

THROAT_THREADS / APPAREL

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BILL S211 REPORT 2023

The Fearon Family Trust (T32521327) is considered an entity under the Act and is required to report under Bill S211.

This is a joint report with Throat Threads Apparel Inc. SBRN: 136514973RM0001.

The report covers the fiscal year January 1, 2023, to December 31, 2023.

The headquarters and principal place of business is Burlington, Ontario, Canada. The entity has fifty employees and operates in the wholesale trade sector. The entities covered in this report are not subject to reporting requirements under supply chain legislation in any other jurisdiction.

The Fearon Family Trust controls the operations of Throat Threads Apparel Inc. and Throat Threads Apparel USA Inc. collectively hereinafter referred to as TTA. TTA is a North American distributor of men's and ladies' apparel and footwear.

TTA maintains distribution agreements with license holders of various men's & ladies clothing brands. Under the authority of these agreements, they import goods from various vendors and factories worldwide for distribution to retail stores throughout Canada and the United States of America. TTA imports goods from North America, South America, Europe, and Asia. TTA is responsible for the transportation of goods from origin to destination as well as all applicable import regulations and requirements. In Canada, the warehouse space is leased by TTA and employs its own staff. In the USA, TTA utilizes a third party warehouse. All business dealings are managed from the head office in Burlington Ontario. They employ in-house sales, marketing, management, information technology, logistics, Customs, customer service, accounts payable, accounts receivable and credit departments.

TTA is not involved in the sourcing or production of goods and is unable to purchase goods from factories not approved by the principals of the distribution agreements. TTA does, however, understand the importance and necessity of being able to map out their supply chain to help mitigate the use of forced labour and/or child labour.

The vendors TTA purchases from are not always the manufacturer of the goods, however; in 2024 TTA has begun the process of identifying their Tier One suppliers.

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TTA has engaged with the brands to facilitate the mapping of their supply chain by brand. They are working towards identifying and assessing the supply chain for risks of forced labour. TTA issued questionnaires to each brand license holder to help understand each brand's due diligence and reporting requirements in their respective countries. This will allow TTA to identify the risk level of various brands that they carry. The highest risk area would be garments manufactured in China and those made of cotton. To date, all manufacturing companies identified in the supply chain have been cross referenced against the Customs Border Protection Withhold Release Orders and Findings List (WRO) with no connections being made. A WRO is issued when the agency has reasonable evidence of the use of Forced Labour in the manufacturing or production of goods in order that it may be further examined. A Finding is issued when the agency determines that forced labour was used and it allows the agency the authority to seize goods.

TTA has steps in place to move forward with a more robust assessment of suppliers and a comprehensive mapping of their supply chain. TTA will design and provide training to their staff in specific departments and adding contractual clauses to their distribution agreements addressing the risks of Forced Labour.

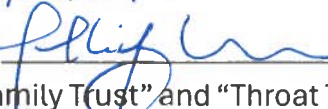
ATTESTATION:

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

Full Name: Philippe Bindu

Title: President

Date: 2024/05/27

Signature:  I have the authority to bind "Fearon Family Trust" and "Throat Threads Apparel Inc."