



May 28, 2024

Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211)

Reporting Year: January 1 – December 31, 2023

Introduction

This report is Lux Windows and Glass Ltd's response to comply with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the Act) for the financial year ending December 31, 2023. In this Statement, the terms 'Lux', 'we', 'us', and 'our' refer to Lux Windows and Glass Ltd. The reporting entity covered by this statement is Lux Windows and Glass Ltd, business number 200817427.

For the purposes of the Act, Lux Windows and Glass Ltd meets the entity definition as it is a Canadian business doing business in Canada and meeting two (2) of the three (3) criteria stated in the Act related to revenue, assets and employees. Lux Windows and Glass Ltd is a provincial corporation incorporated pursuant to the laws of the Province of Alberta and is accordingly obligated to submit a report to the Minister of Public Safety and provide a public report in response to the Act by May 31, 2024.

Guided by our core values and principles, Lux Windows and Glass Ltd is committed to making ethical business decisions and taking proactive measures to address issues such as forced labour and child labour.

1. Structure, Activities, and Supply Chain

Structure

Lux Windows and Glass Ltd was founded in 1969 with just five employees in a small shop in Calgary, Alberta. Now with a 105,000 square foot state-of-the-art manufacturing

facility, our experienced team of more than 250 engineers, Installers, craftsmen, carpenters and professionals is committed to ensuring our customers are always completely satisfied. This commitment to care and attention is and always has been, the hallmark of our family business.

Activities

At Lux Windows and Glass Ltd, we pride ourselves on combining the best of today’s technology with old-world commitment to craftsmanship. Our goal is to offer renovators, builders, architects, designers and homeowners quality, craftsmanship and service at competitive prices in both the residential and commercial markets.

Over the years, Lux Windows and Glass Ltd has grown consistently, and we now proudly serve clients in Western Canada and the United States. All the while, we have remained firmly connected to our community, where our unmatched reputation is deeply important to us, because at Lux, delivering true quality is about more than a business reputation, its our family’s way of life.

Supply Chain

Lux Windows and Glass Ltd’s supply chain is multi-pronged, with approximately 95% of its supplies emanating from Canada and the United States of America. These suppliers have strict employment practices that are subject to provincial or state employment standards legislation, which precludes employment practices that far exceed what is considered precluding forced labour and child labour. Lux Windows and Glass Ltd has two suppliers outside of Canada and the United States, which represent 5% or less of its supplies.

Supplier	Products	Countries of Origin
West Four Group of Companies	Door slabs	Canadian
Nextool Technology Co. Ltd.	Composite door jambs	Anhui, China (representing approx. 4% of supplies)
TMG Global Ltd.	Marketing materials, window parts	Tsuen Wan / Hong Kong, China (representing approx. 1% of supplies)
Trimlite LLC	Door inserts, slabs	Canadian
TYMAN	Hardware	USA

2. Policies and Processes in Relation to Forced Labour and Child Labour

Internal

Lux Windows and Glass Ltd maintains Ethics policies to which all employees must adhere to throughout their employment with Lux Windows and Glass Ltd. Lux Windows and Glass Ltd's Human Resources team regularly reviews its human resource related policies to ensure Lux Windows and Glass Ltd remains in compliance with applicable workplace and labour legislation. Lux Windows and Glass Ltd has implemented new training about the Act, more details can be found in Section 6.

Lux Windows and Glass Ltd ensures that there is reduced risk of forced labour or child labour in its operations through strict adherence to provincial and federal labour laws. As per The Employment Standards Code (Alberta), Lux Windows and Glass Ltd does not employ anyone under the age of 15 and follows all applicable young worker restrictions for employees under the age of 18.

Suppliers

Lux Windows and Glass Ltd suppliers offer a high standard of service and quality. Lux Windows and Glass Ltd has undertaken to implement a Supplier Code of Conduct with its suppliers to reduce the risk of forced labour and child labour in its supply chains.

Our supply chain has limited use of non-North American supply partners, and we ensure that we do not knowingly engage with any supplier who violates local or international laws and regulations, including those pertaining to environmental and employment standards. We aim to establish long-term relationships with our suppliers and clearly communicate our high standards and expectations.

We mandate that our key suppliers implement robust policies and processes against forced labor, child labor, slavery, and human trafficking. We expect them to perform due diligence that extends at least 'one level up' the supply chain, acknowledging that it is not always feasible for each supplier to maintain direct oversight over every input source.

We have a zero-tolerance policy towards forced labor and child labor. We require all entities within our supply chain to uphold our values in this regard and to fully comply with all relevant legal requirements, including those concerning labor practices, standards, and the prevention of bribery and corruption.

Progressive Steps Forward

Lux Windows and Glass Ltd has been developing and implementing a series of progressive steps forward to advance its implementation of the objectives of the Act, including but not limited to:

- Conducted a comprehensive review of our operations to identify all activities involved in the production and sourcing of goods.
- Mapped our direct suppliers and continued monitoring to assess the risk of forced labour or child labour at each stage.
- Conducted an internal assessment to evaluate the risk of forced labour and child labour within our own organization.
- Reviewed internal recruiting policy to ensure that all workers are recruited voluntarily and are not subjected to forced labour or child labour.
- Developing and implementing due diligence policies and processes to identify, address, and prohibit the use of forced labour and child labour in our activities and supply chains.
- Initiated ongoing improvements to internal supply chain processes, policies, and training.
- Developing anti-forced labour and anti-child labour contractual clauses for our direct suppliers.
- Requiring our suppliers to have policies and procedures in place for identifying and prohibiting forced labour and child labour in their activities and supply chains.
- Collaborating with supply chain partners to address the issue of forced labour and child labour.

3. Identification of Risks

Lux Windows and Glass Ltd's supplies overwhelmingly emanate from within North America, with 5% or less of our supplies emanating from outside of North America, such that we have no foreign dependence, which allows us to focus on high quality partners with whom we are sufficiently confident in their labour and regulatory practices, as we provide ourselves on exceeding expectations in all facets of our business. In assessing the risk of forced labour or child labour at the direct supplier level for this relationship, Lux Windows and Glass Ltd has undertaken a review of the use of child labour and/or forced labour within their supply chain, using two separate indices - Walk Free's Global Slavery Index and the US Department of Labor's List of Goods Produced by Child Labor or Forced Labor; however, each of the indices has been insufficient in its identification of forced labour and child labour in the regions outside of North America from which Lux Windows and Glass Ltd is obtaining supplies, such that these indices provide little in the way of additional direction as to veritable risks of forced labour and child labour, other than entirely speculative innuendo and conjecture.

Lux Windows and Glass Ltd is mindful of the potential for forced labour and child labour outside of North America that may be difficult to identify; however, we also do not want to discontinue our foreign supplier relationships, which we are not dependent on, for the

mere purpose of having increased certainty of avoiding any possibility of forced labour or child labour. Our non-North American suppliers have been excellent business partners and have expressed their commitment against forced labour and child labour, such that removing them from our supply chain would appear antithetical to the purpose of the legislation, which is to support legitimate commercial and industrial development around the world that abides by appropriate norms as against forced labour and child labour. And to the extent that we might reduce the prospect of forced labour and child labour in our foreign supply chain, we are exploring opportunities to understand and reduce the risk of forced labour and child labour within its supply chain and will be relying on this on-going assessment to continue evaluating goods procured from overseas. Lux Windows and Glass Ltd has been working to integrate the U.S. Department of Labor's Comply Chain tool, which is designed to help companies mitigate these risks by building or improving worker-driven social compliance systems, which empower workers to play a central role in identifying and addressing labor rights violations and other concerns within their workplaces, in addition to other systems designed to identify and reduce the incidence of forced labour and child labour in a business' supply chain.

4. Remediation of Forced Labour and Child Labour

Lux Windows and Glass Ltd has taken action to remediate potential risks of forced and child labour through the deployment of the policies and procedures outlined in Section 2 of this report. If specific incidents of forced labour and/or child labour are identified, Lux Windows and Glass Ltd will work with suppliers to determine and implement remedial action on a priority basis.

5. Remediation of Loss of Income

Lux Windows and Glass Ltd has not identified any child or forced labour in its operations or supply chains, and therefore no measures have been taken to remediate the loss of income to vulnerable families that results from any measures taken.

6. Employee Training

Lux Windows and Glass Ltd has been working to create its own training modules to educate team members and help them identify and respond to risks of forced labour and child labour in supply chains. We have challenged our staff with a call to action to do their part to reduce forced labour and child labour in supply chains.

7. Efficacy of Actions

Lux Windows and Glass Ltd has conducted a review of current policies and procedures as they pertain to forced labour and child labour and is currently evaluating further measures to assess the efficacy of actions.

8. Approval and Attestation of the Report

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.

President

A handwritten signature in black ink, appearing to read "Glen Ambrogiano", written in a cursive style.

Glen Ambrogiano

May 28, 2024

I have the authority to bind Lux Windows and Glass Ltd. The Statement has been reviewed and approved by the Board on behalf of itself.