

# **Fighting Against Forced Labour and Child Labour in Supply Chains Act Report**

## **About this report**

This report is made pursuant to subsection 11(2) of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the “Act”) by Crutchfield Corporation (“Crutchfield”; the terms “we”, “us” and “our” refer to Crutchfield), a leading online and catalog retailer of premium consumer products, serving customers in the United States and Canada. Crutchfield is headquartered in Charlottesville, Virginia. This report summarizes the steps taken in the financial year ended December 31, 2023 to prevent and reduce the risk that forced labour or child labour is used at any step of goods imported into Canada by Crutchfield.

## **Structure, activities and supply chains**

Crutchfield is a privately held Virginia corporation that sells retail goods, primarily consumer electronics goods, and provides after-sale customer and technical support. Crutchfield principally operates in the United States in the Commonwealth of Virginia where its headquarters, retail stores and contact centers are located. Products offered for sale in the United States are also warehoused in Virginia.

The products sold by Crutchfield are sourced either directly from the manufacturer of said products, or from a distributor for said products. Crutchfield’s wholly owned subsidiary, Virtual Gateways, LLC has a white label arrangement with a manufacturer in China regarding the production of Sound Ordnance branded consumer electronics products. Crutchfield does not otherwise manufacture or have products manufactured for it. It does not have its own line of products and exclusively sells third party branded products. Such products originate primarily from locations in Asia including, but not limited to, China, Malaysia, and Vietnam.

Crutchfield has contracted with a company to provide warehouse services in Canada where some of the products offered for sale may be temporarily stored until they are sold and then shipped to Canadian customers.

## **Steps taken to prevent and reduce risks of forced labour and child labour**

During its previous financial year, other than including general contractual provisions in its supply agreements with certain manufacturers and distributors regarding their compliance with applicable laws, Crutchfield did not implement any measures or processes to identify or reduce risks of forced labour and child labour in its supply chain. It did not implement policies or due diligence processes in relation to forced labour or child labour and had not yet attempted to identify parts of its activities and supply chains that carry a risk of forced labour or child labour being used. Crutchfield did not, therefore, take any measures to evaluate its effectiveness in ensuring that forced labour

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and child labour are not being used in its activities and supply chains nor did it take any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

During its previous financial year, no instance of forced labour or child labour came to its attention in regard to its activities and supply chains. It therefore did not take any measures to remediate any instance of forced labour or child labour.

No training was provided to its employees during its previous financial year in terms of forced labour and child labour.

## Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that the Board of Directors of Crutchfield Corporation has reviewed the information contained in the report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



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William G. Crutchfield, Jr.

Sole director of Crutchfield Corporation.

May 30, 2024