



## 2024 Forced Labour and Child Labour Report

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### 1. ABOUT THIS REPORT

This report relates to the financial year ending December 31, 2024. It is published by LMPG Inc. in compliance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**"), on behalf of **itself** (hereinafter referred to as the "Company", "LMPG", "we" or "our").

This report provides an overview of the steps taken by the Company within its last financial year to prevent and reduce the risk of forced labour or child labour in its activities and supply chain.

### 2. PREVENTING AND REDUCING RISKS OF FORCED LABOUR AND CHILD LABOUR

At LMPG, our priority is to foster a supportive and inclusive work environment where all individuals can thrive both professionally and personally. Our dedication to environmental, social, and governance (ESG) principles is deeply rooted in our vision, mission, and decision-making process. We actively seek suppliers whose values align with ours and continuously improve our practices to combat forced labour and child labour, involving our suppliers in this important journey. These principles drive our value creation model and influence our focus on sustainability, energy efficiency, design, innovation, and quality in providing human-centric solutions that improve well-being in our communities.

During the last financial year, we have maintained our preventive measures to reduce risks that forced labour or child labour be used at any step of our production of goods in Canada or elsewhere or of goods imported into Canada by us, including the following:

- We conducted assessments to help us make informed decisions about engaging with suppliers and effectively mitigate any potential risks associated with forced and child labour.
- We continued gathering information on worker recruitment and maintaining internal controls to ensure that all workers at LMPG are recruited voluntarily and treated fairly, regardless of their workplace.
- We have maintained access to grievance mechanisms which enable employees to report any concerns or complaints they may have, which may include any forced labour or child labour issues.
- We have ensured that our code of ethics, including considerations related to forced labour and child labour, is communicated and available to all employees and we maintain a supplier code of conduct to promote responsible sourcing practices. These policies will play an important role in upholding and enforcing elevated human rights standards within



our operations and supply chains, in line with our general approach to sustainability matters.

Details of the above actions, among others, are set forth in this report.

### **3. ABOUT US & OUR SUPPLY CHAIN**

Founded in 2006, LMPG Inc. is a group of exceptional and innovative lighting brands that design and market lighting solutions in North America and globally. We design, develop, manufacture and sell a wide range of high performance and sustainable specification-grade smart LED lighting solutions for commercial, institutional and urban environments. In the midstream part of the chain, we design our own printed circuit board and LED modules, which are customized with our proprietary firmware. We then rely on third-party suppliers to assemble the LED modules based on our specifications.

Moving downstream in the chain, our lean manufacturing strategy focuses on the final assembly, configuration, and testing of our LED lighting products. We work with reliable raw material and component suppliers who have a sophisticated supply-chain infrastructure. This allows us to configure products according to customer orders, increase capacity without significant capital expenditures, reduce lead times, and quickly introduce new products.

Our manufacturing facilities are located in Longueuil, Québec, Surrey, British Columbia, Chicago, Illinois, Sonoma, California, Ensenada, Mexico and Florence, Italy. These facilities enable us to efficiently design, develop, and assemble our products internally.

While we handle the internal processes, we rely on third-party suppliers for sourcing our core components and sub-assemblies. Such suppliers are principally located in the United States and Canada, and to a lesser extent in Italy and China, Hong Kong and Taiwan. The global market offers a wide range of manufacturers and suppliers capable of producing these components, including LED chips, printed circuit boards, LED modules, power supplies, extrusions, and castings.

To ensure a reliable supply chain, we are counting on strong relationships with our suppliers. While we receive a high level of cooperation and support from them, our manufacturing strategy aims to avoid dependence on any single supplier. Instead, we prefer to obtain our components from multiple suppliers primarily on a purchase order basis.

When it comes to transportation, we rely on third-party freight services for air, sea, and ground freight. This enables us to efficiently transport components and sub-assemblies to our manufacturing facilities and deliver final products to most of our customers.

ESG principles are deeply rooted in our vision, mission, and decision-making process. We prioritize local suppliers and those with sustainable practices, aligning with our commitment to sustainability and responsible business practices.



## 4. POLICIES AND DUE DILIGENCE PROCESSES

In our ongoing efforts to enhance diligence and mitigate risks associated with forced labour and child labour, the Company is actively incorporating responsible business practices into its policies. This proactive approach, which was reinforced in 2024, aims to address human rights risks within our operations and supply chains.

### Recruitment Process

At LMPG, we have a production workforce consisting of over 300 dedicated individuals, and the well-being and satisfaction of our employees is a priority. Our hiring processes are thorough and include important steps such as verifying identification, confirming age eligibility, validating social insurance documentation, and requiring candidates to fill out necessary forms. We promote open and transparent communication with our employees and provide them with a formal letter of employment outlining the terms and conditions of their engagement. Our internal processes for hiring and onboarding are designed to ensure efficiency, accuracy, and adherence to legal requirements.

### Employee Handbook, Code of Ethics and policies

Upon their first day, joining as an employee of LMPG, all employees have an onboarding session with a human resources representative. This session includes an introduction to the Employee Handbook (the “**Handbook**”) and Code of Ethics (the “**Code**”) of the Company. The Handbook provides information regarding working hours, compensation, and the confidentiality of personal information. The Code outlines guidelines on various topics such as conflicts of interest, interactions with external stakeholders (including suppliers who are expected to adhere to the Code), discrimination and harassment prevention, workplace conduct, and health and safety. These policies demonstrate our commitment to maintaining a work environment where all individuals are treated with dignity, respect, and fairness.

To ensure accountability and promote a culture of integrity, the Code includes an explanation of our employee grievance mechanism. Employees, as well as customers, suppliers, partners, and other third parties, have an obligation to report any violations of the Code, fraud, misconduct, misappropriation of business property, or any other illegal or unethical behavior. Violations or misconduct may be reported anonymously in accordance with the Company’s whistleblower policy in the Code of Ethics. In the future, LMPG is planning to incorporate considerations regarding forced and child labour into its Code, further emphasizing our commitment to these issues.

Furthermore, the Company has implemented policies and procedures to address psychological and sexual harassment in the workplace. These policies aim to maintain a respectful work environment free from all forms of harassment and affirm our commitment to taking the necessary measures to prevent and address such situations. They provide mechanisms for reporting complaints, conducting assessments and investigations, and include provisions to protect against retaliation and maintain confidentiality. Additionally, our workplace violence prevention policy is in place to ensure a violence-free work environment that respects the safety and dignity of every employee. It includes a reporting procedure, investigation process, and disciplinary measures.



To ensure understanding and compliance, all employees are required to sign a certification form indicating that they have read and understood the Handbook, the Code of Ethics, and associated policies. These certifications are completed during the onboarding process.

### **Supplier Management and Assessment Processes**

At LMPG, we have established a robust supplier management process that categorizes vendors based on their specialization and the nature of the products or services they provide. When a request is made to create a new vendor in our system, our supply chain team carefully assesses the supplier to determine which onboarding process will be followed.

For vendors from Asia who specialize in extruder, machining, casting, injection, and extruded plastic services, LMPG applies enhanced assessment before approving the supplier in our system and adding the supplier to the approved supplier list.

This enhanced assessment is intended to help us gain a deeper understanding of these suppliers, especially those located in regions that may be more susceptible to forced and child labour risks. The Procurement Manager or another authorized individual completes an assessment of the vendor form, and any supporting documentation provided by the supplier..

This process ensures that we have a comprehensive understanding of our suppliers, particularly those deemed critical or operating in high-risk locations. Through enhanced assessments, we can make informed decisions about engaging with suppliers and effectively mitigate any potential risks associated with forced and child labour. Where warranted based on the risk assessment, LMPG plans to conduct on-site audits as part of its enhanced due diligence process in the future years. Our commitment to supplier management enables us to maintain a responsible and ethical supply chain.

### **Supplier Code of Conduct**

To further strengthen our commitment to ethical business practices, we have plans to adopt a Supplier Code of Conduct during the financial year 2024. This code will apply to all actors within the chain of suppliers of LMPG and its affiliated companies and will outline the minimum standards that we expect our suppliers to adhere to regarding social, environmental, and ethical issues. The Supplier Code of Conduct will be referenced in all suppliers' purchase orders, making it a contractual obligation for our suppliers. Any breach of the code will be considered a violation of the contract with LMPG. We will actively monitor the compliance of our suppliers with this code and take appropriate measures to address any instances of non-compliance, as deemed necessary. By implementing a Supplier Code of Conduct, we aim to reinforce our shared values among our business partners and ensure alignment with our ethical standards.

## **5. RISK ASSESSMENT & REMEDIATION MEASURES**

We generally do business with renowned companies with which LMPG has had regular and close dealings over a long period. Most of our suppliers are located in Canada and the United States and our business partners are generally committed to high human rights standards and/or have procurement policies in place. Although we have not conducted a formal evaluation of our supply chain risks, we acknowledge the fact that the risk of forced labour and child labour in the industry



exists and that we lack visibility on our supplier's sourcing, which may extend into regions potentially facing greater risk of forced labour and child labour.

We manage such risk through our commitment to maintaining an ethical supply chain which is supported by our regular audits and evaluations of suppliers. These assessments, along with our long-term relationships with reputable suppliers, provide us with confidence in their adherence to ethical practices. We remain dedicated to ensuring a responsible and ethical supply chain and will continue to monitor and evaluate our suppliers to uphold these standards.

To date, we have not received any reports or identified any specific instances of forced labour or child labour within our operations or supply chain, and as such no measures were taken to remediate such instances or to remediate the loss of income to the most vulnerable families that may result from such measures. If any claims of forced labour or child labour are uncovered in our operations or supply chains, we will treat them with utmost seriousness. We will promptly initiate an investigation to mitigate any potential risks.

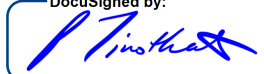
## 6. ASSESSING THE EFFECTIVENESS OF OUR APPROACH

We continue working on our efforts to identify, assess, and address forced labour and child labour risks within our operations and supply chain and we plan to regularly to review our statements, policies, procedures, and practices periodically to determine whether any enhancements should be made to reinforce our commitment to prevent forced labour and child labour from taking place in our business and in any of our supply chains.

## 7. APPROVAL AND ATTESTATION

This report was approved by the Board of Directors of LMPG Inc. on May 14, 2026, pursuant to paragraph 11(4) of the Act and constitutes the report for LMPG Inc. for the financial year ending December 31, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the Company. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year indicated above.

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**Peter Timotheatos**

President and Chief Executive Officer – LMPG Inc.

Signed on May 14, 2026

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