

## **2023 Annual Report pursuant to Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act**

This report is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c. 9 (the **Act**). It sets out the steps The Authentic T-Shirt Company ULC dba SanMar Canada (**ATC**) has taken to prevent acts of forced labour and child labour from occurring in its business and supply chain.

### **Background on The Authentic T-Shirt Company ULC dba SanMar Canada**

ATC is a Canadian corporation that is based in Vancouver, BC with satellite offices and warehouses in Calgary, AB and Mississauga, ON. This report covers ATC’s financial year starting January 1, 2023 and ending December 31, 2023. At the end of 2023, ATC had 278 employees. ATC participates in both the wholesale and retail sale industries in Canada.

ATC is primarily a wholesaling company in the promotional products industry. ATC imports goods from offshore in bulk to sell in smaller quantities to Canadian resellers. In 2023 we imported 458 shipments of finished goods from 11 different countries (Bangladesh, Cambodia, China, Honduras, Indonesia, Madagascar, Myanmar, Philippines, Sri Lanka, Vietnam, USA) and these goods would include some or all of the following T-Shirts, Hoodies, Shorts, Sport shirts, Fleece Tops & Bottoms, Jackets, Parkas, Windbreakers, Caps, Beanies, Toques, Scarves, Tote Bags, Backpacks, Duffel Bags, Messenger bags, Cinch Bags, Workwear, PPE, Luggage, Masks, Aprons & Blankets.

### **Summary of ATC’s Actions in 2023**

ATC and our suppliers collaborated on our vendor mapping project, which while still ongoing, is giving us opportunities to look into our supplier’s supplier’s (and their supplier’s) and investigate any risk of forced labour or child labour in our supply chain. We’re also working on policies for our vendor base as well as employees outlining what is considered to be forced labour and child labour.

### **Our Policies and Due Diligence Processes**

ATC has included clauses against forced labour or child labour in our supplier manual and inspection checklists, and now we are taking it further by developing company policies which will be signed off on by all overseas factories as well as by our domestic employees. Currently we are mapping out our activities and our supply chains so that we can more accurately assess where the risks are in our supply chain.

### **Assessed Risk in our Business and Supply Chains**

There are risks of forced labour or child labour in almost any business, and the apparel business isn't an exception. With our strong working relationships with the factories, we believe that there is a low chance for forced labour or child labour in the factories, but as the supply chain moves up a tier that risk level would increase. We are continuing to conduct an internal assessment of risks of forced labour or child labour in our activities and supply chain, including the tier 2 and tier 3 suppliers.

### **Measures taken by The Authentic T-Shirt Company/SanMar Canada**

ATC did not report any instances of forced labour or child labour in 2023 so it did not undertake any remediation steps.

### **Employee Training**

All of the employees at ATC will be asked to sign off on our Forced and Child Labour Policy and this will provide them with information to report instances of forced labour and child labour that they observe. Our Human Resources team is trained in local employment laws.

### **Assessment of Effectiveness**

ATC continues to monitor our supply chain for any signs of forced labour and child labour through formal audit processes and informal factory visits by ATC employees.

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 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.



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Kristal Alberton  
President