

**KML Windows Inc
EMCO Enterprises LLC
Andersen Windows Inc
2025 Report**

Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c. 9) (the "Act")

Introduction

This joint report has been prepared by (i) KML Windows Inc., (ii) EMCO Enterprises LLC, and (iii) Andersen Windows, Inc., three entities within the Andersen enterprise, for the financial year ending December 31, 2024. The submission of the following information is in response to reporting requirements for obligated companies under the Act and has been organized to address each area specified therein.

Structure

KML Windows Inc. is a Canadian company incorporated under the laws of Ontario (Corporation Number 1508630). The company designs, produces, and distributes windows and doors which are sold primarily into the United States. The company employs approximately 330 employees and meets the size-related thresholds for reporting under the Act.

EMCO Enterprises LLC (EIN 42-1519259) is a US entity, headquartered in Des Moines, Iowa and employs 630 people in its sites in Iowa and Luray, Virginia. EMCO engages in the design, production, and distribution of storm doors. EMCO serves as a non-resident importer of record (IOR) into Canada, delivering product to retail customers across the country. Therefore, it is considered to do business in Canada under the Act and is obligated to file this report.

Andersen Windows Inc (EIN 36-3614252) is a US corporation engaged in the design, production, and distribution of windows and doors in production facilities located in Bayport MN and Menomonie WI. This entity's average annual employment is approximately 1,440 people. Andersen Windows Inc also serves its Canadian retail customers by offering non-resident import services. This entity is also considered to do business under the Act and therefore is obligated to file this report.

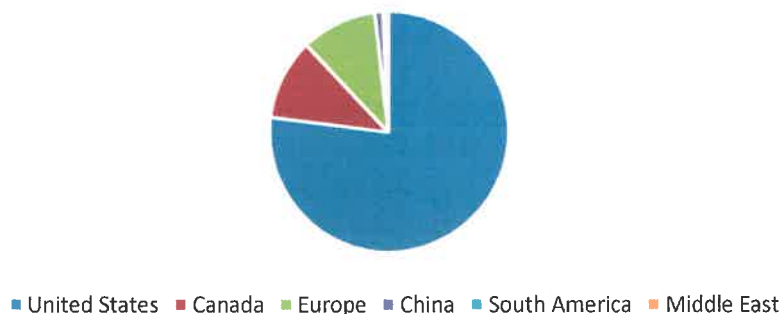
Activities

KML Windows Inc, EMCO Enterprises LLC, and Andersen Windows Inc engage in similar activities in bringing windows and doors to market, including: product design, testing and certification, sourcing of materials and components, production, warehousing, distribution, importing and exporting, and sales to dealers or retailers in Canada and the US.

Supply Chain

KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. source a variety of materials used in the production of their window and door products. These include the following commodity categories: Aluminum, Glass, Grilles, Hardware, Extruded and Injection Molded Components, Fiberglass Components, Packaging, Paint, Resins and Additives, Screens, Sealants and Adhesives, Weather Seals, and Wood. Suppliers are primarily located in North America, but certain items are procured from offshore sources as indicated below.

Supplier Locations



To ensure suppliers meet all requirements for ethical business conduct, quality, and delivery performance, supplier selection and management is the responsibility of a centralized Strategic Sourcing Team. This team conducts site visits, audits supplier operations, develops relationships with the ownership and management of suppliers, measures their performance, and holds suppliers accountable for any shortcomings to expectations.

Additionally, a centralized Product and Material Compliance Team works with the global supply chain to ensure compliance to regulations ranging from human trafficking and slavery to substances of concern and conflict minerals. Team members from our International Trade Compliance department assist in these efforts as well. The company takes sustainability and compliance seriously and has built an effective organizational structure with dedicated resources to ensure success.

Policies and Due Diligence Processes

Current Policies

KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. follow all applicable laws which include, but are not limited to, thorough screening for employment eligibility.

The Andersen enterprise lives by a clear set of values which are expressed in a written Code of Conduct which all employees and suppliers are expected to follow. Included in this Code of Conduct are the following policies:

- Respectful workplace
- Workplace safety and security
- Prevention of workplace violence
- Substance abuse
- Prohibition of bribery and corruption

The topic of Human Rights is important to our companies and is highlighted in its own section within our Code of Conduct, stating:

We uphold individual human rights in all of our operations, and we expect the same from all of our business partners. This means providing reasonable working hours and fair wages, and promoting the health and safety of everyone who works on our behalf. Andersen has no tolerance for the use of child or forced labor or human trafficking practices. We will not knowingly do business with contractors, suppliers or other business partners who violate these practices. If you become aware of any situation in which these principles may be compromised, speak up promptly.

There is a clearly written and communicated process for reporting for anyone who experiences or witnesses violations to any of our Code of Conduct policies.

Contracts with suppliers convey a similar message relative to the importance of compliance:

Seller will comply with all laws, rules, ordinances, and regulations (including any applicable import and export laws). Seller represents and warrants that all Product delivered pursuant to this Agreement was procured, produced and sold in compliance with all laws, rules, ordinances, and regulations.

Similar language is included on purchase orders issued by KML Windows Inc., EMCO Enterprises LLC and Andersen Windows, Inc..

Due Diligence

Given the complexities associated with monitoring the business practices of several hundred suppliers, KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. rely on a third-party company called Assent Inc. (headquartered in Ontario) to conduct surveys of suppliers to assess risks and “flag” any concerns requiring further investigation. Assent utilizes the Slavery and Trafficking Risk Template (STRT) developed by the Social Responsibility Alliance. The STRT is the industry standard template used to assist companies in their efforts to comply with human trafficking and modern slavery legislation and improve their supply chain-related public disclosures. The STRT helps companies and their suppliers work together to build socially responsible supply chains by facilitating accurate data collection.

Assent campaigns suppliers on behalf of KML Windows Inc., EMCO Enterprises LLC and Andersen Windows, Inc. , collecting their responses to the survey and housing the information in their on-line sustainability platform. Data is tabulated and reports are provided indicating levels of risk that may be found relative to the following categories:

- Human Trafficking and Slavery
- Child Labor Risk
- Compliance with Title III of the Countering America’s Adversaries Through Sanctions Act
- Compliance with the US Federal Acquisition Regulation
- Compliance with the Uyghur Forced Labor Prevention Act

KML Windows Inc., EMCO Enterprises LLC and Andersen Windows, Inc. also subscribe to Assent’s Enhanced Supplier Screening (ESS) services wherein they monitor suppliers, their beneficial owners, and subsidiaries for the purpose of enhanced denied party screening. Information gathered through this screening process is immediately transmitted to responsible people within the companies for review and follow-up.

In addition, Sourcing team members routinely visit suppliers’ locations. Site visits are an invaluable way to personally walk through an operation and witness working conditions, employee morale, and Environmental, Health, and Safety (EHS) practices.

Risk Identification and Management

Countries of Operation and Risks

KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. operate production facilities in Ontario Canada and in the Midwest region of the United States. These manufacturing locations are low risk for forced labor and are, as described above, further protected by clear and effective policies prohibiting such practices.

Countries of Suppliers and Risks

Suppliers providing materials and components into the operations of KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. are located throughout the world with a majority of them being in North America. Purchased items include Aluminum, Glass, Grilles, Hardware, Extruded and Injection Molded Components, Fiberglass Components, Packaging, Paint, Resins and Additives, Screens, Sealants and Adhesives, Weather Seals, and Wood. Our supplier risk profiles are based on algorithms taking into account both the region of the world and the types of goods being produced and supplied.

Based on supplier locations, their industries, and the types of products purchased (all outputs of the STRT surveys), varying degrees of inherent risks of Human Trafficking, Slavery, and Child Labor do exist in the supply chains of our companies. However, no survey responses or additional evidence seen to date indicate the presence of forced labor or child labor in our supply chain.

Monitoring through Assent's ESS services is ongoing, and surveys will be conducted and analyzed on an annual basis. Extra scrutiny is always placed on suppliers located in parts of the world where labor is known to be exploited. Business reviews with suppliers include discussions about compliance topics and the programs suppliers have in place to comply. New suppliers will be assessed as part of the selection and onboarding process. Any concerns raised through these mechanisms will be thoroughly investigated.

Remediation of Forced or Child Labor

No evidence of Forced or Child Labor was discovered during the 2024 reporting period.

Remediation of Income Loss of Vulnerable Families

No evidence of Forced or Child Labor was discovered during the 2024 reporting period, therefore, no actions were undertaken which resulted in the loss of income to any vulnerable families.

Training

Training on this critical topic for our team members continues to evolve. The compliance team who administers the program with Assent receives training on regulations pertaining to Human Trafficking, Slavery, and Child Labor through Assent's on-line library as well as through discussions with their subject matter experts.

In addition to the annual Code of Conduct refresh training, Strategic Sourcing, Sustainability, and our EHS Teams receive annual training on the topic of Human Trafficking, Slavery, and Child Labor administered by our compliance team. The training covers an introduction to the challenge, Canada and US laws (Fighting Against Forced Labour and Child Labour in Supply Chains Act and the U.S. Uyghur Forced Labor Prevention Act), symptoms to watch for, and the status of our program and any actions needed to correct a potential problem with a supplier.

Assessment of Effectiveness of Program

Our Human Trafficking, Slavery, and Child Labor prevention and compliance program is in its initial phase, so an effective mechanism to monitor its efficacy is still in development. Assent provides meaningful metrics based on supplier STRT surveys. The Enhanced Supplier Screening services provide summary reports as well. Looking forward, however, the team envisions incorporating measures for this category of compliance into our Supplier Scorecard system, thereby coupling performance in compliance with the opportunity for additional growth in business with KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc.

Summary

The programs within KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. that ensure compliance to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act have been put in place and are maturing. Effective systems are in place and excellent support is available through Assent. We are into our first full year of supplier surveys and are seeing good engagement and response rates from suppliers. Obviously there is a learning curve, so training of personnel in critical roles underpins and supports our efforts.

While certain regions of the world and categories of product have higher risks than others, we have not yet uncovered any concerns with current suppliers in terms of exploitation of labor. Annual surveys and monitoring via denied party screening will enable us to identify any emerging patterns or concerns which will prompt additional investigative measures.

DIRECTOR'S ATTESTATION:

KML WINDOWS INC.
EMCO ENTERPRISES LLC
ANDERSEN WINDOWS, INC.

Canada Forced Labour and Child Labour in Supply Chains Act (the "Act")

Reporting Year: 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 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.

By signing this attestation, I hereby state that I have the authority to bind KML Windows Inc., EMCO Enterprises LLC, and Andersen Windows, Inc. as a Director of those companies.

Date: 5-27-25


Chris Galvin

Director, President and Chief Executive Officer

