



Open Mind Developments Corporation (dba "Lomi")
Fighting Against Forced Labour and Child Labour in Supply Chains

Report: March 2024

Index

1. Structure, activities and supply chains	3
a) Legal Structure	3
b) Corporate Structure	3
c) Corporate Mandate	3
d) Employees	3
e) Partner Organizations	4
f) Control of other entities	4
g) Activities	4
h) Supply Chain	4
2. Policies and due diligence processes	5
3. Forced labour and child labour risks	5
4. Remediation measures	6
5. Remediation of loss of income	6
6. Training	6
7. Assessing effectiveness	7
8. Acknowledgement	7

1. Structure, activities and supply chains

a) Legal Structure

Open Mind Developments Corporation (OMD) is a Canadian privately held corporation located in Kelowna, British Columbia Canada.

b) Corporate Structure

OMD is the wholly owned subsidiary of a privately held holding company (Holdco) registered in British Columbia Canada. OMD has a typical governance structure comprised of shareholders, a board of directors, and an executive management team. OMD also has an informal board of advisors.

c) Corporate Mandate

OMD's vision is to create a waste free future with a mission of eliminating 10 billion pounds of waste from the global waste streams over the next 10 years and then every year following. OMD will deliver on its mission through the development and commercialization of a sustainable product portfolio including Lomi, the world's first Smart Waste appliance. Lomi is the sleek and convenient device that transforms household's food waste into a natural fertilizer in a matter of hours.

OMD is a Certified B Corporation with an Overall B score of 102.2 in 2023. Certified B Corporations are leaders in the global movement for an inclusive, equitable, and regenerative economy.



B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. In order to achieve certification, a company must:

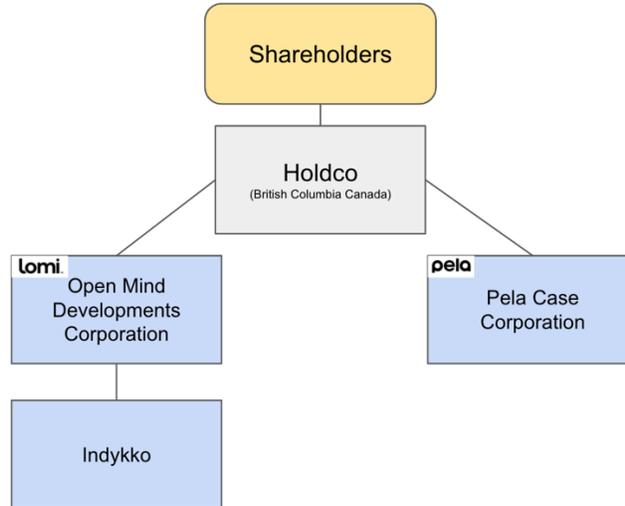
- Demonstrate **high social and environmental performance** by achieving a B Impact Assessment score of 80 or above and passing our risk review. Multinational corporations must also meet baseline requirement standards.
- Make a **legal commitment** by changing their corporate governance structure to be accountable to all stakeholders, not just shareholders, and achieve benefit corporation status if available in their jurisdiction.
- Exhibit **transparency** by allowing information about their performance measured against B Lab's standards to be publicly available on their B Corp profile on B Lab's website.

d) Employees

OMD has a total of 69 employees in Canada, 10 contractors in the Philippines, 1 contractor in the UK and 1 contractor in the USA.

e) Partner Organizations

OMD is the wholly owned subsidiary of Holdco, a privately held company registered in British Columbia Canada. Holdco also owns Pela Case Corporation. OMD owns Indykko Limited, a company based in Hong Kong.



f) Control of other entities

OMD controls Indykko Limited. Indykko provides engineering, project management, quality assurance and logistics services for OMD. Indykko has 12 employees based in Asia.

g) Activities

OMD designs, produces, markets, sells and services Lomi, the world's first Smart Waste appliance. Lomi manufacturing services are carried out in Asia through our established network of Asia based factory partners. All other activities are carried out directly by OMD or through our wholly owned subsidiary Indykko; including product design, engineering, QA/QC, operations, logistics, customer service, sales & marketing and information technology.

Lomi and Lomi accessories are sold and distributed through owned direct to consumer channels (DTC) in Canada, USA, EU/UK and Australia, marketplace channels (such as Amazon) and retail & enterprise channels directly or through its partner distribution networks in Canada, USA, EU/UK and Australia.

h) Supply Chain

All Lomi device raw material (including packaging) sourcing and manufacturing services are carried out in Asia through Indykko and our established network of Asia based factory partners. Lomi device accessory products are sourced directly via Indykko or OMD either in Asia or North America. Finished products are shipped via land, sea or air directly or indirectly from Asia, or North America to distribution centres in Canada, USA, Australia, and the EU/UK. The Canadian distribution centre is managed directly by OMD,

all other distribution centres are managed through our network of 3PL and service partners. Last mile delivery services in Canada are provided by OMD's established carrier relationships. Last mile delivery services outside of Canada are provided directly through our 3PL partners and their established carrier relationships. Reverse logistics services in Canada and the USA are provided through our 3PL network and their established carriers relationships.

2. Policies and due diligence processes

Canada's new modern slavery legislation, "Fighting Against Forced Labour and Child Labour in Supply Chains Act", came into effect on January 1, 2024. In direct response to this new legislation and to support Canada's measures introduced through former Bill S-211 to eradicate forced labour and child labour in supply chains, OMD has developed the OMD Supplier Code of Conduct policy (the "Code"). The Code outlines the expectations and requirements necessary for all OMD Suppliers. The Code applies to the entire supply chain and covers issues such as child labour, forced labour, harassment & abuse, discrimination, living wages, work hours, worker health & safety, the environment and sub-contracting. Beginning in the spring of 2024, the Code will be shared with all existing foreign suppliers for review and execution and will be incorporated into OMD's process for all new supplier onboarding, foreign or domestic.

Suppliers are required to read, acknowledge, and adhere to the Code document. The Code outlines the specific requirements Suppliers are responsible for including the right for OMD to conduct onsite monitoring visits and/or require third-party audits to both verify compliance and support continuous improvement. Third party audits must be carried out by globally recognized organizations that specialize in auditing and monitoring standards of labour, health & safety, environmental performance, and business ethics such as Amfori (www.amfori.org) and Sedex (www.sedex.com). As outlined in the Code, Suppliers are accountable for and expected to rectify any deficiencies and/or issues that are identified during an onsite visit or as the result of an audit that are deemed to be in noncompliance.

As an OMD controlled entity, the Code applies equally to all Indykko suppliers.

3. Forced labour and child labour risks

As identified by the government of Canada, forced labour and child labour risks occur primarily through the global supply chains of businesses. There is a risk that goods imported into and distributed in Canada were produced with forced labour or child labour.

Any potential risks associated to forced labour or child labour in the OMD supply chain are being mitigated by OMD through the implementation of the Code, onsite monitoring visits and/or third-party audit activities and reporting. Third-party audits provided by organizations such as Amfori (www.amfori.org) and Sedex (www.sedex.com) are extensive and typically cover the following areas:

PA1: Social Management System

PA 2: Workers Involvement and Protection

PA 3: The Rights of Freedom of Association and Collective Bargaining

PA 4: No Discrimination

PA 5: Fair Remuneration

PA 6: Decent Working Hours

PA 7: Occupational Health and Safety

PA 8: No Child Labour

PA 9: Special Protection for Young Workers

PA 10: No Precarious Employment

PA 11: No Bonded Labour

PA 12: Protection of the Environment

PA 13: Ethical Business Behaviour

As an additional step in risk mitigation, OMD has mapped out its entire primary supply chain including factory partner locations as the points of origin, shipping and logistics flow diagrams, warehousing and 3PL partners through to distribution centres for DTC and marketplace fulfillment.

4. Remediation measures

OMD has not identified or has any evidence of forced labour or child labour being used in its supply chain. Therefore, no remediation measures have been taken as of the date of this report.

5. Remediation of loss of income

OMD has not identified or has any evidence of forced labour or child labour being used in its supply chain. Therefore, no remediation measures related to loss of income have been taken as of the date of this report.

6. Training

OMD has a 10-week onboarding & education program for all new employees covering topics and content across the entire organization. The OMD onboarding and education program is mandatory for all employees. Effective April 2024, the Code will be added as a component to the programs Supply Chain content and shared with all new employees during onboarding. Effective April 2024, Indykko will be including the Code as part of its employee onboarding & education program.

7. Assessing effectiveness

As Canada’s new modern slavery legislation, “Fighting Against Forced Labour and Child Labour in Supply Chains Act”, has just recently been implemented (January 1, 2024), and the Code is a new OMD policy in response to this new legislation, no activity has been taken as of the date of this report to assess the policy’s effectiveness. OMD intends to implement the following activities on an annual basis to assess the effectiveness of the Code policy:

- Request that all OMD suppliers review and acknowledge the Code
- Conduct onsite visits at supplier locations (when and where practical)
- Review supplier audit reports conducted by third party organizations
- Modify/update the Code as deemed necessary to improve overall effectiveness

8. Acknowledgement

This report and its contents have been reviewed and approved for public disclosure.

On behalf of the Board of Directors

DocuSigned by:
Brad Pedersen

F4F23CC2E89C41F
Bradley Pedersen, Chairman

On behalf of the company

DocuSigned by:
Jeff Keen

2ED84ED3241D49B
Jeff Keen, Chief Operating Officer