Risk Factors Comparison 2024-02-20 to 2023-02-21 Form: 10-K

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Investing in our Common Stock involves a high degree of risk. These risks include those described below and may include additional risks and uncertainties not presently known to us or that we currently deem immaterial. You should carefully consider the following factors, as well as other information contained or incorporated by reference in this Annual Report on Form 10- K, before deciding to invest in shares of our Common Stock. Our business, financial condition, and results of operations could be materially adversely affected by any of these risks, and the trading price of our Common Stock could decline due to any of these risks, and you may lose all or part of your investment in our Common Stock. ~~Summary of Risk~~ **Risks** ~~Factors~~ **Relating to** Our ~~business~~ **Business** ~~is subject to a number of risks~~ and **Industry** ~~uncertainties, including those risks discussed at- length below. These risks include, among others, the following: •~~ Negative trends in overall business, financial market and economic conditions, and activity levels in our end markets may reduce demand for our products, which could have a material adverse effect on our business, financial condition, and results of operations. ~~• Increases in interest rates used to finance home construction and improvements, such as mortgage and credit card interest rates, and the reduced availability of financing for the purchase of new homes and home construction and improvements, could have a material adverse impact on our business, financial condition, and results of operations. • A decline in our relationships with our key customers, the amount of products they purchase from us, or a decline in our key customers' financial condition could have a material adverse effect on our business, financial condition, and results of operations. • We operate in a highly competitive business environment. Failure to compete effectively could cause us to lose market share and any decrease in demand for our products could force us to reduce the prices we charge for our products. This competition could have a material adverse effect on our business, financial condition, and results of operations. • Failure to maintain the performance, reliability, quality, and service standards required by our customers, or to timely deliver our products, could have a material adverse effect on our business, financial condition, and results of operations. • A disruption in our operations due to natural disasters or acts of war could have a material adverse effect on our business, financial condition, and results of operations. • The ongoing conflict between Russia and Ukraine has had and could continue to have a material adverse effect on our business, financial condition, and results of operations. • We may not identify or effectively respond to consumer needs, expectations, or trends in a timely fashion, which could adversely affect our relationship with customers, our reputation, the demand for our brands, products, and services, and our market share. • The COVID- 19 pandemic has had, and may continue to have, a negative impact on the global economy and on our business, operations, and results. • Prices and availability of raw materials, freight, energy and other critical inputs we use to manufacture our products are subject to fluctuations due to inflation and other factors, and we may be unable to pass along to our customers the effects of any price increases. • Our business may be affected by delays or interruptions in the delivery of raw materials, finished goods, and certain component parts. A supply shortage or delivery chain interruption could have a material adverse effect on our business, financial condition, and results of operations. • Increases in labor costs, potential labor disputes, and work stoppages at our facilities or the facilities of our suppliers could have a material adverse effect on our business, financial condition, and results of operations. • Our business will suffer if we are unable to retain and recruit executives, managers and employees at a competitive cost. • Changes in building codes and standards, including ENERGY STAR standards, could increase the cost of our products, lower the demand for our windows and doors, or otherwise adversely affect our business. Back to top • Changes in weather patterns, related extreme weather events, and legal, regulatory or market measures to address climate change, including proposals to restrict emissions of GHGs and other sustainability initiatives, could have an adverse impact on the Company' s business and results of operations. • Our failure to comply with the credit agreements governing our Credit Facilities and indentures governing the Senior Notes and Senior Secured Notes, including as a result of events beyond our control, could trigger events of default and acceleration of our indebtedness. Defaults under our debt agreements could have a material adverse effect on our business, financial condition, and results of operations. • The market price of our Common Stock may be highly volatile. Risks Relating to Our Business and Industry~~ Negative trends in overall business, financial market, and economic conditions globally or in the regions where we operate may reduce demand for our doors and windows, which is tied to activity levels in the R & R and new residential and non- residential construction end markets. In particular, the following factors may have a direct impact on our business in the regions where our products are marketed and sold: • the strength of the economy; • employment rates ~~and~~ **,** consumer confidence **,** and spending rates; • the availability and cost of credit **; • interest rate fluctuations (including mortgage and credit card interest rates) and the availability of financing for our customers and consumers** ; • the amount and type of residential and non- residential construction; • housing sales and home values; • the age of existing home stock, home vacancy rates, and foreclosures ~~; • interest rate fluctuations for our customers and consumers~~ ; • volatility in both debt and equity capital markets; • increases in the cost of raw materials or any shortage in supplies or labor, including as a result of tariffs or other trade restrictions; • the effects of governmental regulation and initiatives to manage economic conditions; • geographical shifts in population and other changes in demographics; and • changes in weather patterns and extreme weather events. While cyclicity in our new residential and non- residential construction end markets is moderated to a certain extent by R & R activity, much R & R spending is discretionary and can be deferred or postponed entirely when economic conditions are poor. We have experienced sales declines in all of our end markets during recent economic downturns. Uncertain economic and political conditions may make it difficult for us and our customers or suppliers to accurately forecast and plan future business activities. For example, changes to policies related to global trade and tariffs may result in uncertainty surrounding the future of the global economy which could have an adverse impact on consumer spending as well as our input costs. **The ability** ~~Global economic impacts as a result~~ of ~~the COVID- 19 pandemic and the ongoing conflict between Ukraine and Russia continue to evolve. Prior to the outbreak of COVID- 19, Australia and certain European countries had entered housing and economic recessions, which were prolonged as a result of COVID- 19. Negative business, financial market, and economic conditions, including rising inflation and interest rates, globally and within the industries or regions we compete in may materially and adversely affect demand for or costs to produce our products. This could have a material adverse effect on our business, financial condition, and results of operations. Our performance depends in part upon~~ consumers ~~having~~ **to finance home construction and improvements is affected by** the ability **of consumers** to ~~access~~ **procure** third- party financing ~~for the purchase of new homes~~ and ~~buildings and R & R of existing homes and other buildings. The ability of consumers to finance these purchases is affected by~~ the interest rates available for home mortgages, credit card debt, home equity or other lines of credit, and other sources of third- party financing. **Negative business, financial** ~~Many of the regions where we~~ market **,** and **economic conditions, including** ~~sell our products have experienced~~ rising **inflation,** interest rates ~~during 2022. If interest rates were to remain heightened,~~ and **difficulty** ~~consequently, the ability of prospective buyers to finance purchases of new homes or~~ **for** ~~home improvement~~ **consumers to procure financing, globally and within the industries or regions we compete in may materially and adversely affect demand for or costs to produce our** products ~~is~~ **which could have a material** ~~adversely~~ -- **adverse** ~~affected,~~ **effect on** our business, financial condition, and results of operations ~~may be materially and adversely affected~~. ~~In addition to increased interest rates~~ **A decline in our relationships with our key customers** , **the amount of products** ~~the~~ **they purchase from us** ~~ability of consumers to procure third- party financing is impacted by such factors as new and existing home prices~~ , **or a decline** ~~unemployment levels, high mortgage delinquency and foreclosure rates, and lower housing turnover. Adverse developments affecting any of these factors could result~~ in **our key customers'** ~~the imposition of more restrictive lending standards by~~ financial **condition could have a material adverse effect on** ~~institutions and reduce the ability of some consumers to finance home purchases or~~ **our** ~~R & R expenditures~~ **business, financial condition, and results of operations** . Our business depends on our relationships with our key customers, which consist mainly of wholesale distributors and retail home centers. Our top ten customers together accounted for approximately ~~39~~ **43 %, 44 % and 43** % of our net revenues in the ~~year~~ **years ended Back to top December 31, 2023, 2022 and 2021, respectively. The Home Depot, a customer of our North America segment, represents 15 %, 16 %, and 17 % of our consolidated net revenues during the years** ended December 31, **2023,** 2022, and ~~our largest~~ **2021, respectively. Lowe's Companies, another** customer **of our North America segment** , **represents 11** ~~The Home Depot, accounted for approximately 14~~ % **, 11 %, and 10 %** of our **consolidated** net revenues ~~in~~ **during** the ~~year~~ **years** ended December 31, **2023,** 2022 **, and 2021, respectively** . Although we have established and maintain significant long- term relationships with our key customers, we cannot assure you that all of these relationships will continue or will not diminish. We generally do not enter into long- term contracts with our customers and they generally do not have an obligation to purchase products from us. Accordingly, sales from customers that have accounted for a significant portion of our sales in past periods, individually or as a group, may not continue in future periods, or if continued, may not reach or exceed historical levels in any period. For example, certain of our large customers perform periodic line reviews to assess their product offering, which have in the past and may in the future lead to loss of business and pricing pressures. Some of our large customers may also experience economic difficulties or otherwise default on their obligations to us. Furthermore, our pricing optimization strategy, which requires maintaining pricing discipline in order to improve or maintain profit margins, has in the past and may in the future lead to the loss of certain customers, including key customers, who do not agree to our pricing terms. The loss of, or a diminution in our relationship with, any of our largest customers could lower our sales volumes **and** ~~, which~~ could **have a material adverse effect on our business, financial condition, and results of operations. We operate in a highly competitive business environment. Failure to compete effectively and any** ~~increase~~ **decrease in demand for** our **products** ~~costs and lower our profitability. This~~ could have a material adverse effect on our business, financial condition, and results of operations. We operate in a highly competitive business environment. Some of our competitors may have greater financial, marketing, and distribution resources and may develop stronger relationships with customers in the markets where we sell our products. Some of our competitors may be less leveraged than we are, providing them with more flexibility to invest in new facilities and processes and also making them better able to withstand adverse economic or industry conditions. In addition, some of our competitors, regardless of their size or resources, may choose to compete in the marketplace by adopting more aggressive sales policies, including price cuts, or by devoting greater resources to the development, promotion, and sale of their products. This could result in our loss of customers and / or market share to these competitors, which may cause us to reduce the prices at which we sell our products to remain competitive. As a result of competitive bidding processes, we may have to provide pricing concessions to our significant customers in order for us to keep their business. Reduced pricing would result in lower product margins on sales to those customers. There is no guarantee that a reduction in prices would be offset by sufficient gains in market share and sales volume to those customers. The loss of, or a reduction in orders from, any significant customers, or decreases in the prices of our products due to lower demand, could have a material adverse effect on our business, financial condition, and results of operations. ~~If~~ **Failure to implement** our ~~products have~~ **strategic cost reduction and productivity initiatives could adversely impact our business, financial condition, and results of operations. Our future financial** performance ~~, reliability,~~ **depends in part on** ~~or~~ **our** ~~quality problems,~~ **management's ability to successfully implement** our ~~reputation and~~ **strategic initiatives, including our productivity, cost reduction,** ~~brand~~ -- **and** ~~equity,~~ **global footprint rationalization initiatives. We cannot guarantee the successful implementation of these initiatives and related strategies throughout the geographic regions in** which we ~~believe is a substantial competitive advantage,~~ **operate or that such implementation will improve our operating results. Any failure to successfully implement these initiatives and related strategies** could ~~be materially~~ adversely ~~affected~~ -- **affect our business, financial condition, and results of operations, including increases in our severance and asset related charges** . We may ~~also experience increased and unanticipated warranty and service expenses. Furthermore~~ , ~~we manufacture a significant portion of~~ **in addition, decide to alter** ~~our~~ - **or**

discontinue certain aspects ~~products based on the specific requirements~~ of ~~our customers, and delays in providing our customers the products and services they specify on a timely basis could result in reduced or~~ **our business strategy at any** ~~canceled orders and delays in the collection of accounts receivable. Additionally, claims from our customers, with or without merit, could result in costly and~~ time **. A disruption in our operations due to natural disasters, unstable geopolitical conditions or armed conflicts** ~~-~~ ~~consuming litigation that could require significant time and attention of management and involve significant monetary damages that~~ could have a material adverse effect on our business, financial condition, and results of operations. We operate facilities worldwide. **We have** ~~Many of our~~ facilities ~~are~~ located in areas that are vulnerable to hurricanes, earthquakes, wildfires, and other natural disasters. In the event that a hurricane, earthquake, natural disaster, fire, pandemic, or other catastrophic event were to interrupt our operations for any extended period of time, it could delay shipment of merchandise to our customers, damage our reputation, or otherwise have a material adverse effect on our business, financial condition, and results of operations. In addition, our operations may be interrupted by **armed conflicts,** terrorist attacks or other acts of violence or war. These attacks may directly impact our suppliers' or customers' physical facilities. Furthermore, these attacks may make travel and the transportation of our supplies and products more difficult and more expensive and ultimately have a material adverse effect on our business, financial condition, and results of operations. ~~The U. S. has entered into armed conflicts, which could have an impact on our sales and our ability to deliver product to our customers.~~ Political and economic instability in some regions of the world may also negatively impact the global economy and, therefore, our business **. For instance, instabilities in the Middle East and the ongoing conflict between Russia and Ukraine, including sanctions imposed on Russia, has had and could continue to have an adverse impact on our business, such as shortages in materials and heightened inflation on materials, freight, and other variable costs, such as utilities** . The consequences of any of these armed conflicts are unpredictable, and we may not be able to foresee events that could have an adverse effect on our business or your investment. More generally, any of these events could cause consumer confidence and spending to decrease or result in increased volatility in the worldwide financial markets. They could also result in economic recessions. Any of these occurrences could have a material adverse effect on our business, financial condition, and results of operations. **We may not identify or effectively respond** ~~In February 2022, the Russian military commenced an invasion of Ukraine. The impacts of the ongoing conflict, as well as sanctions imposed on Russia and economic and political uncertainty has had and could continue~~ to ~~have an~~ **consumer needs, expectations, or trends in a timely fashion, which could** ~~adverse~~ **adversely affect** ~~impact on~~ our **relationship with customers, our reputation, the demand for our brands, products, and services, and our market share. Our** business **is subject** ~~. We do not have operations in Ukraine, and prior~~ to ~~the invasion, we held limited sales operations in Russia, which were discontinued in the first quarter of 2022. However, we have and may continue to experience shortages in materials and heightened inflation on materials, freight, and other variable costs, such as utilities, primarily in our European operations. The risks to our business may include, among others, adverse impacts on our supply chain~~ **changing** ~~, including trade barriers or restrictions, transportation and operating disruptions, decreased customer demand, elevated inflation, cybersecurity incidents, unfavorable foreign exchange, and higher borrowing costs, any of which could have a material adverse impact on our business, financial condition, and results of operations. The quantity, type, and prices of products demanded by consumers~~ - **consumer** and **industry trends** ~~our customers have shifted over time. For example~~ , ~~demand~~ **demands** ~~has increased for multi- family housing units such as apartments~~ and **preferences that** ~~condominiums, which typically require fewer of our products, and we are experiencing growth in certain channels for products with lower price points. In certain cases, these shifts have negatively impacted our sales and / or our profitability. Also,~~ we must continually anticipate and adapt to **, such as** the increasing use of technology by ~~our customers. Recent years have seen shifts in consumer preferences and purchasing practices and changes in the business models and strategies of~~ our customers. Consumers are increasingly using the internet and mobile technology to research home improvement products and to inform and provide feedback on their purchasing and ownership experience for these products. Trends towards online purchases could impact our ability to compete as we currently sell a significant portion of our products through retail home centers, wholesale distributors, and building products dealers. Accordingly, the success of our business depends in part on our ability to maintain strong brands and identify and respond promptly to evolving trends in demographics, consumer preferences, and expectations and needs, while also managing inventory levels. It is difficult to successfully predict the products and services our customers will demand. Even if we are successful in anticipating consumer preferences, our ability to adequately react to and address those preferences will in part depend upon our continued ability to develop and introduce innovative, high- quality products and acquire or develop the intellectual property necessary to develop new products or improve our existing products. There can be no assurance that the products we develop, even those to which we devote substantial resources, will be successful. While we continue to invest in innovation, brand building, and brand awareness, and intend to increase our investments in these areas in the future, these initiatives may not be successful. Failure to anticipate and successfully react to changing consumer preferences could have a material adverse effect on our business, financial condition, and results of operations. In addition, our competitors could introduce new or improved products that would replace or reduce demand for our products or create new proprietary designs and / or changes in manufacturing technologies that may render our products obsolete or too expensive for efficient competition in the marketplace. Our failure to competitively respond to changing consumer and customer trends, demands, and preferences could cause us to lose market share, which could have a material adverse effect on our business, financial condition, and results of operations. Manufacturing realignments and cost savings programs may result in a decrease in our short- term earnings and operating efficiency or expected benefits may not be achieved. We continually review our manufacturing operations to address market changes and to implement efficiencies presented by **past** acquisitions. Effects of periodic manufacturing integrations, realignments, and cost savings programs have in the past and could in the future result in a decrease in our short- term earnings **, cash flows,** and operating efficiency until the expected results are achieved. Such programs may include the consolidation, integration, and upgrading of facilities, functions, systems, and procedures. Such programs involve substantial planning, often require capital investments, and may result in charges for fixed asset impairments or obsolescence and substantial severance costs. We also cannot assure that we will achieve all of our cost savings. Our ability to achieve cost savings and other benefits within expected time frames is subject to many estimates and assumptions. These estimates and assumptions are subject to significant economic, competitive, and other uncertainties, some of which are beyond our control. If these estimates and assumptions are incorrect, if we experience delays, or if other unforeseen events occur, our operations could experience disruption, and our business, financial condition, and results of operations could be materially and adversely affected~~. The outbreak of COVID- 19 has had, and may continue to have, a negative impact on the global economy and on our business, operations, and results. The COVID- 19 crisis has had and is expected to continue to have several significant effects on our employees, operations, supply chain, distribution system, customer demand, the housing market, and general market and economic conditions. The effects we have experienced and / or may continue to experience that have and / or may continue to adversely impact our financial and operational performance include: • varying demand for our products as a result of a slowdown in the U. S. and global economies; • supply chain disruptions of various types arising from COVID- 19 may impact the Company' s ability to make products, the cost for such products, and the ability to deliver products to customers. Closure or reduced operations of material suppliers could result in shortages of key raw materials, as well as impact prices for those materials. The volatility in the market for raw material and other critical inputs to manufacture our products impact the Company' s profitability; • increased storage costs as a result of larger volume of raw materials purchased to mitigate supply chain disruptions; • labor shortages, absenteeism, and increased labor costs as a result of stay- at- home directives, including quarantining, and costs to attract and retain employees; • transportation disruptions, including reduced availability of inbound and outbound freight, port closures, and increased border controls or closures resulting in supply chain delays and increased freight and duty costs; • uncertain expense management in light of continued efforts to protect our employees; and • complete or partial closures or other operational issues at one or more of our manufacturing or distribution facilities resulting from government action. The degree to which COVID- 19 and variant strains may continue to impact our business operations, financial condition, liquidity and results of operations remain uncertain at this time and will depend on future developments, including the continued spread of the virus and its variants, the efficacy of available vaccines, the severity of the disease, the duration of the pandemic, actions prescribed or ordered by governmental authorities, public health authority guidance, and when and to what extent economic and operating conditions can return to pre- pandemic levels~~. Our business is seasonal, and revenue and profit can vary significantly throughout the year, which may adversely impact the timing of our cash flows and limit our liquidity at certain times of the year. Our business is seasonal, and our net revenues and operating results can vary significantly from quarter to quarter based upon the timing of the building season in our markets. Our sales typically follow seasonal new construction and R & R industry patterns. The peak season for home construction and R & R activity in the majority of the geographies where we market and sell our products generally corresponds with the second and third calendar quarters, and therefore our sales volume is typically higher during those quarters. Our first and fourth quarter sales volumes are generally lower due to reduced R & R and new construction activity as a result of less favorable climate conditions in the majority of our geographic end markets. Failure to effectively manage our inventory in anticipation of or in response to seasonal fluctuations could negatively impact our liquidity profile during certain seasonal periods. We may be unable to protect our intellectual property, and we may face claims of intellectual property infringement. We rely on a combination of patent, copyright, trademark, and trade secret laws, as well as confidentiality agreements, nondisclosure agreements, and other contractual commitments, to protect our intellectual property rights. However, these measures may not be adequate or sufficient, and third parties may not always respect these legal protections even if they are aware of them. In addition, our competitors may develop similar technologies and know- how without violating our intellectual property rights. Furthermore, the laws of foreign countries may not protect our intellectual property rights to the same extent as the laws of the U. S. The failure to obtain worldwide patent and trademark protection may result in other companies copying and marketing products based on our technologies or under brand or trade names similar to ours outside the jurisdictions in which we are protected. This could impede our growth in existing regions, create confusion among consumers, and result in a greater supply of similar products that could erode prices for our protected products. Litigation may be necessary to protect our intellectual property rights. Intellectual property litigation can result in substantial costs, could distract our management, and could impinge upon other resources. Our failure to enforce and protect our intellectual property rights may cause us to lose brand recognition and result in a decrease in sales of our products. Moreover, while we are not aware that any of our products or brands infringes upon the proprietary rights of others, third parties may make such claims in the future. From time to time, third parties may claim that we have infringed upon their intellectual property rights and we may receive notices from such third parties asserting such claims. Any such infringement claims are thoroughly investigated and, regardless of merit, could be time- consuming and result in costly litigation or damages, undermine the exclusivity and value of our brands, decrease sales, or require us to enter into royalty or licensing agreements that may not be on acceptable terms and that could have a material adverse effect on our business, financial condition, and results of operations. ~~We continue to implement strategic initiatives, including our productivity and global footprint rationalization initiatives and strategic review of the Australasia business. If we fail to implement these initiatives as expected, our business, financial condition, and results of operations could be adversely affected. Our future financial performance depends in part on our management' s ability to successfully implement our strategic initiatives, including our productivity and global footprint rationalization initiatives and strategic review of the Australasia business. We cannot guarantee the successful implementation of these initiatives and related strategies throughout the geographic regions in which we operate or that such implementation will improve our operating results. Any failure to successfully implement these initiatives and related strategies could adversely affect our business, financial condition, and results of operations, including increases in our severance and asset related charges. We may, in addition, decide to alter or discontinue certain aspects of our business strategy at any time.~~ Changes in weather patterns and related extreme weather events, including as a result of global climate change, could significantly affect our financial results or financial condition. Weather patterns may affect our operating results and our ability to maintain our sales volume throughout the year. Because our customers depend on suitable weather to engage in construction projects, increased frequency or duration of extreme weather conditions could have a material adverse effect on our financial results or financial condition. Also, we cannot predict the effects that global climate change may have on our business. In addition to changes in weather patterns, it might, for example, reduce the demand for construction, destroy forests (increasing the cost and reducing the availability of wood products used in construction), and increase the cost and reduce the availability of raw materials and energy ~~. New laws and regulations related to global climate change may increase our expenses or reduce our sales~~. We are exposed to political, economic, and other risks that arise from operating a multinational business. We have operations in North America ~~,~~ **and** Europe ~~, Australia, and Asia~~. In the year ended December 31, ~~2022~~ **2023** , our North America segment accounted for approximately ~~64~~ **73** % of net revenues ~~,~~ **and** our Europe segment accounted for approximately ~~25~~ **27** % of ~~net revenues, and our Australasia segment accounted for approximately 11 % of our~~ net revenues. Further, certain of our businesses obtain raw materials and finished goods from foreign suppliers. Accordingly, our business is subject to political, economic, and other risks that are inherent in operating in numerous countries. These risks include: • the difficulty of enforcing agreements and collecting receivables through foreign legal systems; • trade protection measures and import or export licensing requirements; • the imposition of, or increases in, tariffs or other trade restrictions; • required compliance with a variety of foreign laws and regulations, including the application of foreign labor regulations; • tax rates in foreign countries and the imposition of withholding requirements on foreign earnings; • difficulty in staffing and managing widespread operations; • the imposition of, or increases in, currency exchange controls; and • potential inflation **and interest rate fluctuation** in applicable non- U. S. economies. The success of our business depends in part on our ability to anticipate and effectively manage these and other risks. We cannot assure you that these and other factors will not have a material adverse effect on our international operations or ultimately on our global business, financial condition, and results of operations. Certain of our customers may expand through consolidation and internal growth, which may increase their buying power. The increased size of our customers could have a material adverse effect on our business, financial condition, and results of operations. Certain of our significant customers are large companies with strong buying power, and our customers may expand through consolidation or internal growth. Consolidation could decrease the number of potential significant customers for our products and increase our reliance on key customers. Further, the increased size of our customers could result in our customers seeking more favorable terms, including pricing, for the products that they purchase from us. Accordingly, the increased size of our customers may further limit our ability to maintain or raise prices in the future. This could have a material adverse effect **on** our business, financial condition, and results of operations. We are subject to the credit risk of our customers, suppliers, and other counterparties. We are subject to the credit risk of our customers, because we provide credit to our customers in the normal course of business ~~. All of our customers are sensitive to economic changes and to the cyclical nature of the building industry. Especially during protracted or severe economic declines and cyclical downturns in the building industry, our customers may be unable to perform on their payment obligations, including their debts to us~~. Any failure by our customers to meet their obligations to us may have a material adverse effect on our business, financial condition, and results of operations. In addition, we may incur increased expenses related to collections in the future if we find it necessary to take legal action to enforce the contractual obligations of a significant number of our customers. Exchange rate fluctuations may impact our business, financial condition, and results of operations. Our operations expose us to both transaction and translation exchange rate risks. In the year ended December 31, ~~2022~~ **2023** , ~~42~~ **34** % of our net revenues came from sales outside of the U. S., and we anticipate that our operations outside of the U. S. will continue to represent a significant portion of our net revenues for the foreseeable future. In addition, the nature of our operations often requires that we incur expenses in currencies other than those in which we earn revenue. In addition, if the effective price of our products were to increase as a result of fluctuations in foreign currency exchange rates, demand for our products could decline, which could adversely affect our business, financial condition, and results of operations. Also, because our financial statements are presented in U. S. dollars, we must translate the financial statements of our foreign subsidiaries and affiliates into U. S. dollars at exchange rates in effect during or at the end of each reporting period, and increases or decreases in the value of the U. S. dollar against other major currencies will affect our reported financial results, including the amount of our outstanding indebtedness. We may be the subject of product liability claims or product recalls and we may not accurately estimate costs related to warranty claims. Expenses associated with product liability claims and lawsuits and related negative publicity or warranty claims in excess of our reserves could have a material adverse effect on our business, financial condition, and results of operations. Our products are used in a wide variety of residential, non- residential, and architectural applications. We face the risk of exposure to product liability or other claims, including class action lawsuits, in the event our products are alleged to be defective or have resulted in harm to others or to property. We may in the future incur liability if product liability lawsuits against us are successful. Moreover, any such lawsuits, whether or not successful, could result in adverse publicity to us, which could cause our sales to decline materially. In addition, it may be necessary for us to recall defective products, which would also result in adverse publicity, as well as resulting in costs connected to the recall and loss of sales. We maintain insurance coverage to protect us against product liability claims, but that coverage may not be adequate to cover all claims that may arise, or we may not be able to maintain adequate insurance coverage in the future at an acceptable cost. Any liability not covered by insurance could have a material adverse effect on our business, financial condition, and results of operations. In addition, consistent with industry practice, we provide warranties on many of our products and we may experience costs associated with warranty claims if our products have defects in manufacture or design or they do not meet contractual specifications. We estimate our future warranty costs based on historical trends and product sales, but we may fail to accurately estimate those costs and thereby fail to establish adequate warranty reserves for them. If warranty claims exceed our estimates, it may have a material adverse effect on our business, financial condition, and results of operations. We may make acquisitions, divestitures, or investments in other businesses, which may involve risks or may not be successful. Generally, we may seek to acquire businesses that broaden our existing product lines and service offerings or expand our geographic reach. There can be no assurance that we will be able to identify suitable acquisition candidates or that our acquisitions or investments in other businesses will be successful. We may also seek to divest business that do not align with our ~~long- term strategy and~~ goal to streamline and simplify our operations. These acquisitions or investments in other businesses may also involve risks, many of which may be unpredictable and beyond our control, and which may have a material adverse effect on our business, financial condition, and results of operations, including risks related to: • the nature of the acquired company' s business; • any acquired business not performing as well as anticipated; • the potential loss of key employees of the acquired company; • any damage to our reputation as a result of performance or customer satisfaction problems relating to an acquired business; • the failure of our due diligence procedures to detect material issues related to the acquired business, including exposure to legal claims for activities of the acquired business prior to the acquisition; • unexpected liabilities resulting from the acquisition for which we may not be adequately indemnified; • our inability to enforce indemnification and non- compete agreements; • the integration of the personnel, operations, technologies, and products of the acquired business, and establishment of internal controls, into the acquired company' s operations; • our failure to achieve projected synergies or cost savings; • additional stock- based compensation issued or assumed in connection with an acquisition, including the impact on stockholder dilution and our results of operations; • our inability to establish uniform standards, controls, procedures, and policies; • any requirement that we make divestitures of operations or properties in connection with any acquisitions; • the diversion of management attention and financial resources; • our inability to obtain approvals from government authorities; and • any unforeseen management and operational difficulties, particularly if we acquire assets or businesses in new foreign jurisdictions where we have little or no operational experience. Our inability to achieve the anticipated benefits of acquisitions and other investments could materially and adversely affect our business, financial condition, and results of operations. In addition, the means by which we finance an acquisition may have a material adverse effect on our business, financial condition, and results of operations, including changes to our equity, debt, and liquidity position. If we issue Convertible Preferred or Common Stock to pay for an acquisition, the ownership percentage of our existing shareholders may be diluted. Using our existing cash may reduce our liquidity. Incurring additional debt to fund an acquisition may result in higher debt service and a requirement to comply with additional financial and other covenants, including potential restrictions on future acquisitions and distributions. **COVID- 19 has had, and may continue to have, a negative impact on the global economy and on our business, operations, and results. While the level of disruption caused by, and the economic impact of, the COVID- 19 pandemic has lessened since 2021, there is no assurance that the pandemic will not worsen again, including as a result of the emergence of new strains of the virus, or another health- related emergency will not emerge. Any worsening of the pandemic or a new health- related emergency and their effects on the economy could have an adverse impact on our business, financial condition, and results of operations.** Risks Relating to Labor and Supply Chain **Prices and availability of raw materials, freight, energy and other critical inputs we use to manufacture our products are subject to fluctuations due to inflation and other factors, and we may be unable to pass along to our customers the effects of any price increases.** As a manufacturer, our sales and profitability are dependent on the availability and cost of raw materials, freight, energy and other inputs. Prices and availability of our critical inputs fluctuate for a variety of reasons beyond our control, many of which cannot be anticipated with any degree of reliability. The reasons for these fluctuations include, among other things, variable worldwide supply and demand across different industries, speculation in commodities futures, general economic or environmental conditions, inflation, political unrest and instability, such as the ongoing military conflict between Russia and Ukraine **and instabilities in the Middle East** , labor costs, competition, import duties, tariffs, worldwide currency fluctuations, freight, regulatory costs, and product and process evolutions that impact demand for the same materials. Our most significant raw materials include logs and lumber, vinyl extrusions, glass, steel, and aluminum, each of which has been subject to periods of rapid and significant fluctuations in price. Changes in the prices of critical inputs have, and may continue to have, a material adverse effect on our business, financial condition, and results of operations. The U. S. has imposed tariffs on certain products imported into the U. S. from China, as well as tariffs on certain steel and aluminum products imported from certain countries, and could impose additional tariffs or trade restrictions. The imposition of tariffs may impact the prices of materials purchased outside of the U. S. and include goods in transit as well as increasing the price of domestically sourced materials, including, in particular, steel and aluminum. Impositions of tariffs by other countries could also impact pricing and availability of raw materials. As another example, as global demand for key chemicals increases, the limited number of suppliers and investment in greater supply capacity drives increased global pricing. Additionally, anti- dumping and countervailing duty trade cases ~~, such as the January 8, 2020, Coalition of American Millwork Producers' anti- dumping petitions on imports of wood moldings and millwork products from Brazil and China and a countervailing duty petition on imports of wood moldings and millwork products from China,~~ could impact our business and results of operations. While we believe our exposure to the potential increased costs of these tariffs and duties is no greater than the industry as a whole, our business and results of operations may be adversely affected if our efforts to mitigate their effects are unsuccessful. We have short- term supply contracts with certain of our largest suppliers that limit our exposure to short term fluctuations in prices and availability of our materials, but we are susceptible to longer- term fluctuations in prices. Generally, we do not hedge against commodity price fluctuations, but may from time to time. Significant increases in the prices of raw materials for finished goods, including as a result of significant or protracted material shortages due to pandemic or otherwise, may be difficult to pass through to customers and may negatively impact our profitability and net revenues. We may attempt to modify products that use certain raw materials, but these changes may not be successful. Some of our manufacturing operations require the use of substantial amounts of electricity and natural gas, which may be subject to significant price increases as the result of changes in overall supply and demand and the impacts of legislation and regulatory action. The current conflict between Russia and Ukraine has, and may continue to, affect the price of oil and natural gas throughout the world and impact the availability of energy supplies and other inputs at our manufacturing sites, ~~particular~~

particularly in Europe. Such a disruption in the supply of natural gas could impact our ability to continue our operations at such sites at normal levels. We have taken actions in an attempt to reduce the impact of energy price increases. However, these efforts may be insufficient to protect us against fluctuations in energy prices or shortages of natural gas and we could suffer adverse effects to net income and cash flow should we be unable to either offset or pass higher energy costs through to our customers in a timely manner or at all **. Our business may be affected by delays or interruptions in the delivery of raw materials, finished goods, and certain component parts. A supply shortage or delivery chain interruption could have a material adverse effect on our business, financial condition, and results of operations** . We rely upon regular deliveries of raw materials, finished goods, and certain component parts. For certain raw materials that are used in our products, we depend on a single or limited number of suppliers for our materials, and we typically do not have long- term contracts with our suppliers. If we are not able to accurately forecast our supply needs, our limited number of suppliers may make it difficult to quickly obtain additional raw materials to respond to shifting or increased demand. In addition, a supply shortage could occur as a result of unanticipated increases in market demand, including as a result of accelerated demand in reaction to the threat of tariffs or trade restrictions; difficulties in production or delivery, including insufficient energy supply; financial difficulties; or catastrophic events in the supply chain. Furthermore, because our products and the components of some of our products are subject to regulation, changes to these regulations could cause delays in delivery of raw materials, finished goods, and certain component parts. We have experienced impacts to our supply chain **from economic** ~~as a result of COVID- 19~~ and **geopolitical uncertainties, including** the ongoing military conflict between Russia and Ukraine ~~on the supply chain~~ , which have resulted in delays **in** receiving materials, manufacturing downtime, increased backlogs, and delayed out- bound freight. Although less severe than prior years, we have continued to experience adverse effects of supply chain disruptions in ~~2022~~ **2023** and may continue to in the future. Until we can make acceptable arrangements with alternate suppliers, any interruption or disruption could impact our ability to ship orders on time and could idle some of our manufacturing capability for those products. This could result in a loss of revenues, reduced margins, and damage to our relationships with customers, which could have a material adverse effect on our business, financial condition, and results of operations. **Increases in labor costs, potential labor disputes, and work stoppages at our facilities or the facilities of our suppliers could have a material adverse effect on our business, financial condition, and results of operations.** Our financial performance is affected by the availability of qualified personnel and the cost of labor. **We have** ~~As of December 31, 2022, we had over 23, 400~~ employees ~~worldwide, including approximately 11, 800 employees~~ in the U. S. and Canada **that** ~~. Approximately 1, 170, or 10 %, of our employees in the U. S. and Canada~~ are unionized workers, and the majority of our workforce in other countries belong to work councils or are otherwise subject to labor agreements. U. S. and Canada employees represented by these unions are subject to collective bargaining agreements that are subject to periodic negotiation and renewal. If we are unable to enter into new, satisfactory labor agreements with our unionized employees upon expiration of their agreements, we could experience a significant disruption of our operations, which could cause us to be unable to deliver products to customers on a timely basis. Such disruptions could result in a loss of business and an increase in our operating expenses, which could reduce our net revenues and profit margins. In addition, our non- unionized labor force may become subject to labor union organizing efforts, which could cause us to incur additional labor costs and increase the related risks that we now face. We believe many of our direct and indirect suppliers also have unionized workforces. Strikes, work stoppages, or slowdowns experienced by suppliers could result in slowdowns or closures of facilities where components of our products are manufactured or delivered. Any interruption in the production or delivery of these components could reduce sales, increase costs, and have a material adverse effect on us **. Our business will suffer if we are unable to retain and recruit executives, managers and employees at a competitive cost** . The success of our business depends upon the skills, experience, and efforts of our executives and other key employees. Our senior management team has acquired specialized knowledge and skills with respect to our business, and the loss of any of these individuals could harm our business, especially if we are not successful in developing adequate succession plans. In addition, we rely on the specialized knowledge and experience of certain key technical employees. Our business also depends on our ability to continue to recruit, train, and retain skilled employees, particularly skilled sales personnel. The loss of the services of these key executives and employees, or our inability to hire new personnel with the requisite skills, could have a material adverse effect on our business, financial condition, and results of operations. For example, our ability to develop new products or enhance existing products, sell products to our customers, or manage our business effectively could be impaired if we are unable to retain and attract qualified personnel. In addition, a significant increase in the wages paid by competing employers could result in a reduction of our qualified labor force, increases in the wage rates that we must pay, or both. Our pension plan obligations are currently not fully funded, and we may have to make significant cash payments to these plans, which would reduce the cash available for our businesses. Although we have closed our U. S. pension plan to new participants and have frozen future benefit accruals for current participants, we continue to have unfunded obligations under that plan. The funded levels of our pension plan depend upon many factors, including returns on invested assets, certain market interest rates, and the discount rate used to determine pension obligations. The projected benefit obligation and unfunded liability included in our consolidated financial statements as of December 31, ~~2022~~ **2023** for our U. S. pension plan were approximately $ ~~325~~ **283** . ~~5~~ **9** million and $ ~~11~~ **4** . ~~0~~ **3** million, respectively. Unfavorable returns on the plan assets or unfavorable changes in applicable laws or regulations could materially change the timing and amount of required plan funding, which would reduce the cash available for our operations. In addition, a decrease in the discount rate used to determine pension obligations could increase the estimated value of our pension obligations, which would affect the reported funding status of our pension plans and would require us to increase the amounts of future contributions. Additionally, we have foreign defined benefit plans, some of which continue to be open to new participants. As of December 31, ~~2022~~ **2023** , our foreign defined benefit plans had unfunded pension liabilities of approximately $ ~~29~~ **27** . **0** ~~1 million and overfunded pension assets of approximately $ 1. 8~~ million. Under the Employee Retirement Income Security Act of 1974, as amended, or “ ERISA ”, the U. S. Pension Benefit Guaranty Corporation, or the “

PBGC ", also has the authority to terminate an underfunded tax- qualified U. S. pension plan under certain circumstances. In the event our tax- qualified U. S. pension plans were terminated by the PBGC, we could be liable to the PBGC for an amount that exceeds the underfunding disclosed in our consolidated financial statements. In addition, because our U. S. pension plan has unfunded obligations, if we have a substantial cessation of operations at a U. S. facility and, as a result of such cessation of operations an event under ERISA Section 4062 (e) is triggered, additional liabilities that exceed the amounts disclosed in our consolidated financial statements could arise, including an obligation for us to provide additional contributions or alternative security for a period of time after such an event occurs. Any such action could have a material adverse effect on our business, financial condition, and results of operations. Risks Relating to Cybersecurity and Data Privacy We are highly dependent on information technology, the disruption of which could significantly impede our ability to do business. Our operations depend on our network of information technology systems, which are vulnerable to damage from hardware failure, fire, power loss, telecommunications failure, and impacts of terrorism, natural disasters, or other disasters. We rely on our information technology systems to accurately maintain books and records, record transactions, provide information to management and prepare our financial statements. We may not have sufficient redundant operations to cover a loss or failure in a timely manner. Any damage to our information technology systems could cause interruptions to our operations that materially adversely affect our ability to meet customers' requirements, resulting in an adverse impact to our business, financial condition, and results of operations. Periodically, these systems need to be expanded, updated, or upgraded as our business needs change. We may not be able to successfully implement changes in our information technology systems without experiencing difficulties, which could require significant financial and human resources. Moreover, our increasing dependence on technology may exacerbate this risk. Our systems and IT infrastructure have been and may continue to be subject to security breaches and other cybersecurity incidents. We rely on the accuracy, capacity, and security of digital technologies, including information systems, infrastructure, and cloud applications, some of which are managed or hosted by third party service providers, and the sale of our products may involve the transmission and / or storage of data, including in certain instances customers' and employees' business and personally identifiable information. Maintaining the security of computers, computer networks, and data storage resources is a critical issue for us and our customers, as security breaches, including computer viruses and malware, denial of service actions, misappropriation of data and similar events through the ~~interest~~ **internet**, including via devices and applications connected to the internet, and through email attachments and persons with access to these information systems could result in vulnerabilities and loss of and / or unauthorized access to confidential information **. The use of generative artificial intelligence (" AI ") in our internal systems may create new vulnerabilities. Because generative AI is a new field, understanding of security risks and protection methods continues to develop. We have experienced and could continue to experience cybersecurity incidents, such as attempts by experienced hackers, cybercriminals, or others with authorized access to our systems to misappropriate our proprietary information and technology, interrupt our business, and / or gain unauthorized access to confidential information, some of which have been, and may continue to be, successful**. If our IT systems or those managed or hosted by third party service providers are breached, or cease to function as anticipated, we could suffer interruptions or inefficiencies in our operations **, harm to our reputation,** or misappropriation of proprietary or confidential information, including personal information ~~. We have experienced and expect to continue to experience cybersecurity incidents, such as attempts by experienced hackers, cybercriminals, or others with authorized access to our systems to misappropriate our proprietary information and technology, interrupt our business, and / or gain unauthorized access to confidential information, some of which have been, and may continue to be, successful. The reliability and security of our information technology infrastructure and software, and our ability to expand and continually update technologies in response to our changing needs is critical to our business. To the extent that any disruptions or security breaches result in a loss or damage to our data or our third partying service providers', it could cause harm to our reputation or brand and could potentially cause production downtimes, operational delays, and other detrimental impacts on our operations~~. This could lead some customers to stop purchasing our products and reduce or delay future purchases of our products or use competing products. In addition, we could face enforcement actions by U. S. states, the U. S. federal government, or foreign governments, which could result in fines, penalties, and / or other liabilities, which may cause us to incur legal fees and costs, and / or additional costs associated with responding to the cyberattack. Increased regulation regarding cybersecurity may increase our costs of compliance, including fines and penalties, as well as costs of cybersecurity audits and associated repairs or updates to infrastructure, physical systems or data processing systems. Any of these actions could have a material adverse impact on our business and results of operations. Although we maintain insurance coverage to protect us against some of the risks, those policies may be insufficient to cover all losses or all types of claims that may arise in the event we experience a cybersecurity incident, data breach or disruption, unauthorized access, or failure of systems. In addition, we are subject to state, foreign, and international laws and regulations, as well as contractual obligations, that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal data. These privacy and data- protection related laws and regulations are evolving, with new or modified laws and regulations proposed and implemented frequently and existing laws and regulations subject to new or different interpretations. In particular, the E. U. General Data Protection Regulation (" GDPR "), which became effective in 2018, poses increased compliance challenges both for companies operating within the E. U. and non- E. U. companies that administer or process certain personal data of E. U. residents. It is not possible to predict the ultimate content, and therefore effect, of data protection regulation over time, and efforts to comply with evolving regulation may result in additional costs. We believe we have invested in industry- appropriate protections and monitoring practices for our data and information technology to reduce these risks and continue to monitor our systems on an ongoing basis for compliance with applicable privacy regulations and any current or potential threats. While we have not experienced any material breaches in security in our recent history, there can be no assurance that our efforts will prevent breakdowns or breaches to databases or systems that could have a material adverse effect on our business, financial condition, and results of operations, or that we will be subject to enforcement actions or penalties in connection with a failure or alleged failure to comply with applicable laws. Risks Relating to our Governmental and Regulatory Environment **Changes in building codes and standards, including ENERGY STAR standards, could increase the cost of our products, lower the demand for our windows and doors, or otherwise adversely affect our business.** Our products and markets are subject to extensive and complex local, state, federal and foreign statutes, ordinances, rules, and regulations. These mandates, including building design and safety and construction standards and zoning requirements, affect the cost, selection, and quality requirements of building components like windows and doors. These regulations often provide broad discretion to governmental authorities as to the types and quality specifications of products used in new residential and non- residential construction and home renovations and improvement projects, and different governmental authorities can impose different standards. Compliance with these standards and changes in such regulations may increase the costs of manufacturing our products or may reduce the demand for certain of our products in the affected geographical areas or product markets. Conversely, a decrease in product safety standards could reduce demand for our more modern products if less expensive alternatives that did not meet higher standards became available for use in that market. All or any of these changes could have a material adverse effect on our business, financial condition, and results of operations. In addition, in order for our products to obtain the " ENERGY STAR " certification, they must meet certain requirements set by the EPA. Changes in the energy efficiency requirements established by the EPA for the ENERGY STAR label could increase our costs, and a lapse in our ability to label our products as such or to comply with the new standards, may have a material adverse effect on our business, financial condition, and results of operations. Domestic and foreign ~~governmental~~ regulations **, legislation and government policy, including those** applicable to general business operations **,** could increase the costs of operating our business and adversely affect our business. We are subject to a variety of ~~regulations~~ - **regulation, legislation and government policies** from U. S. and foreign governmental authorities relating to wage requirements, employee benefits, and other ~~workplace~~ matters. **While it is not possible to predict whether and when any** ~~Changes~~ **changes to the federal or administrative landscape will occur, changes at the local, state, and federal level could significantly impact our business. For example, changes** in local minimum or living wage requirements, rights of employees to unionize, healthcare regulations, and other requirements relating to employee benefits could increase our labor costs, which would in turn increase our cost of doing business. In addition, our international operations are subject to laws applicable to foreign operations, trade protection measures, foreign labor relations, differing intellectual property rights, privacy regulations, other legal and regulatory constraints, and currency regulations of the countries or regions in which we currently operate or where we may operate in the future. These factors may restrict the sales of, or increase costs of, manufacturing and selling our products. We may be subject to significant compliance costs, as well as liabilities under environmental, health, and safety laws and regulations. Our past and present operations, assets, and products are subject to extensive environmental laws and regulations at the federal, state, and local level worldwide. These laws regulate, among other things, air emissions, the discharge or release of materials into the environment, the handling and disposal of wastes, remediation of contaminated sites, worker health and safety, and the impact of products on human health and safety and the environment. Under certain of these laws, liability for contaminated property may be imposed on current or former owners or operators of the property or on parties that generated or arranged for waste sent to the property for disposal. Liability under these laws may be joint and several and may be imposed without regard to fault or the legality of the activity giving rise to the contamination. Notwithstanding our compliance efforts, we may still face material liability, limitations on our operations, fines, or penalties for violations of environmental, health, and safety laws and regulations, including releases of regulated materials and contamination by us or previous occupants at our current or former properties or at offsite disposal locations we use. The applicable environmental, health, and safety laws and regulations, and any changes to them or in their enforcement, may require us to make material expenditures with respect to ongoing compliance with or remediation under these laws and regulations or require that we modify our products or processes in a manner that increases our costs and / or reduces our profitability. For example, additional pollution control equipment, process changes, or other environmental control measures may be needed at some of our facilities to meet future requirements. In addition, discovery of currently unknown or unanticipated soil or groundwater conditions at our properties could result in significant liabilities and costs. Accordingly, we are unable to predict the exact future costs of compliance with or liability under environmental, health, and safety laws and regulations. Legal, regulatory or **stakeholder preferences regarding** ~~market measures to address~~ climate change ~~, including proposals to restrict emissions of GHGs~~ and **Environmental** ~~other sustainability initiatives~~ , **Social, and Governance (" ESG ") matters** could have an adverse impact on the Company' s business and results of operations. **Concerns over the long** ~~Various legislative, regulatory, and inter~~ - **term** ~~governmental proposals to restrict emissions of GHGs, such as carbon dioxide (" CO2 "), are under consideration by governmental legislative bodies and regulators in the jurisdictions where we operate. In the U. S., the EPA adopted the Affordable Clean Energy Rule, or " ACE ", in June 2019, which repealed the previously adopted Clean Power Plan and was expected to be significantly less burdensome for producers of energy than the requirements of the Clean Power Plan. As a result, certain states have adopted or may adopt more stringent regulations governing emissions of GHGs. In January 2021, the D. C. Circuit vacated the ACE rule, enabling the opportunity for a new federal rule to be adopted. In addition, many other jurisdictions in which we operate have continued to commit to limiting emissions of GHGs, most prominently through an agreement reached in Paris in December 2015 at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change. The Paris Agreement sets out a new process for achieving global GHG reductions. As some of our manufacturing facilities operate boilers or other process equipment that emit GHGs, such regulatory and global initiatives may require us to modify our operating procedures or production levels, incur capital expenditures, change fuel sources, or take other actions that may adversely affect~~ **effects** ~~our financial results. Both Houses~~ of ~~the United States Congress have considered adopting legislation to reduce emissions of GHGs. The November 2021 bipartisan infrastructure bill does not impose GHG emission reductions, but it provides measures of protection against~~ climate change ~~disasters~~ **have led to** , ~~including investments in clean energy. Given~~ **and may continue to lead to, governmental efforts around the world to mitigate** ~~the~~ **those effects.**

We will need to respond to ~~high degree of uncertainty about the ultimate parameters of~~ any ~~such~~ **new laws and** ~~regulatory~~ **regulations as well as** ~~or global initiatives, and the degree~~ to **consumer, investor and business preferences resulting from climate change concerns,** which **may have an** ~~the U. S. will participate in initiatives at the federal or global level, we cannot predict at this time the ultimate~~ impact ~~of such initiatives~~ on our **business, from the demand for our customers' products in various industries to our costs of compliance in the manufacturing and servicing of our customers' products, all of which may impact our results of** operations **and result in costs to us in order to comply with any new laws, regulations or preferences. Overall, climate change, its effects and the resulting, unknown impact on government regulation, consumer, investor and business preferences could have a long- term material adverse effect on** ~~or~~ **our** ~~financial~~ **business and** results ~~.~~ ~~Increasing regulations to reduce GHG emissions, as proposed throughout many~~ of ~~our operating~~ **operations** ~~regions, would be expected to increase energy costs, increase price volatility for fossil fuels and petroleum, and reduce petroleum production levels, which in turn could impact the prices of those raw materials~~ . ~~In addition, laws and regulations relating to forestry practices limit the volume and manner of harvesting timber to mitigate environmental impacts, such as deforestation, soil erosion, damage to riparian areas, and GHG levels. The extent of these regulations and related compliance costs has grown in recent years and will increase our materials costs and may increase other aspects of our production costs. The heightened~~ **Heightened** stakeholder focus on ~~Environmental, Social, and Governance, or "~~ ESG ~~, "~~ issues related to our business requires the continuous monitoring of various and evolving laws, regulations, standards and expectations and the associated reporting requirements. ~~Specifically,~~ **There can be no** ~~certain~~ **certainty** ~~stakeholders are beginning to require~~ that we **will** ~~provide information on our plans relating to certain climate- related matters such as greenhouse gas emissions, and we expect this trend to continue and be amplified by the potential adoption of the proposed SEC regulations relating to climate change disclosure. A failure to~~ adequately or timely meet stakeholder expectations and reporting requirements **, which** may result in noncompliance with any imposed regulations, the loss of business, reputational impacts, diluted market valuation, an inability to attract and retain customers, and an inability to attract and retain top talent. In addition, our adoption and the reporting of certain standards or mandated compliance to certain requirements could necessitate additional investments that could impact our profitability. ~~There~~ -- **The** ~~continues to be a~~ lack of ~~consistent climate legislation, which creates~~ economic and regulatory ~~uncertainty~~ -- **certainty surrounding ESG** ~~. Such uncertainty~~ may have an **adverse** impact on our business ~~, from the demand for our customers' products in various industries to our costs of compliance in the manufacturing~~ and ~~servicing of our customers' products, all of which may impact our~~ results of operations. Further, we have established and publicly disclosed ~~other~~ ESG targets and goals and other sustainability commitments that are subject to a variety of assumptions, risks and uncertainties. If we are unable to **, or perceived to be unable to,** meet these targets, goals or commitments **,** ~~on our projected timelines or~~ **our reputation** ~~at all~~ , **business and results of operations may** ~~or if they are not perceived to~~ be ~~sufficiently robust, our reputation as well as our relationships with investors, customers and other stakeholders could be harmed, which could in turn~~ adversely ~~impact~~ **impacted** ~~our business and results of operations~~ . In addition, not all of our competitors may seek to establish climate or other ESG targets and goals, or at a comparable level to ours, which could result in our competitors achieving competitive advantages through lower supply chain or operating costs. Changes to legislative and regulatory policies that currently promote home ownership may have a material adverse effect on our business, financial condition, and results of operations. Our markets are also affected by legislative and regulatory policies, such as U. S. tax rules, allowing for deductions of mortgage interest and the mandate of government- sponsored entities like Freddie Mac and Fannie Mae to promote home ownership through mortgage guarantees on certain types of home loans. The Tax Act passed in the U. S. in December 2017 made significant changes to some of these historical benefits of home ownership. The specific changes which could affect our markets are, among others, a reduction of the maximum amount of home mortgage indebtedness for which a tax deduction for interest paid may be claimed, an elimination of the deduction for interest paid on home equity indebtedness, and a limitation on the amount of state and local taxes allowed to be deducted annually as itemized deductions. These changes to the tax code and any future policy changes may adversely impact demand for our products and have a material adverse effect on our business, financial condition, and results of operations. Lack of transparency, threat of fraud, public sector corruption, and other forms of criminal activity involving government officials increases the risk of potential liability under anti- bribery / anti- corruption or anti- fraud legislation, including the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act, and similar laws and regulations ~~. We operate manufacturing and distribution facilities in 19 countries and sell our products in approximately 90 countries around the world~~ . As a result of the international nature of our operations, we may enter from time to time into negotiations and contractual arrangements with parties affiliated with foreign governments and their officials in the ordinary course of business. In connection with these activities, we may be subject to anti- corruption laws in various jurisdictions, including the U. S. Foreign Corrupt Practices Act, or the " FCPA ", the U. K. Bribery Act and other anti- bribery laws applicable to jurisdictions where we do business that prohibit improper payments or offers of payments to foreign government officials and political parties and others for the purpose of obtaining or retaining business, or otherwise receiving discretionary favorable treatment of any kind, and require the maintenance of internal controls to prevent such payments. In particular, we may be held liable for actions taken by agents in foreign countries where we operate, even though such parties are not always subject to our control. We have established anti- bribery / anti- corruption policies and procedures and offer several channels for raising concerns in an effort to comply with the laws and regulations applicable to us. However, there can be no assurance that our policies and procedures will effectively prevent us from violating these laws and regulations in every transaction in which we may engage. Allegations of violations of the FCPA or other anti- bribery or anti- corruption laws may result in internal, independent, or government investigations. Any determination that we have violated the FCPA or other anti- bribery / anti- corruption laws (whether directly or through acts of others, intentionally or through inadvertence) could result in severe criminal and civil sanctions and other liabilities that could have a material adverse effect on our business, reputation, financial condition, and results of operations. As we continue to expand our business globally, including through foreign acquisitions, we may have difficulty anticipating and effectively managing these and other risks that our international operations may face, which may adversely impact our business outside of the U. S. and our financial condition and results of operations. In addition, any acquisition of businesses with operations outside of the U. S. may exacerbate this risk. ~~Changes in legislation, regulation, and government policy, including as a result of U. S. presidential and congressional elections, may have a material adverse effect on our business in the future. We cannot predict the impact that may result from changes in the federal or administrative landscape as a result of U. S. presidential or congressional elections. While it is not possible to predict whether and when any such changes will occur, changes at the local, state, and federal level could significantly impact our business. Specific legislative and regulatory proposals that could have a material impact on us include, but are not limited to: infrastructure renewal programs, changes to immigration policy, modifications to international trade policy, including renegotiation of or withdrawal from trade agreements, the imposition of tariffs or trade restrictions, and changes to financial legislation and public company reporting requirements.~~ Our annual effective tax rate and the amount of taxes we pay can change materially as a result of changes in U. S. and foreign tax laws, changes in the mix of our U. S. and foreign earnings, adjustments to our estimates for the potential outcome of any uncertain tax issues, and audits by federal, state and foreign tax authorities. As a large multinational corporation, we are subject to U. S. federal, state and local, and many foreign tax laws and regulations, all of which are complex and subject to significant change and varying interpretations. Changes in these laws or regulations, or any change in the position of taxing authorities regarding their application, administration or interpretation, could have a material adverse effect on our business, consolidated financial condition or results of our operations. For example, in **August 2022,** the U. S. ~~,~~ **government enacted** the ~~Biden administration has proposed several~~ **Inflation Reduction Act of 2022 (the " Inflation Reduction Act ") into law, which includes a new** corporate **alternative minimum** tax **and an excise tax on** ~~increases, including raising the U. S.~~ corporate **stock repurchases** ~~income tax rate and greater taxation of international income, which, if enacted, could materially and adversely affect our tax liability~~. Future changes in tax law could significantly impact our provision for income taxes, the amount of taxes payable, and our deferred tax asset and liability balances. In addition, our products, and our customers' products, are subject to import and excise duties and / or sales or value- added taxes in many jurisdictions in which we operate. Increases in these indirect taxes could affect the affordability of our products and our customers' products, and, therefore, reduce demand. Recently, international tax norms governing each country' s jurisdiction to tax cross- border international trade have evolved, and are expected to continue to evolve, due in part to the Base Erosion and Profit Shifting project led by the Organization for Economic Cooperation and Development (" OECD "), which represents a coalition of member countries including the United States, and supported by the G20. Changes in these laws and regulations, or any change in the position of tax authorities regarding their application, administration or interpretation could adversely affect our financial results. In addition, a number of countries are actively pursuing changes to their tax laws applicable to multinational corporations ~~. In August 2022, the U. S. Inflation Reduction Act of 2022 was signed into law. This law, among other things, provides for a corporate alternative minimum tax on adjusted financial statement income, which if applicable for us would be effective January 1, 2023, and an excise tax on corporate stock repurchases after December 31, 2022. We are continuing to evaluate the impact this new law may have on our financial position and results of operations as new guidance is released. Under the current rules we do not meet the requirements of complying with the corporate alternative minimum tax as we do not meet the average annual adjusted book income requirement of $ 1 billion dollars for three consecutive periods that qualifies a corporation for this potential tax liability. In addition, there are several proposed changes to U. S. and non- U. S. tax legislation, which if enacted, could have a negative impact on our effective tax rate~~. Due to widely varying tax rates in the taxing jurisdictions applicable to our business, a change in income generation to higher taxing jurisdictions or away from lower taxing jurisdictions may also have an adverse effect on our financial condition and results of operations. We make estimates of the potential outcome of uncertain tax issues based on our assessment of relevant risks and facts and circumstances existing at the time, and we use these assessments to determine the adequacy of our provision for income taxes and other tax- related accounts. These estimates are highly judgmental. Although we believe we adequately provide for any reasonably foreseeable outcome related to these matters, future results may include favorable or unfavorable adjustments to estimated tax liabilities, which may cause our effective tax rate to fluctuate significantly. In addition, our income tax returns are subject to regular examination by domestic and foreign tax authorities. These taxing authorities may disagree with the positions we have taken or intend to take regarding the tax treatment or characterization of any of our transactions. If any tax authorities were to successfully challenge the tax treatment or characterization of any of our transactions, it could have a material adverse effect on our business, consolidated financial condition or results of our operations. Furthermore, regardless of whether any such challenge is resolved in our favor, the final resolution of such matter could be expensive and time consuming to defend and / or settle. Changes in accounting standards, new interpretations of existing standards and subjective assumptions, estimates, and judgments by management related to complex accounting matters could significantly affect our financial results or financial condition. GAAP and related accounting pronouncements, implementation guidelines and interpretations with regard to a wide range of matters that are relevant to our business, such as revenue recognition, asset impairment, impairment of goodwill, inventories, lease obligations, pensions, self-insurance, tax matters, and litigation, are highly complex and involve many subjective assumptions, estimates, and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates, or judgments could significantly change our reported results. Risks Relating to our Indebtedness **Our failure to comply with the credit agreements governing our Credit Facilities and indentures governing the Senior Notes and Senior Secured Notes, including as a result of events beyond our control, could trigger events of default and acceleration of our indebtedness. Defaults under our debt agreements could have a material adverse effect on our business, financial condition, and results of operations.** If there were an event of default under the credit agreements governing our Credit Facilities, the indentures governing the Senior Notes and Senior Secured Notes, or other indebtedness that we may incur, the holders of the defaulted indebtedness could cause all amounts outstanding with respect to that indebtedness to be immediately due and payable. It is likely that our cash flows would not be sufficient to fully repay borrowings under our Credit Facilities and principal amounts of the Senior Notes and Senior Secured Notes, if accelerated upon an event of default. If we are unable to repay, refinance, or restructure our secured debt, the holders of such indebtedness may proceed against the collateral securing that indebtedness. Furthermore, any event of default or declaration of acceleration under one debt instrument may also result in an event of default under one or more of our other debt instruments. In exacerbated or prolonged circumstances, one or more of these events could result in our bankruptcy or liquidation. Accordingly, any default by us on our debt could have a material adverse effect on our business, financial condition, and results of operations. Our indebtedness could adversely affect our financial flexibility and our competitive position. Financial information regarding our indebtedness is included in Note ~~11~~ **12** - Long- Term Debt to our financial statements included in this **Form** 10- K. Our level of indebtedness increases the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness and could have other material consequences, including: • limiting our ability to obtain financing in the future for working capital, capital expenditures, acquisitions, or other general corporate purposes; • requiring us to use a substantial portion of our available cash flow to service our debt, which will reduce the amount of cash flow available for working capital, capital expenditures, acquisitions, and other general corporate purposes; • increasing our vulnerability to general economic downturns and adverse industry conditions; • limiting our flexibility in planning for, or reacting to, changes in our business and in our industry in general; • limiting our ability to invest in and develop new products; • placing us at a competitive disadvantage compared to our competitors that are not as highly leveraged, as we may be less capable of responding to adverse economic conditions, general economic downturns, and adverse industry conditions; • restricting the way we conduct our business because of financial and operating covenants in the agreements governing our existing and future indebtedness; • increasing the risk of our failing to satisfy our obligations with respect to borrowings outstanding under our Credit Facilities, Senior Notes, and Senior Secured Notes and / or being able to comply with the financial and operating covenants contained in our debt instruments, which could result in an event of default under the credit agreements governing our Credit Facilities and the agreements governing our other debt, including the indentures governing the Senior Notes and Senior Secured Notes, that, if not cured or waived, could have a material adverse effect on our business, financial condition, and results of operations; and • increasing our cost of borrowing. The credit agreements governing our Credit Facilities and the indentures governing the Senior Notes and Senior Secured Notes impose significant operating and financial restrictions on us that may prevent us from capitalizing on business opportunities. The credit agreements governing our Credit Facilities and the indentures governing the Senior Notes and Senior Secured Notes impose significant operating and financial restrictions on us. These restrictions limit our ability, among other things, to: • incur or guarantee additional indebtedness; • make certain loans, investments, or restricted payments, including dividends to our shareholders; • repurchase or redeem capital stock; • engage in certain transactions with affiliates; • sell certain assets (including stock of subsidiaries) or merge with or into other companies; and • create or incur liens. Under the terms of the ABL Facility, we will at times be required to comply with a specified fixed charge coverage ratio when the amount of certain unrestricted cash balances of the U. S. and Canadian loan parties plus the amount available for borrowing by the U. S. borrowers and Canadian borrowers is less than a specified amount. ~~The Australia Senior Secured Credit Facility also contains financial maintenance covenants.~~ Our ability to meet the specified covenants could be affected by events beyond our control, and our failure to meet these covenants will result in an event of default as defined in the applicable facility. In addition, our ability to borrow under the ABL Facility is limited by the amount of the borrowing base applicable to U. S. dollar and Canadian dollar borrowings. Any negative impact on the elements of our borrowing base, such as eligible accounts receivable and inventory, will reduce our borrowing capacity under the ABL Facility. Moreover, the ABL Facility provides discretion to the agent bank acting on behalf of the lenders to impose additional requirements on what accounts receivable and inventory may be counted toward the borrowing base availability and to impose other reserves, which could materially impair the amount of borrowings that would otherwise be available to us. There can be no assurance that the agent bank will not impose such reserves or, were it to do so, that the resulting impact of this action would not materially and adversely impair our liquidity. As a result of these covenants and restrictions, we are limited in how we conduct our business, and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities or engage in other activities that may be in our long- term best interests. The terms of any future indebtedness we may incur could include more restrictive covenants. We cannot assure you that we will be able to maintain compliance with these covenants in the future and, if we fail to do so, we may be unable to obtain waivers from the lenders or amend the covenants. We require a significant amount of liquidity to fund our operations, and borrowing may increase our vulnerability to negative unforeseen events. Our liquidity needs vary throughout the year. If our business experiences materially negative unforeseen events, we may be unable to generate sufficient cash flow from operations to fund our needs or maintain sufficient liquidity to operate and remain in compliance with our debt covenants, which could result in reduced or delayed purchases of raw materials, planned capital expenditures, and other investments and adversely affect our financial condition or results of operations. Our ability to borrow under the ABL Facility may be limited due to decreases in the borrowing base as described above. Risks Relating to Ownership of Our Common Stock **The market price of our Common Stock may be highly volatile.** Our Common Stock has been listed for public trading since January 27, 2017. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as other general economic, market or political conditions, could reduce the market price of our shares in spite of our operating performance. **Various** ~~The following~~ factors **, including those listed in this Item 1A- Risk Factors section,** may have a significant impact on the market price of our Common Stock ~~: • negative trends in global economic conditions or activity levels in our end markets; • increases in interest rates used to finance home construction and improvements; • our ability to compete effectively against our competitors; • changes in consumer needs, expectations, or trends; • our ability to maintain our relationships with key customers; • our ability to implement our business strategy; • our ability to complete and integrate new acquisitions; • variations in the prices of raw materials used to manufacture our products; • adverse changes in building codes and standards or governmental regulations~~

~~applicable to general business operations; • product liability claims or product recalls; • any legal actions in which we may become involved, including disputes relating to our intellectual property; • our ability to recruit and retain highly skilled staff; • actual or anticipated fluctuations in our quarterly or annual operating results; • trading volume of our Common Stock; • sales of our Common Stock by us, our executive officers and directors, or our shareholders in the future; and • general economic and market conditions and overall fluctuations in the U. S. equity markets.~~ In addition, broad market and industry factors, including the trading prices of the securities of our publicly traded competitors, may negatively affect the market price of our Common Stock, regardless of our actual operating performance, and factors beyond our control may cause our stock price to decline rapidly and unexpectedly. Furthermore, the stock market has experienced extreme volatility that, in some cases, has been unrelated or disproportionate to the operating performance of particular companies. We may be subject to securities litigation, which is expensive and could divert management attention. Our share price may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation. Litigation of this type could result in substantial costs and diversion of management' s attention and resources, which could have a material adverse effect on our business, financial condition, and results of operations. Any adverse determination in litigation could also subject us to significant liabilities and may negatively impact our share price ~~. If securities or industry analysts cease publishing research or reports about us, our business, or our market, or if they adversely change their recommendations or publish negative reports regarding our business or our stock, our stock price and trading volume could decline. The trading market for our Common Stock can be influenced by the research and reports that industry or securities analysts may publish about us, our business, our market, or our competitors. We do not have any control over these analysts, and we cannot provide any assurance that analysts will cover us or provide favorable coverage. If any of the analysts who may cover us adversely change their recommendation regarding our stock, or provide more favorable relative recommendations about our competitors, our stock price could decline. If any analyst who may cover us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline~~ . Because we have no current plans to pay cash dividends on our shares of Common Stock, shareholders must rely on appreciation of the value of our Common Stock for any return on their investment. We currently anticipate that we will retain future earnings for the development, operation, and expansion of our business, to repay debt and potentially ~~share repurchases~~ **repurchase shares** , and have no current plans to declare or pay any cash dividends in the foreseeable future. In addition, the terms of our Credit Facilities, Senior Notes, Senior Secured Notes, and any future debt agreements may preclude us from paying dividends. As a result, we expect that only appreciation of the price of our Common Stock, if any, will provide a return to shareholders for the foreseeable future. Because we are a holding company with no operations of our own, we rely on dividends, distributions, and transfers of funds from our subsidiaries, and we could be harmed if such distributions were not made in the future. We are a holding company that conducts all of our operations through subsidiaries and the majority of our operating income is derived from JWI, our main operating subsidiary. Consequently, we rely on dividends or advances from our subsidiaries. We have no current plans to declare or pay dividends on our Common Stock for the foreseeable future; however, to the extent that we determine in the future to pay dividends on our Common Stock, none of our subsidiaries will be obligated to make funds available to us for the payment of dividends. The ability of such subsidiaries to pay dividends to us is subject to applicable local law and may be limited due to terms of other contractual arrangements, including our indebtedness. Such laws and restrictions would restrict our ability to continue operations. In addition, Delaware law may impose requirements that may restrict our ability to pay dividends to holders of our Common Stock.