

Fountain Tire Ltd. – Bill S-211 Report for 2024

Bill S-211: An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff.

Introduction

This report is designed to facilitate compliance with the reporting obligations outlined in Bill S-211, also known as the Fighting Against Forced Labour and Child Labour in Supply Chains Act. The purpose of this act is to address the issue of forced labor and child labor in supply chains and to promote ethical sourcing practices among businesses operating in Canada. This is Fountain Tire's report on its efforts against using suppliers who participate in such practices.

Reporting Period

Fiscal Reporting Year 2024, Submitted June 7, 2025

Reporting Entity

Fountain Tire Supply is the entity responsible for supplying the majority (~85%) of the tire product that the Fountain Tire Limited group of companies sell and meets the definition of "entity" of which is required to submit a report.

It should be known that Fountain Tire Limited represents a group of companies (via partnerships), however, none of the individual partnerships meet the requirements of "entity" as indicated in Part 2, Section 9 of Bill S-211, therefore has no obligation to report individually.

Reporting Contact

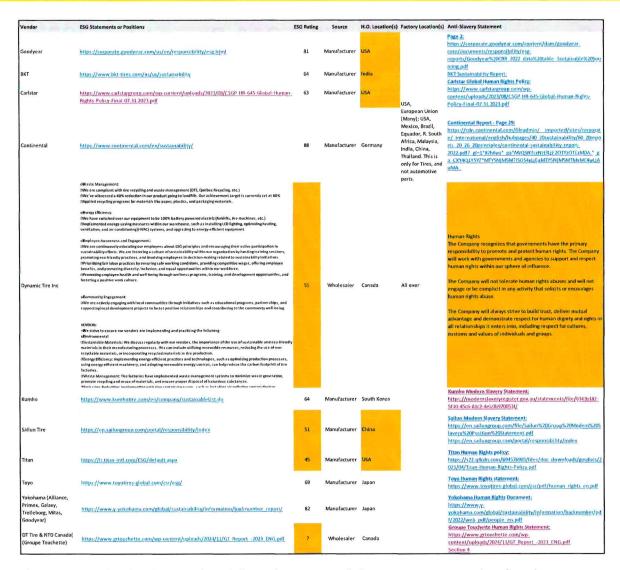
Michael Fritz, Director Product and Pricing

Overview of Activities

In our inaugural reporting year, Fountain Tire Supply initiated a comprehensive review of our vendors, marking our first concerted effort in this area. Going forward, as we adopt new vendors, this has now become a key part of our vendor selection process. Our approach involves gaining insight into the production locations of our key suppliers and documenting their published statements regarding forced labor or child labor policies. Below is a matrix detailing our key tire suppliers, their production locations, and links to their published policies.







The necessary data has been gathered through surveys and direct requests to vendors for relevant documentation. Fountain Tire has established criteria for evaluating new suppliers, ensuring alignment with our values and commitment to addressing child labor and forced labor practices. We take pride in our proactive stance, having historically partnered only with suppliers that uphold their own stringent codes of conduct, which prohibit such practices. As a result, we have not yet needed to compel any remedial actions from our existing suppliers.

Compliance with Reporting Obligations

1. Disclosure of Due Diligence Measures:

Fountain Tire evaluates all new suppliers to ascertain their policies regarding forced labor and child labor before finalizing any purchasing agreements for tires. Suppliers unable to provide a public policy or found to engage in such practices will not be considered. A periodic survey will be administered to our





supplier portfolio to ensure ongoing awareness of any new production facilities or updates to their supply chain policies.

2. Risk Assessment:

To mitigate risks, Fountain Tire Supply originally conducted surveys with suppliers to identify the primary production locations of their products. This information was overlaid with regions at elevated risk for forced labor, ensuring alignment with the companies' stated policies covering all tire-producing regions. Suppliers manufacturing from high-risk regions or those who use at-risk input materials are requested to submit their supply chain mappings to understand if their supply chain participates in forced or child labour practices.

3. Remediation Efforts:

Fountain Tire is fortunate to have no association with suppliers known to engage in child labor or forced labor practices.

4. Training and Capacity Building:

Due to the low-risk of its' purchasing habits, Fountain Tire Supply does not need to employ training programs or capacity-building initiatives aimed at educating employees, suppliers, and stakeholders on ethical sourcing practices and labor rights. Fountain Tire Supply will continue to assess the risk and employ such training when/if there becomes a need.

5. Collaboration and Engagement:

Fountain Tire Supply does not presently participate in any partnerships, collaborations, or industry initiatives aimed at addressing forced labor and child labor in the supply chain. We will continue to monitor our risk associated with these issues and will review on an annual basis to determine if we should engage in such groups in the future.

Challenges and Lessons Learned

Fountain Tire Supply has not encountered challenges related to poor labor practices with any suppliers.

Future Actions

Fountain Tire Supply commits to continually assessing vendor performance against regional and global labor standards, with regular reviews of the current supplier base and the inclusion of new suppliers. This ensures adherence to high sourcing standards worldwide.

Conclusion

Fountain Tire's longstanding commitment to sourcing from reputable suppliers has facilitated a seamless reporting process. We remain confident in our ongoing efforts to understand our vendors' manufacturing policies to refrain from supporting these inhumane practices.





Approval and 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.

Jason G. Herle, CEO Fountain Tire Ltd.

June 5, 2025

