

ADMINISTRATION LVER INC.

SCIENCE-BASED TARGETS PROGRESS DISCLOSURE

CALENDAR YEAR 2025

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TABLE OF CONTENTS

INTRODUCTION 1

REPORTING BOUNDARIES AND ACCOUNTING APPROACH 1

FULL GHG INVENTORY 2

EXCLUSIONS 2

SCOPE 3 CATEGORY RELEVANCE 3

DATA LIMITATIONS 3

GHG EMISSIONS VERIFICATION 3

TARGET DESCRIPTION 3

TARGET PROGRESS 4

PROGRESS INTERPRETATION 5

ADDITIONAL PERFORMANCE METRICS 5

SUBSTANTIAL EMISSIONS VARIATIONS AND CHANGES IN TARGETS 5

METHODOLOGICAL CHANGES AFFECTING COMPARABILITY 6

ACTIONS TOWARDS MEETING SBTs 6

FORWARD-LOOKING PRIORITIES 7

INTRODUCTION

This Science-Based Targets Progress Disclosure presents Administration LVER Inc.'s 2025 greenhouse gas (GHG) inventory and annual progress against its approved near-term science-based targets. It covers the company's reported emissions inventory across Scope 1, Scope 2 and relevant Scope 3 categories, explains the organizational and accounting boundaries used, and identifies key data limitations, exclusions and category-specific relevance considerations. Administration LVER Inc., together with its subsidiaries Boutique la Vie en Rose Inc. and LVER International Inc., defines the organizational boundary of this disclosure.

The disclosure also summarizes the company's approved science-based targets, compares 2025 performance with the 2023 base year, and provides interpretation of progress against the required reduction pathway. Because progress remains behind the long-term trajectory at this stage, the document explains the factors affecting target performance, including activity levels, inventory-related effects, methodological improvements and changes in data quality. Where relevant, supplementary metrics are presented to support internal performance analysis, without replacing the approved Science Based Targets initiative (SBTi) target metrics.

Finally, this disclosure describes emissions-reduction initiatives and data-quality improvements implemented or advanced during the reporting period, including actions related to owned operations, purchased goods and services, supplier engagement, materials, packaging, waste, transportation and employee commuting. It also identifies forward-looking priorities intended to support future progress toward the company's approved targets.

Unless otherwise stated, the reporting period is the calendar year, from January 1 to December 31.

REPORTING BOUNDARIES AND ACCOUNTING APPROACH

This disclosure covers Administration LVER Inc. and its subsidiaries within the organizational boundary used for the company's 2025 GHG inventory and SBTi progress tracking. The reporting period is the calendar year, from January 1 to December 31, unless otherwise stated. Emissions are reported for Scope 1, Scope 2 and Scope 3 categories associated with the company's operations and value chain.

The full GHG inventory is intended to present a complete view of reported emissions across all GHG Protocol scopes and Scope 3 categories. The approved Scope 1 and 2 target is tracked using location-based emissions, while the approved Scope 3 target is tracked using emissions intensity per unit sold.

Scope 2 emissions are presented on both a location-based and market-based basis to support transparency and comparability. Location-based Scope 2 emissions reflect the average emissions intensity of the electricity grids where electricity is consumed. Market-based Scope 2 emissions reflect the impact of contractual instruments or supplier-specific emissions factors where available.

The inventory uses a combination of measured, modelled and estimated data depending on availability and category-specific data quality. Primary records are used where available, including utility consumption records, natural gas invoices, refrigerant service records, carrier data, business travel records and merchandise purchase data. Where complete primary data are unavailable, estimates are developed using relevant operating characteristics, assumptions or secondary data sources. Key limitations, exclusions and methodological changes affecting comparability are explained in the sections that follow.

FULL GHG INVENTORY

Scope or Scope 3 Category	Base year, 2023 (tCO ₂ e)	2025 (tCO ₂ e)
Scope 1	302	335
Scope 2 (location-based)	8	7
Scope 2 (market-based)	3	3
Scope 3, Category 1: Purchased Goods and Services	78,781	104,174
Scope 3, Category 2: Capital Goods	191	502
Scope 3, Category 3: Fuel and energy-related activities	49	54
Scope 3, Category 4: Upstream transportation and distribution	10,727	7,032
Scope 3, Category 5: Waste generated in operations	4,510	903
Scope 3, Category 6: Business travel	403	581
Scope 3, Category 7: Employee commuting	2,960	3,397
Scope 3, Category 8: Upstream leased assets	2,956	3,989
Scope 3, Category 9: Downstream transportation and distribution	851	634
Scope 3, Category 10: Processing of sold products	0	0
Scope 3, Category 11: Use of sold products	0	0
Scope 3, Category 12: End-of-life treatment of sold products	6,205	8,762
Scope 3, Category 13: Downstream leased assets	0	0
Scope 3, Category 14: Franchises	1,165	1,154
Scope 3, Category 15: Investments	0	0
Total: Scope 1, Scope 2 (location-based), Scope 3 (all categories)	109,109	131,524

EXCLUSIONS

The inventory covers all scopes and Scope 3 categories identified as relevant to Administration LVER Inc.'s activities and organizational boundary. No relevant emissions categories have been omitted from the disclosed inventory; however, certain categories are reported as non-applicable, not significant, or not fully quantified based on the nature of the company's activities and the availability of reliable data. For international franchises, the inventory currently covers emissions sources for which reliable data are available, primarily energy, electricity and refrigerant-related impacts, as well as product-related emissions where applicable. Other franchise-specific sources, such as business travel, employee commuting, purchases and waste, are not quantified due to limited availability of sufficiently reliable data.

SCOPE 3 CATEGORY RELEVANCE

All Scope 3 categories were reviewed for relevance. Categories reported as zero are not omitted from this SBTi progress disclosure; they are either not applicable, outside the selected SBTi target boundary, or not expected to generate significant emissions based on current activities. Processing of sold products is not applicable because the products sold do not require additional downstream processing by customers. Use of sold products is reported using the minimum boundary applied during SBTi target setting, so indirect use-phase emissions are excluded from this progress disclosure. Downstream leased assets and investments are reported as zero because no significant emissions sources were identified for these categories during the reporting period.

DATA LIMITATIONS

The inventory uses measured, modelled and estimated data, depending on availability. Primary records are used where available, including utility consumption records, natural gas invoices, refrigerant service records, carrier data, business travel records and merchandise purchase data. Where complete primary data are unavailable, estimates are developed using relevant operating characteristics, assumptions or secondary data sources.

Key limitations relate to incomplete operational data, extrapolation for parts of the store network and franchises, and scenario-based assumptions for product use and end-of-life treatment. Data quality improved in 2025 for energy, packaging, waste and upstream leased assets; higher-uncertainty categories remain priorities for improvement.

GHG EMISSIONS VERIFICATION

The 2025 GHG inventory was prepared by an external consultant using recognized GHG accounting standards and methodologies, including the GHG Protocol and ISO 14064-1 principles. The inventory has not been subject to independent third-party verification or assurance under ISO 14064-3. As a result, this emissions disclosure should be read as an internally reviewed management disclosure supported by external technical preparation, rather than as independently assured emissions data.

TARGET DESCRIPTION

Administration LVER Inc.'s near-term emission reduction targets were approved by SBTi Services in 2026. Targets cover 100% of base-year emissions for their respective scopes. Targets were set using the cross-sector absolute reduction and scope 3 physical intensity reduction methods, according to the SBTi Criteria and Recommendations (Near-Term Criteria V5.3). The Scope 1+2 target was set based on a 1.5°C temperature alignment. The approved targets are as follows:

Target ID	Target Type	Target Wording	Scopes Covered
126749	Absolute – cross sector (near-term)	Administration LVER Inc. commits to reduce absolute scope 1 and 2 (location-based) GHG emissions 63.0% by 2035 from a 2023 base year.	1+2
128519	Physical intensity (near-term)	Administration LVER Inc. commits to reduce scope 3 GHG emissions 66.3% per unit sold by 2035 from a 2023 base year.	3

TARGET PROGRESS

Administration LVER Inc.'s progress against its approved science-based targets is summarized in the following table:

Reporting item [target ID]	Base year value 2023	Base year value covered by target (%)	2025 value	2025 % change (from 2023)	Target progress [*]
Scope 1 (tCO ₂ e)	302	302 (100%)	335	11%	N/A
Scope 2 (location-based) (tCO ₂ e)	8	8 (100%)	7	-10%	N/A
Total scope 1+2 (location-based) (tCO₂e) [126749]	310	310 (100%)	342	10%	-17%
Scope 3, category 1: Purchased goods and services (tCO ₂ e)	78,781	78,781 (100%)	104,174	32%	N/A
Scope 3, category 2: Capital goods (tCO ₂ e)	191	191 (100%)	502	162%	N/A
Scope 3, category 3: Fuel- and energy-related activities (tCO ₂ e)	49	49 (100%)	54	10%	N/A
Scope 3, category 4: Upstream transportation and distribution (tCO ₂ e)	10,727	10,727 (100%)	7,032	-34%	N/A
Scope 3, category 5: Waste generated in operations (tCO ₂ e)	4,510	4,510 (100%)	903	-80%	N/A
Scope 3, category 6: Business travel (tCO ₂ e)	403	403 (100%)	581	44%	N/A
Scope 3, category 7: Employee commuting (tCO ₂ e)	2,960	2,960 (100%)	3,397	15%	N/A
Scope 3, category 8: Upstream leased assets (tCO ₂ e)	2,956	2,956 (100%)	3,989	35%	N/A
Scope 3, category 9: Downstream transportation and distribution (tCO ₂ e)	851	851 (100%)	634	-25%	N/A
Scope 3, category 10: Processing of sold products (tCO ₂ e)	0	0 (100%)	0	0%	N/A
Scope 3, category 11: Use of sold products (tCO ₂ e)	0	0 (100%)	0	0%	N/A
Scope 3, category 12: End-of-life treatment of sold products (tCO ₂ e)	6,205	6,205 (100%)	8,762	41%	N/A
Scope 3, category 13: Downstream leased assets (tCO ₂ e)	0	0 (100%)	0	0%	N/A
Scope 3, category 14: Franchises (tCO ₂ e)	1,165	1,165 (100%)	1,154	-1%	N/A
Scope 3, category 15: Investments (tCO ₂ e)	0	0 (100%)	0	0%	N/A
Total scope 3 (all categories) (tCO ₂ e)	108,799	108,799 (100%)	131,182	21%	N/A
Activity level: merchandise units sold (millions) [†]	29.0	29.0 (100%)	32.6	12%	N/A
Overall emissions intensity (tCO₂e/unit sold)[†] [128519]	0.0038	0.0038 (100%)	0.0040	7%	-11%

^{*} Progress towards targets is calculated only for approved target-level metrics, not for individual inventory categories.

[†] Activity levels are rounded for presentation; calculations are based on underlying unrounded values.

PROGRESS INTERPRETATION

Performance against the approved targets remains behind the long-term reduction trajectory at this stage. Scope 1 and 2 location-based emissions increased compared with the base year, and Scope 3 emissions intensity per unit sold also increased. In the table above, negative target progress values indicate movement away from the required reduction pathway rather than progress toward the 2035 targets. Because the targets extend to 2035 and several reduction measures require medium- and long-term implementation, the current results should be interpreted as an early progress indicator rather than a final assessment of target feasibility.

The approved Scope 3 target is measured using emissions intensity per unit sold. Additional intensity metrics, such as emissions per unit received, are disclosed only as supplementary indicators to support internal performance analysis and should not be interpreted as replacement metrics for the approved science-based target.

ADDITIONAL PERFORMANCE METRICS

Reporting item	Base year value 2023	2025 value	2025 % change (from base year)
Total scope 3 (all categories) (tCO ₂ e)	108,799	131,182	21%
Activity level: merchandise units received (millions) [‡]	28.9	38.6	34%
Overall emissions intensity (tCO₂e/unit received)[‡]	0.0038	0.0034	-10%

When scope 3 intensity is measured by units received, emissions intensity decreased by 10%, compared with a 7% increase when measured by units sold. This supplementary metric suggests improvement in the production intensity of our merchandise since the 2023 base year when normalized by units received, indicating that inventory-related factors are limiting progress against the overall emissions intensity target based on units sold.

SUBSTANTIAL EMISSIONS VARIATIONS AND CHANGES IN TARGETS

The company's base-year emissions significance threshold is 5% or more of total base-year emissions. No need to update the official 2023 base year has been identified according to this significance threshold. The 2025 inventory includes several methodological improvements intended to increase accuracy and completeness, including expanded use of ENERGY STAR automated utility data exchange services to collect store energy consumption data from participating utilities, improved waste data collection, adjusted assumptions concerning product end-of-life based on the Canadian context, and more granular treatment of certain purchasing and capital goods categories. These changes improve the quality of the 2025 inventory but do not currently trigger a formal base-year recalculation for target-tracking purposes. The approved targets therefore continue to use the 2023 base year submitted for SBTi validation.

Year-over-year comparisons should be interpreted with caution where methodological changes or improved data sources affect comparability. The table below summarizes the main changes and whether they triggered base-year recalculation.

[‡] Activity levels are rounded for presentation; calculations are based on underlying unrounded values.

METHODOLOGICAL CHANGES AFFECTING COMPARABILITY

Area affected	Nature of change	Effect on comparability	Base-year recalculation
Upstream leased assets	Expanded use of automated utility data exchange and extrapolation based on store characteristics.	Improves coverage and precision but may affect year-over-year comparison.	Not triggered.
Waste generated in operations	Improved collection of site-level waste data.	Improves accuracy and reduced reported emissions where previous assumptions were conservative.	Not triggered.
Purchased goods and services and capital goods	More detailed categorization of purchases of non-merchandise supplies.	Improves transparency and category-level tracking.	Not triggered.
End of life treatment of sold products	Updated assumptions related to waste streams for end-of-life treatment based on the Canadian waste management context.	Improves accuracy and increases reported emissions due to the difference between Canadian and global contexts.	Not triggered.

Future recalculation of the base year may be required if structural changes, acquisitions or divestitures, significant changes in methodology or data sources, or the correction of material errors affect base-year emissions by 5% or more.

ACTIONS TOWARDS MEETING SBTs

The following actions describe initiatives implemented or advanced during the reporting period to support progress towards Administration LVER Inc.'s approved science-based targets. In addition to emissions-reduction initiatives, the company continued to improve the quality of its GHG accounting processes, data collection and internal monitoring. These improvements are important to strengthen the company's ability to identify, prioritize and track effective decarbonization measures over time, particularly in the emissions categories that have the greatest influence on target achievement.

Scope 1 and 2 actions: Solar panels installed in 2024 were brought online in 2025 at the head office and distribution centre, supporting the company's broader renewable energy and operational decarbonization efforts. In addition, a roof refurbishment project was approved and is expected to include the installation of additional rooftop solar panels, further increasing the company's on-site renewable energy capacity.

Scope 3 actions: The company continued to advance initiatives across employee commuting, purchased goods and services, packaging, supplier engagement, waste management, and transportation.

- To reduce employee commuting emissions, the company maintained its public transit subsidy program for head office and distribution centre employees, completed preliminary research for potential employee electric vehicle charging infrastructure at this location, and began the process to obtain Vélosympathique certification for the head office to encourage lower-carbon commuting options.
- For purchased goods and services, the company continued to apply its responsible purchasing policy to relevant non-merchandise purchases, with a particular focus on customer packaging and hangers, where lower-impact alternatives can be assessed more reliably.
- Packaging decisions continued to integrate carbon impact considerations, with new packaging formats assessed before purchase decisions and more responsible options selected where appropriate for the business.
- To improve visibility on supplier environmental performance, the company integrated the FEM Score into certain internal supplier reports, making this information more accessible to the production team for Tier 1 manufacturing emissions management.

- For upstream production emissions in Tiers 2, 3 and 4, initial analyses were completed and shared with production teams on potential footprint reductions associated with a transition to preferred fibres, including recycled and organic materials.
- The company also began discussions on documenting and building the data infrastructure needed to track preferred fibres in its product lifecycle management system, which is expected to improve visibility and facilitate broader use of preferred fibres across company activities.
- To reduce waste-related emissions, recycling bins for domestic recyclables were introduced in stores, annual waste audits continued, and the configuration of certain sorting stations was optimized.
- For upstream and downstream transportation, the company continued working with carriers that are taking steps to decarbonize their operations. While there is no formal agreement or policy in place at this stage, the 2025 inventory reflects emissions decreases in upstream import transportation, inventory transfers and downstream transportation consistent with logistics optimization.

The 2025 inventory reinforces that progress toward the company's approved targets will depend primarily on actions affecting the largest and most actionable emissions sources. Future work will therefore focus on product-related emissions, supplier engagement, material choices, energy use in owned operations and logistics optimization. Data improvements will be prioritized where they support material reduction opportunities, particularly for products, materials, supplier performance, energy use and waste management.

FORWARD-LOOKING PRIORITIES

The 2025 results show that Administration LVER Inc. remains in the early stages of its decarbonization pathway. While progress against the approved science-based targets is not yet aligned with the long-term reduction trajectory, the reporting period helped clarify where future efforts can most effectively support target achievement. The company's forward-looking priorities will therefore remain focused on the emissions sources and operational levers that are most material to its approved targets and most actionable within its business model.

For Scope 1 and 2, the company will continue to pursue opportunities to reduce emissions from owned operations, including the decarbonization of heating systems, energy efficiency improvements and the expansion of on-site renewable energy generation where feasible. These initiatives support the company's broader energy transition strategy.

For Scope 3, the company's priorities will continue to centre on product-related emissions, supplier engagement, material choices and logistics optimization. Product-related emissions remain the most significant part of the company's footprint and represent the greatest opportunity to influence long-term performance. Future work will therefore focus on strengthening the data and internal processes needed to support lower-carbon sourcing decisions, including improved visibility on preferred fibres, supplier environmental performance and material-level impacts.

The company will also continue to prioritize logistics optimization and collaboration with transport partners where these efforts can support measurable reductions in relevant transportation categories. Data-quality improvements will remain an important enabling priority, but they will be targeted toward areas that directly support material emissions-reduction opportunities and progress against the approved science-based targets.

Overall, Administration LVER Inc.'s next phase of work will focus on translating early initiatives, improved data visibility and supplier engagement into measurable reductions over time. This approach is intended to keep the company's decarbonization efforts concentrated on the areas most relevant to its targets, while maintaining transparency about current performance, limitations and the work still required to reach its 2035 commitments.