

L/GHTCORP

Corporate Responsibility Report

2022





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A Message from our President

Since the inception of LightCorp in 1986, we have operated under the premise that our organization exists for the benefit of our associates, the community, and the owners. Not surprisingly, our core purpose is to make a positive impact by providing opportunities for people to thrive. The leaders at LightCorp use this lens in all our decision-making. As such, our responsibility, obligation, and positive impact extend far beyond the products we provide.

I am excited to share with you the 2022 LightCorp Corporate Responsibility Report. In it, you will see firsthand the many exciting things we are doing! Items related to safety, sustainability, and community, to name a few. It is particularly gratifying to me that many of these items have been hallmarks of our company, and we have been living them for decades. They are in our DNA. It is who we are.

We will continue our commitment to operating as a leading corporate citizen going forward. Doing so is not only the right thing to do, but it generates so many positive outcomes for not only those who are associated directly with LightCorp but also for the community and world LightCorp is part of.

Sincerely,



Marc Langeland,
LightCorp President



Marc Langeland

Company Profile

LightCorp does more than build lighting and power products. We manufacture human-centric solutions that offer functionality and aesthetics and complement the needs of today's evolving work styles. Our products contribute to modular, adaptive environments that seamlessly integrate new technology and support impromptu collaboration. We strive to outfit workers with everything they need for a personalized and productive experience—wherever they choose to work.

Our Mission

LightCorp's mission is to create lighting, power, and accessory products that foster the well-being and productivity of individuals and enables them to thrive in the places they show up to work.

Our Vision

We exist to enhance the lives of generations of workers, their families, and the community by:

- Fostering relationships with colleagues and customers that exemplify shared values
- Offering opportunities for professional and personal growth

- Being admired as an example of how work can be done with integrity, and
- Creating a culture that people are excited to be part of.

Our Story

From our humble start in 1986, we have maintained a reputation as a customer-focused solutions provider for over 30 years. In fact, developing a product for a previously unsourceable customer request was how we came to be. Entrepreneurial thinking, design, and innovation are in our DNA.

Our 100,000 sq. ft. Grand Haven, MI-based factory and headquarters is a state-of-the-art facility that combines advanced product development practices with in-house metal and electrical fabrication capabilities, finishing, and assembly operations, making our process seamless from sketch to finished product.

In addition to its main factory and headquarters, LightCorp maintains a procurement office located in Shanghai, China.

LightCorp exists to help people thrive—from the end-users of our goods to the artisans we employ to design and manufacture them, and ultimately, our surrounding community.



Manufacturing Overview

LightCorp is uniquely poised to offer products with uncompromisable quality and swift lead times as a scalable North American manufacturer. As a result, our products can be customized for aesthetics and performance, making us a preferred contract manufacturer and designer for several Fortune 1000 companies (and some of the biggest brands) in the contract furniture industry.

Our recent awards are recognitions are tangible proof that we're committed to striving for continuous improvement in all that we make and do.

Steelcase
2023 Premier Supplier

Knoll
2019 Supplier Recognition
Award for Operational
Excellence

HAWORTH
2019 Supplier Excellence Award



**A Solid
Foundation**



LightCorp Culture

We're a culture forged from radical integrity, an entrepreneurial spirit, and a commitment to continuously improving ourselves, our processes, and our products.

Core Values

LightCorp has developed a set of core values by which we conduct our business. We strive to be transparent and reliable, unforgettable and selfless, and resourceful thinkers. We believe every individual impacts our businesses' success, so we promote these core values inside and outside the organization.

Code of Conduct

When people feel trusted, they make the best possible decisions on behalf of the organization. LightCorp intentionally created our core values to form the acronym TRUST. We expect our associates to be trustworthy and to trust one another.

LightCorp also strives to be admired as an example of how all can do work with integrity. We are committed to treating our customers, partners, and each other with respect, trust, and integrity. We encourage our team to ask questions and to speak up when they see room for improvement.

Statement of Equality

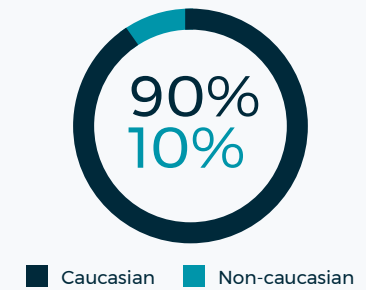
LightCorp is an Equal Opportunity Employer that values diversity in our organization. We're committed to providing a workplace free from unlawful discrimination and harassment. We provide equal opportunity to all persons regardless of race, color, religion, age, gender, sexual orientation, national origin, disability, marital, veteran, military status, or other legally protected classification. We champion values that enhance human rights and promote equality, creating an environment of respect, integrity, and fairness for our employees, customers, and those with whom we conduct business.

By the Numbers

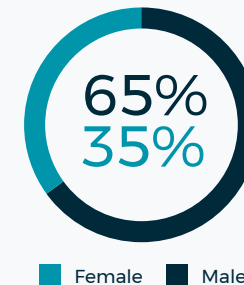
Gender Distribution



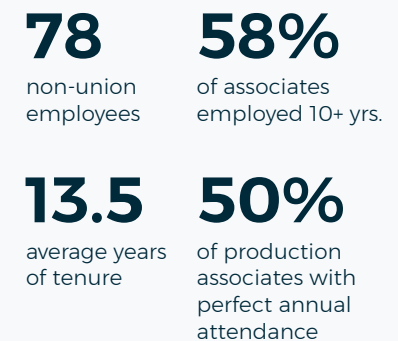
Ethnicity Distribution



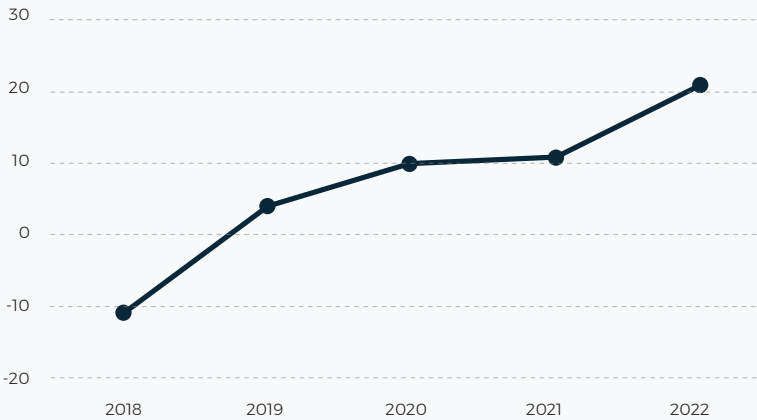
Leadership Roles



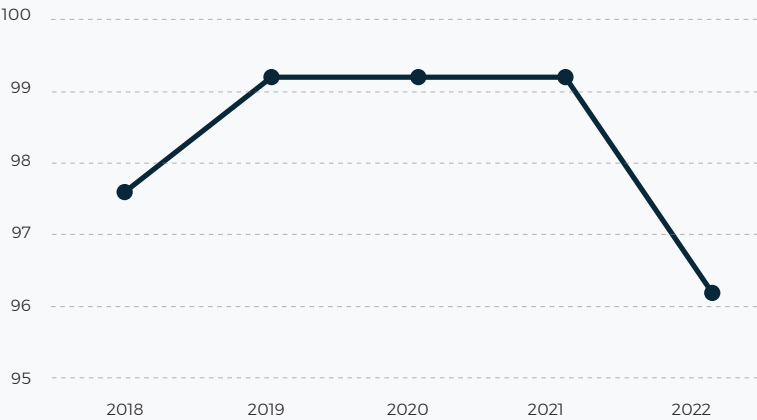
Tenure & Retention



eNPS Score



Percentage of Annual Retention





Sharing the SpotLIGHT

Our SpotLIGHT program allows peers and leaders to recognize associates caught exemplifying one or more of our core values in their day-to-day actions. SpotLIGHT submissions are read and acknowledged at every monthly employee meeting and are eligible for a randomly drawn cash prize.

Our Core Values are:

- Transparency
- Reliability
- (Being) Unforgettable
- Selflessness
- Thinking Resourcefully

Associate Matt Moll leads LightCorp's inaugural Christmas parade through the plant floor to kick off the holiday weekend.



Associate Sean Sorito receives his annual holiday turkey and a warm thank you from VP of Operations, Brian Joslin.

President Marc Langeland and VP of Business Development, Melissa Wikman, show their good humor to handout ice cream treats during a summertime ice cream social.





**Building
Safely**

Product Quality & Certifications

ISO-9001

LightCorp has had an ISO-9001 Certified Quality Management System since 1996. ISO-9001 is a rigorous international standard that specifies quality management system (QMS) requirements. This standard helps LightCorp demonstrate its ability to consistently provide products and services that meet customer and regulatory requirements.

An outside firm audits our operations and administration annually, with our QMS re-certified every three years.

Safety Standard Compliance Statement

Our lighting and power products are reviewed and tested by the OSHA Nationally Recognized Testing Lab (NRTL), UL and Intertek. This testing and routine quarterly inspections allow us to produce and mark our products according to UL and Canadian Standards Association (CSA) safety standards. As a result, all products listed by UL or Intertek will carry the cULus or cETLus listing mark.

LightCorp lighting and power products are developed and reviewed by our engineers to ensure they comply with the various safety standards applicable to our products.

U.S. Governmental Regulations

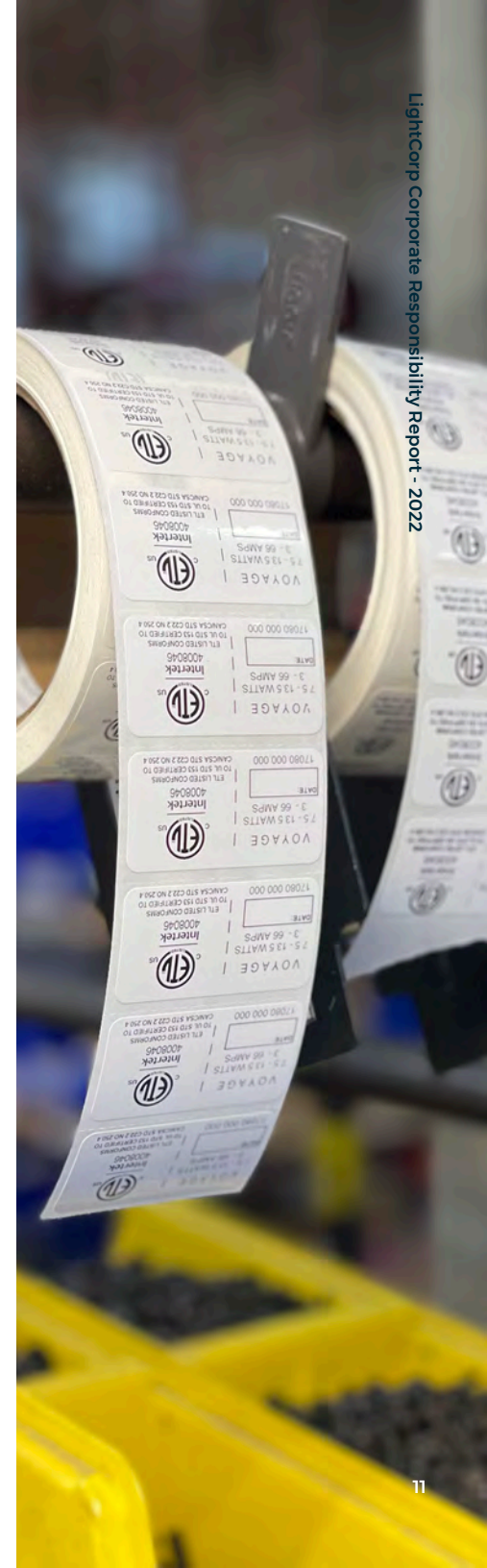
LightCorp acknowledges the many regulations that apply to electrical products within the United States and conducts our due diligence to comply with those that apply to our products. In addition, we are committed to familiarizing ourselves with new and changing regulations that apply to electrical and lighting technologies and invoke testing and certification processes where required.

Our lighting and power products comply with one or more of the applicable standards:

- UL 153 Portable Electric Luminaires
- UL 1286 Office Furnishings
- UL 1598 Luminaires
- UL 8750 LED Equipment to be used in Lighting Products
- CSA C22.2 No. 9 Electric Lighting Fixtures
- CSA C22.2 No. 250.4 Portable Luminaries
- UL 962A Furniture Power Distribution Units
- UL 111 Multi-outlet Assemblies
- CSA C22.2 No. 308-18 Cord Reels and Multi-outlet Assemblies

Some of the governmental regulations we comply to include:

- FCC Part 15 Class B
- National Electric Code (NFPA 70)
- California Energy Commission's Title 20 Appliance Regulations



Associate Safety

We regard the safety and well-being of our associates as priority number one. Our robust safety management system exists to promote safe and healthy work practices that enable our associates and visitors to thrive. We accomplish this through awareness, early intervention, rapid response, and a dedication to continuous improvement.

Being proactive in our safety is a significant reason for our admirable record. We encourage our associates to remain vigilant and to speak up if they encounter unsafe working conditions or hazards. All new associates receive safety, hand/arm safety, ergonomic training, and personal protective equipment (PPE) as part of their orientation. In addition, LightCorp requires all associates visiting or working in the factory to wear safety glasses during their time spent on the production floor. Depending on their production role, cut-resistant work gloves are provided and may also be required.

Additional compliance and safety training is provided depending on an associate's role—ranging from lockout/tagout, forklift certification, scissor lift training, and confined-space training. Beyond

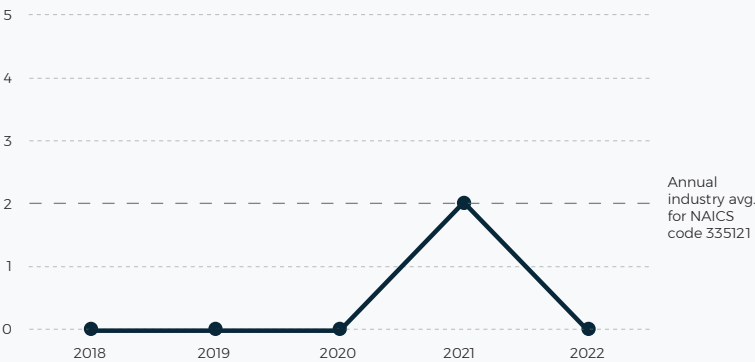
training, we are safety-focused daily, with all production and office associates beginning their day with 5 minutes of work-smart stretches.

Partnering with LightCorp's Continuous Improvement Manager and our insurance carrier's Risk Management department, our Human Resources team works proactively to improve our Safety Management System. In addition, we regularly welcome the Michigan Occupational Safety and Health Administration (MIOSHA) on-site to help us keep safety at the forefront in all that we do.

Safety Team

Our cross-functional Safety Committee meets monthly to seek associate input via preventative suggestions and address any

Annual recorded incidents of injury



We're proud of our historically below-industry average for work-related injuries. In 2022, LightCorp achieved zero recordable incidents.

safety concerns. In addition, a Safety Management Team comprised of leaders from our Human Resources, Compliance, and Operations departments meets monthly to address that input and ensure attention to topics ranging from new regulations to best practices. Toolbox talks, weekly safety topics, and discussions shared during morning huddles on the production floor are small examples of how we have built a safety focus into our culture.

Emergency Preparedness

We're also big believers in preparedness. LightCorp has response teams of associates assembled and trained to handle medical emergencies and chemical spills.

Our medical First Responder team completes a 4-hour CPR/AED/First Aid certification every two years. Additionally, teams are given one-hour tabletop drills at random to reinforce emergency preparedness throughout the year. Safety professionals or company leaders lead these scenario-based discussions to strengthen skills and improve responsive action in an actual emergency.



18%

of our associates are members of our First Responder Team.

2

of our First Responders are also volunteer firemen.

12

associates make up our Spill Response Team who are trained each year to lead in the event of a chemical spill.

Focused on Well-being

LightCorp associates can participate in Shape Corp's nationally recognized wellness program as part of our excellent benefits package. Shape's dedicated wellness program offers 24-hour access to its fitness facility, personalized coaching, and dozens of classes ranging from nutrition to smoking cessation programs. In addition, participating in their rewards program can earn associates wellness bonus quarterly payments for completing healthy activities.

Employee Assistance Program

We offer a confidential Employee Assistance Program (EAP) to support our team's emotional and mental well-being. Our EAP matches associates with local, licensed, professional therapists for counseling services as needed as part of our employee benefit. Each associate can schedule up to five free sessions per year to receive counseling services for any reason—including general mental health, family life, addiction, stress or grief management, and abuse. In addition, employees can receive additional sessions for a substantially reduced fee of \$10 per visit.

Additional Employment Training & Support

LightCorp partners with the Lakeshore Employee Resource Network (LERN) to confidentially provide our associates with access to social services and training programs to support their employment. In addition, our on-site success coach partners with employees to improve their skills, overcome any personal employment barriers, and prepare for advancement opportunities.

Education Assistance

We acknowledge that our company will only benefit from our people's continued growth and development. To encourage the continuous improvement of our greatest asset, LightCorp annually compensates associates upfront for fees related to tuition, books, or any course-related fees for any classes related to their current positions from any accredited educational institution. Full-time associates are eligible to receive up to \$3,000 per calendar year, and our part-time employees can claim up to \$1,500 every six months.

Associate Shannon Westveld leads the pack on a Wellness Wednesday activity.



Associates bring their whole selves to work. So we're passionate about providing our people access to the best healthcare options for their physical and mental well-being.

The LightCorp Benefits package includes:

- Health, Dental, and Optical insurance
- Short-Term Disability
- Long-Term Disability Assistance program
- Paid vacation time & paid national holidays
- Life insurance
- HSA/FSA funds
- Accidental death and dismemberment insurance
- Quarterly profit-based bonuses
- Excellent retirement plan with company match up to 6%
- Tuition reimbursement
- Eight paid volunteer hours per year
- Free corporate health and fitness center membership

LightCorp's professional staff attended two development workshops in 2022.



21%

lower health insurance premium costs than similar-sized manufacturers nationally.

\$18,920

was paid out to associates in 2022 for participating in health & wellness initiatives.

\$144K

has been funded the last 5 years for employees' further education.



**Building
Sustainably**

Sustainable Design

LightCorp's engineers consider the environmental and lifecycle impacts during the product development stage through executing rigorous product evaluations. As much as we can, we include the use of recyclable materials within our designs, including:

- aluminum
- steel
- plastic
- cork
- nylon
- leather
- wood

We consciously strive to source materials responsibly, ensuring that we (and our suppliers) avoid the inclusion of Red List Ingredients as much as possible and seek to minimize the use of any chemicals of concern when we are able.

Our engineering and manufacturing teams evaluate employee safety and environmental risks, including ergonomic issues, air and water releases, pollution prevention, and meeting all regulatory requirements that apply to our processes and products.

Our products are designed with energy usage in mind as we aim to reduce the use of electrical energy through our LED lighting products.

Value Add/Value Engineering Process

We're always looking for ways to improve the products we manufacture. Our Value Add/Value Engineering (VA/VE) process is a tangible example of how we engineer for continuous improvement throughout the lifecycle of our products. Sustainable VA/VE goals can include improving recyclability, removing labor or costs from manufacturing, and improving the energy efficiency or performance of our goods.

Packaging

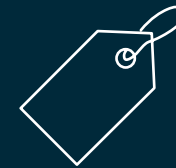
Using excessive and wasteful packaging materials to ship our energy-efficient goods wouldn't seem right. In recent years we have eliminated the use of foam and switched to using 100% post-consumer corrugated cardboard and crinkle paper for packaging our products.

LightCorp also mindfully considers packaging and distribution requirements when designing new products. By making intentional choices about the construction of our goods, we can significantly reduce the need for packaging. A great example of this would be the Tess planter by our Most Modest brand, which ships in a flat package using minimal packing materials.



LEED® Contributions

LEED is the U.S. Green Building Council's sustainability standard for green building design, construction, operations, and performance. LEED uses a points-based system to award certification. Therefore, our lighting products can directly contribute LEED points under the Indoor Environmental Quality category for their color rendering and lighting control properties (dependent on other project factors). For more information about LEED certification, please visit <http://new.usgbc.org/leed-v41>.



Red Tag Sales

Red Tag sales give our associates an economical way to bring energy savings home and provide a way to recycle production samples, scratch and dent models, or products that are functionally safe but don't meet our quality standards (ex., imperfect painted finishes). Items are purchased through silent auction during the Red Tag events held a few times each year, with half of the proceeds reinvested in LightCorp's social committee.

\$2,752

was our Red Tag Sale revenue for 2022.

Mindful Procurement

We are committed to procuring our supplied materials and components socially, legally, and in an environmentally responsible manner.

Supplier Origin



Supplier Quality and Environmental Requirements

Where and how our sourced parts are made matters to us. Therefore, before engaging in business, LightCorp requires every supplier to review and conform to the stipulations outlined in our Supplier Quality and Environmental Requirements Manual, which include:

We encourage suppliers (and their direct material suppliers) to obtain an ISO-9001/TS16949 certified quality management system and an ISO-14001 certified or similar environmental management system.

We require suppliers to comply with all applicable governmental regulations specific to their products, including health and safety, environmental protection, toxic and hazardous materials, frequency radiations, labor practices, ethical practices, and free trade laws.

We require suppliers to manufacture in a manner that minimizes environmental impacts.

We require suppliers to use corrugated and returnable containers and cartons and recyclable skids or pallets constructed of wood or other natural materials.

Conflict-Free Sourcing

We conduct our due diligence to ensure that the materials sourced for our products come from Conflict-Free designated regions. As a private company, these steps are optional, but we understand the yearly Conflict Mineral reporting requirements and are committed to supplying the valuable information needed to meet regulatory requirements.

Supplier Diversity

As a small business, we also understand small and diverse companies' impact on the local and national economies. Choosing to partner with local suppliers also reduces the need for long-distance transportation—which lowers our carbon footprint and is an ecologically favorable choice. Fostering an environment that allows these businesses to thrive is vital to our company. We are committed to providing opportunities to diverse industries, both large and small, to become a supplier of or purchase products from LightCorp.

Responsible Manufacturing

In every aspect of our production, we endeavor to conserve resources, eliminate waste, and reduce emissions through our processes to reduce our environmental impact.

ISO-14001

Since 2001, LightCorp's manufacturing processes have been governed by an Environmental Management System (EMS) compliant with ISO 14001-2015, ensuring that we manage our environmental responsibilities systematically that contribute to the environmental pillar of sustainability.

Likewise, as with our QMS, our operations and administration are audited annually by an outside firm, and we are reviewed and audited for EMS ISO re-certification every three years.

About PFAS

PFAS are long lasting, "forever chemicals" that are widely used within different commercial, industrial, and even consumer products. The U.S. Environmental Protection Agency (EPA), along with individual states are working towards passing PFAS legislation to regulate their use. LightCorp is aware of these regulations and is currently gathering information from our supply chain to identify any PFAS contained within the components used in our production processes.

Sustainability Team

2022 was the inaugural year for LightCorp's Sustainability Team. This 12-member group meets quarterly to discuss and monitor environmental impacts including waste and emissions, as well as topics such as material composition and chemical use (including PFAS). The team hopes to formally establish corporate goals by the end of 2023.

We believe that no matter how insignificant some of these many small actions may seem, they add up to make a difference.



Environmentally-friendly coolants and lubricants

LightCorp uses environmentally friendly coolants and lubricants on all our manufacturing equipment.



Eco-friendly ice melting products

Our parking lot and walkways stay safe using eco-friendly ice melting pellets during the winter.



Consistency = reduced waste

Using gauges and jigs in our manufacturing and assembly process helps ensure consistent quality and substantially reduces scrap.



Heed Ozone Action days

We do our best to limit or reschedule any processes that would magnify air pollution on Ozone Action days during the summer months.



One with nature

We encourage biodiversity through our landscaping by including green spaces on our property that support native flora and fauna.



Natural gas-power

In the event of a power disruption, natural gas-powered backup generators keep our servers and critical systems operating.

Green Team

Our cross-functional Green Team meets once a quarter to discuss environmental aspects, impacts, and pollution prevention actions about our facility, products, and processes. In addition, the team ensures compliance with all applicable environmental regulations and laws and continually seeks to evaluate strategies to eliminate waste.

In 2022 the Green Team's focus was dedicated to researching our company's "cost-to-green", to ensure our recycling programs remain a fiscally responsible initiative for the enterprise.

Additionally, our Green Team coordinates volunteer activities throughout the year, including an annual grounds cleanup and partnership with Shape team members to prepare and distribute tree saplings in the springtime.

\$9,353

was our net profit from metal and wire recycling.

Associates Melissa Beall and Cindy Moe prepare tree saplings for distribution to all employees to celebrate Earth Day.

The Green Team coordinated our annual grounds clean-up event in July, collecting 12 bags of trash from the outdoor campus.



We're proud to belong to the following associations that share our values of environmental stewardship:



Stewardship of Resources

Reducing Energy Use

As a manufacturing leader in sustainable lighting, we must ‘walk the talk.’ LightCorp has made significant investments to upgrade the lighting on our entire campus to state-of-art dimmable LED light fixtures outfitted with energy-saving occupancy sensors. By not using our lighting at full strength and only when needed, we can dramatically reduce energy use while providing superior illumination that supports manufacturing quality and enhances employee safety.

Daylight harvesting also plays a role in our comprehensive illumination plan. By leveraging the natural light the skylights in our factory provide, we reduce our overall need for electricity-supplied lighting.

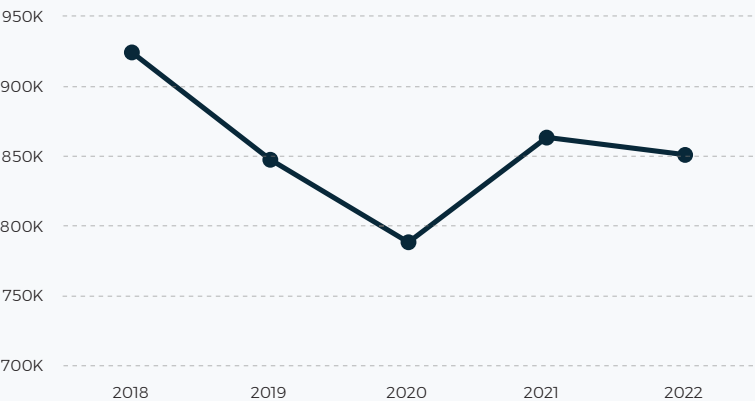
We also put a significant focus on controlling the climate of our factory and office in a more responsible and greener way. For example, we strategically leverage the heat generated from the ovens on our paint line during the colder months to offset the need for warmth in our large facility. And when the time comes to retire existing HVAC units, we opt to replace them with high-efficiency models that claim 95% efficiency.

We never cease looking for new ways to reduce our natural resources and electricity usage wherever possible in our daily business operations.

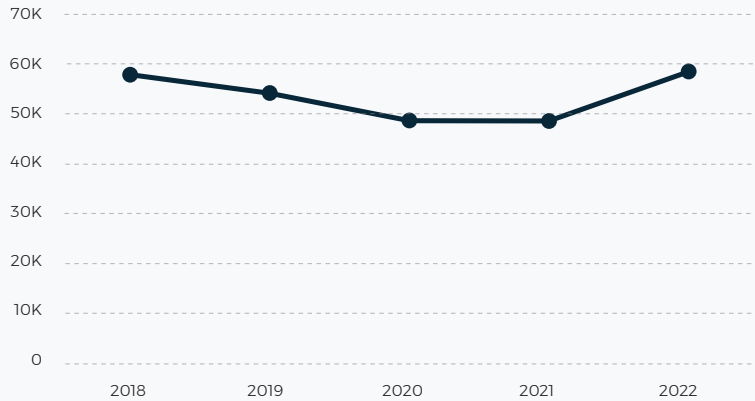
\$25,000

We estimate we conserve 197,005 kW/H per year by implementing lighting controls on our production floor, which equates to about \$25K.

Electricity Consumption (kW/H)



Natural Gas Consumption (CCF)



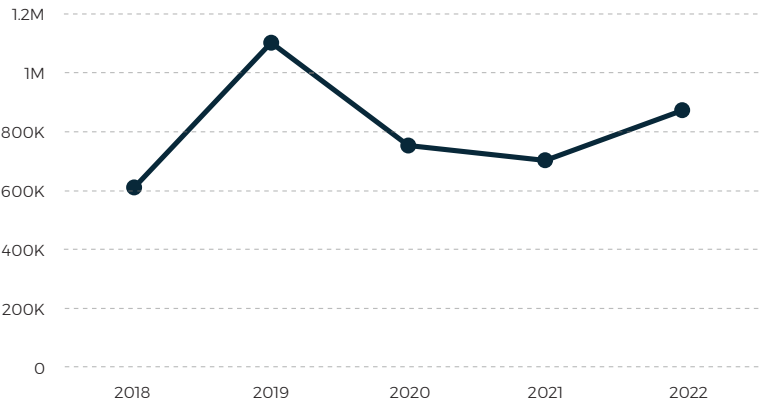
Water Conservation

LightCorp was among the first in the world to upgrade their powder coating operations to use zirconium-based pre-treatments. This eco-friendly alternative to iron phosphate uses reverse osmosis (RO) to remove impurities—keeping our equipment running at top efficiency and using 25% less water than traditional wastewater processing methods. This also reduces the burden on our local municipal water treatment facility by allowing us to reuse the water several times before replacing it and allowing the process to transpire at a lower temperature—reducing our need for heat. The resulting wastewater poses no environmental harm and can be released directly into the sewer system.

Waste Management

Waste management is measured and performed per product type to allow us to keep manufacturing waste to a minimum and recycle the materials whenever we can. Every manufacturing station within our facility has clearly labeled receptacles for collecting recyclable materials.

Water Consumption (gal.)



Our eco-friendly powder coat paint line uses 25% less water during its pre-treatment stage than traditional paintline operations.



Recycling Data

In 2022 we successfully diverted 85 Tons of material waste from entering local landfills through our recycling efforts.

We currently manage and recycle the following list of materials:

- corrugated cardboard
- packaging materials
- steel
- aluminum
- iron
- copper
- bronze
- paper products
- plastics
- plastic film/banding
- electronics
- LEDs
- fluorescent lamps
- paint powder
- alkaline batteries
- wiring & cords
- aerosol cans
- hydraulic oil



77,929 lbs.
of metal and wire



69,959 lbs.
of cardboard



12,184 lbs.
of paper and plastic



7,379 lbs.
of paint powder



1,567 lbs.
of electronics



534 lbs.
of alkaline batteries



501 lbs.
of fluorescent lamps



Building
Community



Community Impact

#LCCGIVESBACK

To live out our core value of selflessness and honor the legacy of our founder, Gary Verplank, we believe in leaving our neighborhood better than it was before. LightCorp encourages its associates to make a difference by providing up to eight paid hours per year to volunteer within our community. Associates may choose to use their hours benefitting a cause of their choosing or participate in company-sponsored volunteer initiatives that are made available and publicized every quarter.

The United Way of Ottawa County

LightCorp has been a faithful supporter of the Ottawa County United Way's mission to provide programs for education, health, housing, and financial stability for those in our community since our inception. Since 1986, we've participated in the numerous fundraising initiatives they hold throughout the year and are an annual supporter of their Employee Giving Campaign.

Toys 4 Tots

We're also proud to be a supporter of the United States Marine Corp's annual Toys 4 Tots campaign. LightCorp has served as an official collection location for over 20 years.



98

volunteer hours from 19 associates in 2022.

75

toys collected for Toys 4 Tots

\$6,363

was pledged by associates in our 2022 United Way Campaign—an increase of over 20% from the prior year.

LightCorp's 2022 project for United Way's Annual Day of Giving was landscaping for the grounds of Mosaic Counseling.

Some of the other volunteer activities our associates participating in our community in 2022 included:

- Shop with a Cop/Fireman
- Crash's Landing Cat Rescue
- School Volunteer - Tri-Cities Museum
- Unity Festival
- Trail work at Mosquito Creek trail
- Township elections official
- Hosting Doug Herbert's B.R.A.K.E.S. Defensive Driving for Teens workshop

Organizations LightCorp financially supported in 2022:

- BErista, Inc.
- Tri-Cities Family YMCA
- Mosaic Counseling
- Soup for All
- Love in Action
- Griffin Elementary School
- Children's Advocacy Center

Executive Team Participation

LightCorp's leadership team believes strongly in leading by example by lending their time and talents to causes that address the challenges of marginalized communities. Specifically, LightCorp president, Marc Langeland also leads the Board of Directors of Pioneer Resources as president. Vice President of Business Development, Melissa Wikman serves on the Board of the Muskegon YMCA and is also an officer on their Executive Committee. Human Resources Director, Cindy Moe also serves as a Board Member for the Tri-Cities chapter of Habitat for Humanity.



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