

THROAT_THREADS / APPAREL

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BILL S211 REPORT 2024

The Fearon Family Trust (T32521327) is classified as an entity under the Act and is required to report under Bill S-211. This report is submitted jointly with Throat Threads Apparel Inc. (SBRN: 136514973RM0001). It covers the fiscal year from January 1, 2024, to December 31, 2024.

The headquarters and principal place of business is located in Burlington, Ontario, Canada. The entities employ fifty individuals and operate within 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 oversees the operations of Throat Threads Apparel Inc. and Throat Threads Apparel USA Inc., collectively referred to as TTA. TTA serves as 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 multiple vendors and factories worldwide for distribution to retail stores across Canada and the United States. These imports originate from North America, South America, Europe, and Asia.

TTA oversees the transportation of goods from origin to destination, ensuring compliance with all applicable import regulations and requirements. In Canada, TTA leases warehouse space and employs its own staff, while in the United States it utilizes a third-party warehouse. All business dealings are managed by the head office in Burlington Ontario.

TTA employs dedicated teams across various departments, including sales, marketing, management, information technology, logistics, customs, customer service, accounts payable, accounts receivable and credit.

Before 2024, TTA was not involved in the sourcing or production and could not procure products from factories without approval under its distribution agreements. This remains true for existing agreements. However, in 2024, TTA launched a new brand, assuming direct responsibility for sourcing, allowing greater oversight and control over supply chain practices.

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Recognizing the critical importance of supply chain transparency, TTA has taken steps to map its suppliers and mitigate the risks of forced labour and child labour. As part of this initiative, TTA began identifying its Tier One suppliers and engaging with brand partners to facilitate supply chain mapping on a brand-by-brand basis.

To strengthen risk assessment, TTA previously issued questionnaires to each brand license holder to better understand their due diligence practices and reporting requirements in their respective countries. This process enables TTA to determine the risk level associated with the various brands it carries and identify potential vulnerabilities within its sourcing network. To ensure ongoing alignment with ethical labour standards, TTA will periodically revisit and renew these questionnaires, verifying that vendor practices remain unchanged. Through rigorous due diligence and collaboration, TTA continues to enhance its compliance processes and reinforce ethical labour standards across its supply chain.

The highest-risk categories identified include garments manufactured in China and those made from cotton. To date, all manufacturing companies identified within the supply chain have been cross-referenced against the U.S. Customs and Border Protection's Withhold Release Orders (WRO) and Findings List, with no connections found. A WRO is issued when the agency possesses reasonable evidence indicating that forced labour may have been used in the manufacturing or production of goods, prompting further investigation. A Finding is issued when the agency confirms the presence of forced labour, granting it the authority to seize the affected goods.

Following last year's planned steps, we proposed adding contractual clauses to existing agreements. As agreements come up for renewal, we have successfully implemented these clauses, strengthening our commitment to ethical and complaint sourcing practices.

Going forward, we aim to implement a Supplier Code of Conduct to establish clear ethical sourcing guidelines that all vendors must adhere to. These codes will require suppliers to sign agreements formally committing to fair labour practices. Additionally, we will continue to provide training to internal staff in key departments, equipping them with the knowledge to identify and report potential forced or child labour issues.

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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 Binda

Title: President

Date: May 30, 2025

Signature: 

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