



1201 Pratt Boulevard • Elk Grove Village, IL 60007-5746 USA

April 17, 2026

Forced Labor Statement Canada 2026

LACO Industries Annual Report covering fiscal year January 1, 2025, through December 31, 2025, pursuant to Canadian BILL S-211 “An Act to enact the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and to amend the *Customs Tariff*”.

Structure, Activities, and Supply Chains:

LACO Industries is a Limited Liability Company (LLC). The company sells goods into Canada. The majority of LACO’s immediate suppliers are within the United States, however, the supply chain for raw materials extends to multiple international manufacturers. LACO Industries recognizes that global supply chains may carry varying levels of risk related to forced labor and child labor, and the company is committed to strengthening its responsible sourcing practices.

Actions Taken to Prevent and Reduce Risks of Forced Labor and Child Labor:

In 2025, LACO introduced a Supplier Code of Conduct that establishes clear expectations regarding ethical business practices, including anti-forced labor and child labor standards. All existing suppliers were asked to review and sign this Code of Conduct as part of LACO’s commitment to responsible sourcing.

Policies and Due Diligence Processes:

With the introduction of the Supplier Code of Conduct, LACO Industries will request all new suppliers to sign the Code of Conduct.

Identification of Risks:

No, LACO has not yet started the process of identifying parts of its activities or supply chains that may carry risks of forced labor or child labor being used.

Remediation Measures:

LACO Industries has not identified any instances of forced labor or child labor within its activities or supply chains to date. Therefore, no remediation measures were taken.

Since LACO Industries has not identified forced labor or child labor in its activities and supply chains, no measures were required or taken to address loss of income to vulnerable individuals or families.

Training:

LACO Industries does not currently provide training to employees on forced labor or child labor.

Assessing Effectiveness:

LACO Industries does not currently have policies and procedures in place to assess the effectiveness of its efforts to ensure that forced labor and child labor are not being used in its activities and supply chains.

Attestation:

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 entity or entities listed above. 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 listed above.

Full name Eli Kroloff

Title CFO

Date 4-17-2026

Signature, accompanied by the statement "I have the authority to bind 'LACO Industries'"

