



**Annual Report on Fighting Against Forced Labor and
Child Labor in Supply Chains**
for the 2023 Financial Reporting Period





This Report is published pursuant to the Canadian “Fighting Against Forced Labour and Child Labour in Supply Chains Act” and sets out the steps that Duravent Group (the “Company” or “Duravent”) has taken and is continuing to take to combat forced and child labour in its business and supply chains. The Report covers activities for the financial year ending December 31, 2023.

INTRODUCTION

In May 2023, Canada enacted its first modern slavery legislation: *Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (the “Act” or the “**Canadian Modern Slavery Act**”). Under the Act, certain companies, including Duravent Group, are required to produce and file an annual report with the Minister of Public Safety and Emergency Preparedness of Canada. The report must, among other things, describe the modern slavery risks within the organization, as well as the risk mitigation measures implemented to address them. Completed reports must be approved by a company’s board of directors, and must be made available to the public, including by publishing them on their websites.

We acknowledge our responsibility to combat forced and child labor and are committed to acting ethically and with integrity and transparency. We are working to maintain, improve and put additional systems and controls in place to safeguard against any form of forced or child labor taking place within the business or our supply chain.

REPORTING ENTITIES

This joint report is prepared by Duravent Group which includes the following operating entities (together the “Reporting Entities”) for the period from January 1 to December 31, 2023 (the “reporting period”):

- Duravent Inc.
- Hart & Cooley LLC
- Hart & Cooley Trucking Company
- Security Chimneys International Ltd.
- Selkirk Canada Inc.
- Selkirk Corporation
- AMP Industrial Mexicana, S.A.P.I. De C.V.
- Industrias Selkirk de Mexico S. de R.L. de C.V.

In this joint report, “we”, “us” and “our” refer to the Reporting Entities.

OUR BUSINESS

Duravent is a group of entities owned by European private investment funds managed by Egeria, a highly respected Dutch-based private equity investor. Egeria invests in Duravent through its Evergreen Fund which is a long-hold, value-based growth fund utilizing its own funds and does not rely on third party investors for these investments. Egeria also invests in other middle market industrial, services and technology companies throughout Europe.



The principal business activity of the Reporting Entities is the manufacturing and selling of vents, grilles, registers and diffusers, chimney, and rooftop products for residential and commercial HVAC applications. The Company's headquarter is in Detroit, Michigan. The Company has manufacturing facilities and distribution centers in USA, Canada and Mexico.

In 2023 DuraVent Group employed 2,200 people. comprised of salaried, hourly, agency, part-time, and contract workers for its corporate locations, manufacturing facilities and distribution centers.

OUR SUPPLY CHAINS

The raw materials used within DuraVent Group are almost all sourced domestically from North American suppliers. As outlined below, our purchases are 48% direct material (30% of it being metal coils and sheets), 17% transportation, 16% indirect material, and 19% other suppliers. These are purchased from various suppliers located in North America, but the country of origin of many of these goods may be from foreign countries. We have not yet assessed the proportion of goods from foreign countries.

POLICIES AND PROCESSES

Ethical Business Practices and ESG

With respect to ethical business practices, we have had in place since at least 2014, a Code of Ethics and Business Conduct (the "**Code of Conduct**") setting out the norms of behavior expected from our employees, officers and directors. Among other things, the Code of Conduct includes important guiding principles regarding dignity, respect, and fairness in the workplace. The Code of Conduct also affirms as one of our goals the protection of the environment and promotion of the health and safety of our employees, stipulating that this is the responsibility of management and employees in all functions.

In 2020, we have implemented a whistleblower reporting system, dedicated e-mail account and post office box where concerns may be reported anonymously. Management can access all complaints through a web portal to manage and respond to concerns, log actions, track and follow up. All reports are investigated and communicated to the Audit Committee of the Board of Directors. Any reprisal, retaliation or disciplinary action for good faith reporting is strictly prohibited.

The Company has made important environmental, social and governance ("**ESG**") commitments to reflect our corporate commitment to sustainability, integrity and ethics. The board and its committees oversee and monitor our approach, policies and practices related to ESG matters, which include policies proposed by management in respect of environmental, health and safety issues and reviewing regular management reports on the operation of our environmental and occupational health and safety management systems.

Our Procurement team has an assessment process to validate the supplier reputation, sustainable financial conditions, and where they conduct their business activities, which is a minimum standard prior to engaging in business partnership. The Company has developed and implemented a Supplier Performance Quality Standards Manual (the "**Supplier Code**") which sets out the standards by which we expect our suppliers to conduct their business, including a provision that we oppose the use of any form of forced or child labor in our supply chain, and that we will not purchase goods produced using forced or child labor. Suppliers are expected to uphold our values regarding forced and child labor, and to take



appropriate steps to reduce and prevent the use of any such forced and child labor in their supply chains. Our goal is to roll out the Supplier Code to our full supply base by the end of 2025.

Due Diligence

In 2025, our goal is to roll out our Supplier Code to the entire Duravent Group supply base, which sets out various standards and obligations which we expect our suppliers to meet and comply with while doing business with us. The Supplier Code will make specific reference to suppliers' compliance with the Supplier Code, which will include language requiring that vendors not use any form of forced or child labor in their supply chains, and we will not accept products made using forced or child labor.

AREAS OF RISK

Duravent Group operates in United States of America, Canada and Mexico. We are committed to sustainability, recognizing this is critical to our role as a good corporate citizen. Employee health, safety and well-being is a core value of our business, one that we expect our business partners to uphold. We oppose the use of forced or child labor in our business or by our business partners in our supply chains.

We have analyzed our 2023 suppliers' activities to map the parts of our supply chains that may present a risk of forced or child labor. This analysis has been completed using supplier country of residence and nature of products purchased and/or services received. Based on our analysis, we did not identify risks in our supply chain related to forced or child labor. However, we consider that to effectively prevent the risk, if any, of forced or child labor in our supply chains, we must work collaboratively with our suppliers. This means engaging our suppliers in an ongoing dialogue about the risk of forced or child labor in our common supply chains, past tier one suppliers, and identifying strategies to avoid or eliminate these practices in those supply chains.

Steps taken to prevent and reduce risk

To prevent and reduce the risk that forced labor or child labor is used at any step of the production of goods or of goods purchased and used in the production of goods, Duravent took the following steps in 2023:

- 1) Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily.
 - a. The Company requires all individuals who wish to be considered for employment to complete and sign an Employment Application form. This form outlines references, background information and other qualifications, including age, that will be reviewed as part of the process. Additionally, Duravent has outlined Employment Procedures which describe the guidelines that must be followed by hiring managers throughout the recruitment process. It also outlines the requirement for Human Resources to conduct appropriate background and reference checks during the employment process, which includes various verifications that may be conducted as well as disqualification criteria. As part of this process, employees are required to provide two pieces of I.D, one which must be government issued and used validate work authorization, proof of individual age and documents defined by country requirements.



- b. A Confidential whistleblowing system have been implemented in 2020 in which part time, full time, and contract employees can report any concerns or fraudulent or unethical activities anonymously and confidentiality.
 - c. The Company Employee Handbook (the “Employee Handbook”) which sets forth the duties, responsibilities, and expectations of employment with Duravent. This includes, but not limited to, details on policies and procedures that help Duravent to operate safely, ethically, and effectively in all roles. The Employee Handbook is provided to employee on start date and an acknowledgement procedure is in place with employees during their first week of employment.
- 2) Enacting measures to provide for, or cooperate in, remediation of forced or child labor.
- a. A requirement for all suppliers of Duravent Group to agree to its General Terms and Conditions, which requires all materials and services to be produced and sold in full compliance with all applicable deferral, state/provincial, and local laws and regulations.

REMEDIATION MEASURES

Based on our evaluations, nothing has come to our attention that would indicate any instances of forced or child labor in our supply chains during the reporting period and the underlying control systems appear adequate to provide reasonable assurance of compliance therefore, remediation measures were not required.

TRAINING PROVIDED TO EMPLOYEES

While we have not implemented specific training regarding forced or child labor for employees who are involved in supply chain and procurement activities, they are all aware of our ethical business practices around labor rights and ethics.

Specific training will be provided to employees who will be required to review materials to raise their awareness about: the Act; Duravent’s approach to compliance with the Act; the global prevalence of forced labor; strategies to manage the risk of forced or child labor in business and supply chains; and steps employees can take to assist Duravent in complying with the Act.

ASSESSING EFFECTIVENESS

Process development is underway for assessing the effectiveness of these and any other similar measures introduced by us, in preventing and reducing the risk of forced or child labor used in our activities and our supply chains. Such processes may include leveraging existing processes, such as internal and external audits, and policy reviews, among others.



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 this joint report for the Reporting 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 ended December 31, 2023. This report has been approved by the Board of Directors of Duravent Group pursuant to section 11(4)(b)(ii) of the Act.

Dated at Detroit, Michigan USA as of the 6/19/2025 day of May 2025.

DocuSigned by:
Simon Davis
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Simon A. Davis
President and CEO, and a director
Duravent Group

I have authority to bind Duravent Group

