — and now link each goal to the evidence in this report.

BABCO MATERIAL SDGs

3 Good Health & Well-being
Well-being programs; donated cleanings for cancer patients · p.06, 10

4 Quality Education
ESL, DISC, training verification, internal training · p.06

5 Gender Equality
Women-led leadership; 55% women workforce · p.08, 11

8 Decent Work & Economic Growth
888 jobs, internal promotion, emergency loans · p.06

10 Reduced Inequalities
NMSDC MBE certification; ~$2M with 8 internal vendors · p.09

13 Climate Action
Route optimization and our first carbon baseline · p.05

16 Peace, Justice & Strong Institutions
Compliance area, code of conduct, audits, financial controls · p.08

BABCO SUSTAINABLE SOLUTIONS PORTFOLIO

6 Clean Water & Sanitation
Water-conscious cleaning and full-load laundry

11 Sustainable Cities & Communities
Healthier, cleaner buildings for our clients

12 Responsible Consumption
Equipment, uniform and container reuse; green products · p.05

17 Partnerships for the Goals
Supplier, CBCF and Cleaning for a Reason partnerships · p.09–10

6. GOVERNANCE & ETHICS

7 / 7 executive leaders are women

59 named leadership & support roles

In 2026 Babco reorganized into seven areas reporting to the CEO, each with a named leader, and created a dedicated Compliance function.

Component	Status
Compliance	New area with a dedicated Compliance Analyst, reporting directly to the CEO
Financial controls	Payroll audit role, payroll and billing controls program, formal annual budget (2027 launched Oct 2026)
Policies & procedures	Commission policy; SOPs for personnel changes, dispatch, recruitment and client follow-up
Code of Conduct	In force since 2023; updated in 2025
Reporting & evaluations	Monthly departmental reports, CEO financial close reports, biannual performance reviews
Internal audits	132 internal audits in 2025: transactions (48), card expenses (48), temporary positions (24), accounting categories (12) · Dec 2025 customer service audit

Listening to Our Clients

0.4 days
Avg. response to 38 client complaints

13
Clients gave positive feedback

86
New contracts signed in 2025

Client check-ins in Jan, Apr and Aug, monthly account watchlists and a December service audit.

Governance Structure 2026

CEO
Diana Betancourth

Jenny Chavez
Director of Operations
Region 1 · Region 2 · Hospitality

Daniela Ormaza
CFO
Finance · Payroll · Purchasing · Best Maids · Sales · Tech

Valentina Pulgarin
Customer Experience
Dispatch · Team Care · CX · Special projects

Diana Rojas
Human & Org. Development
Recruitment · People & Culture

Natalia Tolosa
Compliance · NEW
Compliance analysis

Alexandra Campo
Office Manager
Office administration

Marcela Calderon
Executive Assistant
CEO support

7 states with supervision
MA · FL · NY · NJ · CT · PA · TX

7. SUPPLIER DIVERSITY

Certified Minority Business Enterprise

The National Minority Supplier Development Council (NMSDC) renewed Babco's MBE certification in April 2026, through the New York/New Jersey MSDC. As a minority-owned business, we help our clients meet their own supplier diversity goals.

~$2M
with 8 vendors

Internal vendors. In 2025 we contracted about $2 million in uniform embroidery and subcontracted services from 8 employees who run their own businesses.

NMSDC CERTIFIED MBE

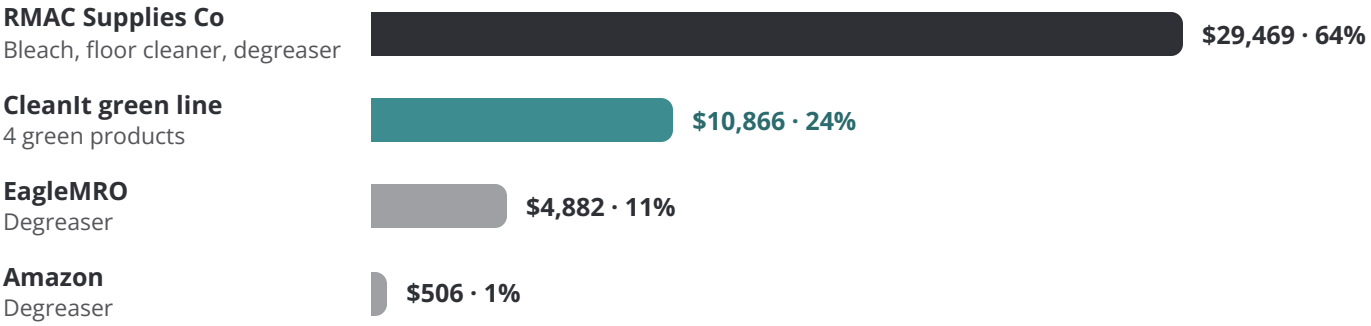
Babco Services LLC

Certificate **NY731195**	Affiliate **NY/NJ MSDC**
Issued **Apr 7, 2026**	Valid through **Apr 30, 2027**

NAICS 561720 Janitorial Services, plus 561740, 238140, 562111, 562112, 562119, 562910

OUR 2025 SUPPLY CHAIN

We bought $45,723 in cleaning chemicals from four suppliers in 2025. Nearly a quarter of that spend went to a green product line.



Smarter buying

Degreaser from RMAC costs $1.91 per gallon, 44% less than EagleMRO ($3.41) and well below Amazon ($4.40). Consolidating purchases keeps quality consistent and costs down.

8. COMMUNITY PARTNERSHIPS

More than a Service: A Purpose

We believe business should create a positive impact. Beyond our services, we put our skills, time and resources behind organizations that care for people and strengthen the communities where we live and work.

FIGHTING CANCER

Funding life-saving research with CBCF

When clients choose Babco, a portion of our proceeds goes to the Cure Breast Cancer Foundation (CBCF) to help fund research that impacts families and communities everywhere.

$10,000
Contributed to CBCF in 2025

CARE IN ACTION

Donated cleanings for people living with cancer

Through **Cleaning for a Reason**, our teams provide free cleanings, whenever requested, for people living with cancer, giving patients and families a clean, safe home while they focus on recovery.

~10
Cleanings donated in 2025 (est.)

9. KPIs & IMPACT METRICS

Our first ESG scorecard, as committed in 2024. Every metric is shown against the 2024 baseline. “New” marks metrics measured for the first time in 2025.

Environmental

Metric	2024	2025	Change
Vacuums repaired (units)	455	600	+32%
Cleaning containers reused (gallons)	9,604	25,822	+169%
Uniforms reused (units, est.)	305	~350	+15%
Paper saved via digitalization (sheets, est.)	10,000+	~12,000	+20%
Chemical spend on green product line (%)	—	24%	new
Product bought as concentrate (%)	—	70.7%	new
Company vehicles (units)	—	22	new

Social

Metric	2024	2025	Change
Total employees	675	888	+32%
Women, all roles (%)	47%	55%	+8 pts
Monthly avg. turnover: Janitorial / Hospitality	—	8.4% / 3.4%	new
Internal promotions / ESL participants	—	2 / 93	new
DISC assessments / performance evaluations	—	42 / 44	new
Safety incidents / lost-time days	—	54 / 60	new
Employee NPS	—	82.5	new

Gender Equity by Team

Team	Women	Men	Total
New Jersey	348	289	637
Pennsylvania	27	30	57
Massachusetts	40	27	67
Hospitality	22	36	58
Maintenance technicians	0	21	21
Best Maids NJ	48	0	48
Total	**485 (55%)**	**403 (45%)**	**888**



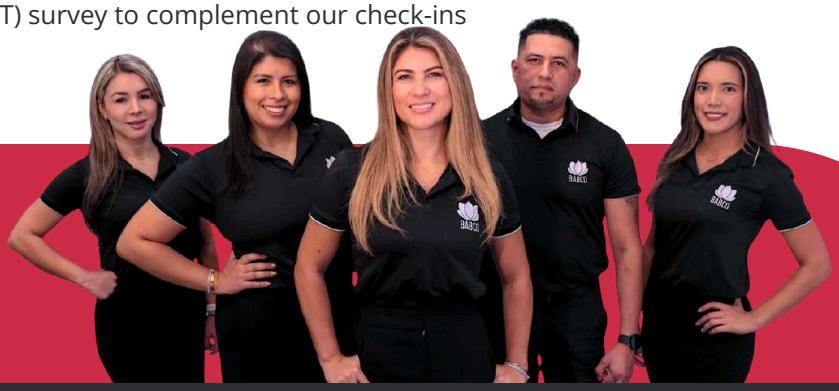
10. LOOKING AHEAD

Our 2024 commitments: where they stand

DONE	**ESG scorecard**	First version published in this report (p.11)
DONE	**Supplier diversity certification**	NMSDC MBE renewed through April 2027
IN PROGRESS	**Financial aid & employee support**	Well-being lead, Team Care; $39,469 in emergency loans to 15 employees
IN PROGRESS	**Further automation**	Digital onboarding, dispatch and time-tracking in place
IN PROGRESS	**Carbon emissions tracking**	Fleet inventory complete (22 vehicles); fuel tracking is next

Priorities for 2026–2027

- Start tracking fleet fuel and office energy to publish a first carbon estimate
- Track ESG scorecard metrics quarterly, alongside the financial close
- Increase green-certified products and refill systems
- Grow internal and minority vendor spend; renew MBE certification before April 2027
- Expand training, safety and well-being programs across all states
- Launch a numeric client satisfaction (CSAT) survey to complement our check-ins



CONTACT INFORMATION

Questions about Babco's ESG efforts? Contact People and Culture.

BABCO
BUILDING SERVICES

Email · peopleandculture@babcoservicellc.com

Web · babcoservicellc.com