

GLOBAL IMPACT REPORT 2023





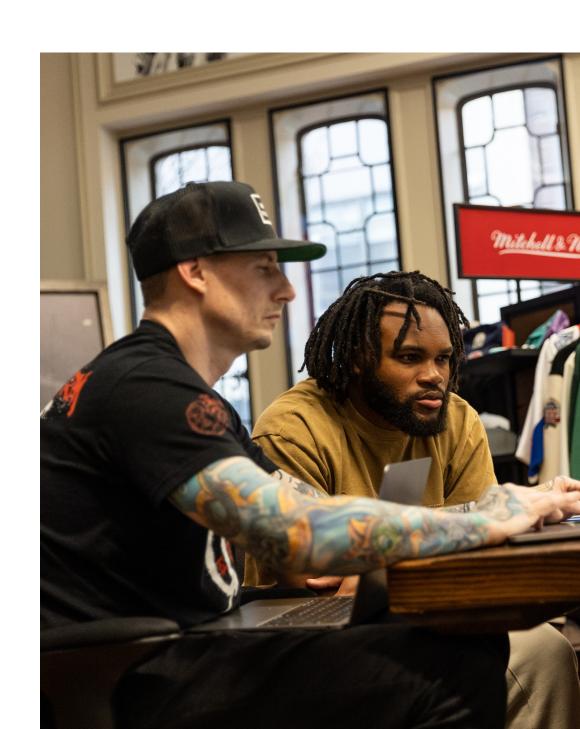




TABLE OF CONTENTS

3	A Message from Michael Rubin,
	Our Founder and CEO

- 6 About this Report
- **8** About Fanatics
- 12 Global Impact
- 14 Leveling the Playing Field
- 20 Keeping Our Eyes on the Ball
- 24 Covering Our Bases
- 30 Our All-Star Team
- 43 Playing the Right Way
- 52 Off-Field Impact
- **62** Workforce Data
- 65 GRI Index





A MESSAGE FROM MICHAEL RUBIN, OUR FOUNDER AND CEO

I'm excited to share with you our third annual Global Impact Report, covering the year 2023. Last year, we continued to deliver increased value to our fans and partners and through new product offerings, got closer to achieving our mission of becoming the leading global digital sports platform. With everything that we do, however, our number one priority remains the same – delivering a best-in-class fan experience.

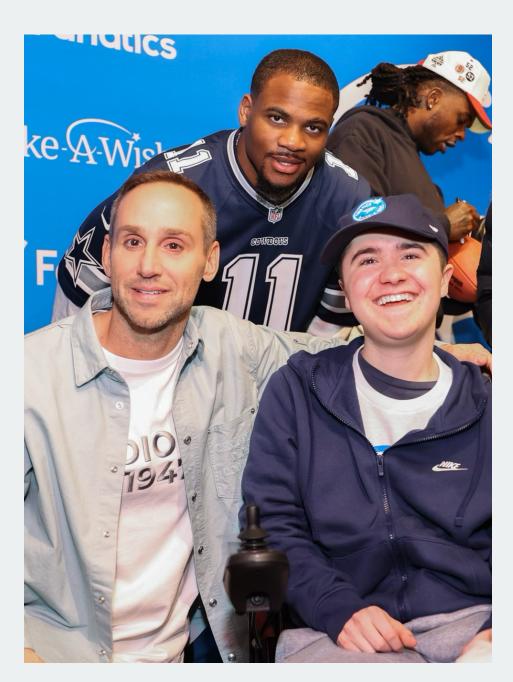
In the fall of 2023, we officially launched our Betting & Gaming business. While it's still early days, we are off to a strong start with a great product that is further enhanced by the Fanatics platform. And while betting and gaming is meant to be fun, we also recognize the negative impacts it can have when the appropriate guardrails are not in place. Our team has done a tremendous job in ensuring that we lead with responsible gaming. While we still have more to do, I remain confident that our policies and procedures will only help to further elevate the industry.

As we continue to grow as an organization, so does our responsibility to ensure we are further building and enhancing our collective environmental, social, and governance (ESG) efforts. In 2023, we continued our journey toward scaling our ESG practices across new areas of our business. This included beginning to incrementally expand our factory workplace standards monitoring and sustainability standards across our Fanatics Commerce supply chains and committing to set science-based greenhouse gas reduction targets for our Fanatics Commerce business.





A MESSAGE FROM MICHAEL RUBIN, OUR FOUNDER AND CEO



In 2023, we also challenged ourselves to reach even more people in need through our philanthropic efforts. This led to our one-time initiative called Fanatics Merch Madness: Fan Gear Giveaway, where we provided more than 300,000 pieces of apparel to youth in need across the U.S. We also announced a first-of-its-kind partnership with Make-A-Wish America, with Fanatics becoming the wish-granting organization's "Official Sports Partner."

While we still have work to do across each of our ESG initiatives, I am excited by the progress we continue to make as a global organization. This report not only allows us to share our accomplishments, but perhaps more importantly, serves as an annual tool that helps ensure we are operating as the global citizen that we want to be.

We will always do the right thing here at Fanatics, regardless of industry trends or what others choose to do. It's our responsibility to our fans, partners, shareholders, and employees to make a positive impact. As we continue into 2024, we are focused on execution and a relentless dedication to further improving the fan experience. I look forward to our continued progress and appreciate you joining us in our efforts.

MICHAEL RUBIN

Founder and Chief Executive Officer



2023 GLOBAL IMPACT HIGHLIGHTS

of our U.S. workforce identifies as racially and/or ethnically diverse	of our global salaried employees participate in our employee resource groups
of our U.S. workforce identifies as female	pieces of apparel valued at \$15 million given away in one day at our Fanatics Merch Madness: Fan Gear Giveaway event
of employee Directors and above identify as racially and/or ethnically diverse	of our facilities are zero waste to landfill
of employee Directors and above identify as female	1,179 team members trained on Sustainability
of new hires identify as racially and/or ethnically diverse	team members trained on forced labor and human trafficking
of new hires identify as female	team members trained on responsible purchasing practices



ABOUT THIS REPORT

The Fanatics 2023 Global Impact Report – our third annual Global Impact Report – details our ESG programs and progress during 2023 and is designed to inspire our fans, partners, shareholders, and employees; assist in our recruitment of top talent; and further advance our ESG goals. Published in April 2024, this report includes select data from calendar year 2023 (unless otherwise indicated) and select company-wide information, which includes our parent company, Fanatics Holdings, Inc. ("Fanatics Holdings"), and our majority-owned and operated businesses, Fanatics Commerce, Fanatics Collectibles, and Fanatics Betting & Gaming. References to "Fanatics," "we," "us," "our," the "Company," and "company-wide" describe activities of Fanatics group-wide, including our majority-owned and operated subsidiaries.

We recently secured a majority stake in Lids, a leading North American omni-channel sports licensed retailer. Since we are early in our ESG journey and still working on incorporating the approximately 2,100 Lids and Lids University brand (collectively, "Lids") retail stores into our broader ESG efforts over the next several years, this report excludes the Lids business unless noted otherwise.

Throughout this report, you will see reference to Fanatics having more than 22,000 employees. This number encompasses all global employees across our portfolio (including full-time, hourly, contract, seasonal, retail, and Lids employees). The employee data included in this report represents only the full-time U.S. workforce of Fanatics Holdings and its majority-owned subsidiaries as of December 31, 2023.

Due to the nature of our business and rapid expansion, this report has a continued focus on Fanatics Brands, our Fanatics Commerce apparel business, which produces goods on behalf of licensing partners, including universities, major sports leagues, and other apparel companies. You will also, once again, see mention of our Sustainability Team throughout this report. This team resides within and reports directly to the CEO of Fanatics Vertical Brands and is responsible for developing and deploying programming that mitigates negative labor and environment impacts along the Fanatics Brands value chain. Accordingly, with respect to Sustainability information, this report focuses on Fanatics Brands unless noted otherwise. Our global Sustainability team of 22 members consists of subject matter experts in labor and

human rights, commodity traceability, and environmental impact reduction strategies.

The Labor and Human Rights, Sourcing Traceability, and Environment portions of this report discuss Fanatics Brands' practices to address forced labor, traceability, and the environment. We hope to include further Sustainability updates with respect to our other businesses over the next several years.

This report uses qualitative descriptions and quantitative metrics to describe our policies, programs, practices, and performance. Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but they should not be considered guarantees. In addition, historical, current, and forward-looking ESG-related (including sustainability-related) statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. The information and opinions contained in this report are provided as of the date of the report and are subject to change without notice. Fanatics does not undertake to update or revise any such statements.



Also, while certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with, or reporting pursuant to, the U.S. federal securities laws and regulations, even if we use the word "material" or "materiality" in this report. Instead, the terms refer to ESG issues that are significant to our stakeholders and the Company. These "material" issues inform our corporate responsibility strategy, priorities, goals, and reporting.

Website references and hyperlinks throughout this report are provided for convenience only, and the content on the referenced websites and hyperlinks is not incorporated into this report, nor does it constitute a part of this report.

This report covers our majority-owned and operated businesses and does not address the performance or operations of our suppliers or contractors unless otherwise noted. All financial information is presented in U.S. dollars unless otherwise noted.

This report contains forward-looking statements relating to the Company's operations, including ESG-related statements, that are based on management's current expectations, estimates, and projections. See the "Cautionary Note Regarding Forward-Looking Statements." Therefore, the actual conduct of our activities, including the development, implementation, or continuation of any program, policy, or initiative discussed or

forecasted in this report may differ materially in the future. As with any projections or estimates, actual results or numbers may vary.

We note that expectations regarding the management of ESG initiatives continue to evolve rapidly. While we may from time to time engage in various initiatives (including, but not limited to, voluntary disclosures, policies, or goals), we cannot guarantee that these initiatives will have the desired effect. We may also create and publish voluntary disclosures regarding ESG matters from time to time, including this report. However, many of the statements in these voluntary disclosures are based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith.

Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring, and reporting on many ESG matters. If we are not effective in addressing environmental, social, and other sustainability matters affecting our business, or setting and meeting relevant sustainability goals, our reputation and financial results may suffer. Additionally, even if we are effective at addressing such concerns, we may experience increased costs as a result of executing upon our sustainability goals that may not be offset by any benefit to our reputation, which could

have an adverse impact on our business and financial condition.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements, estimates, projections, guidance, or outlook contained in this report include "forward-looking" statements that are intended to take advantage of the "safe harbor" provisions of the federal securities laws. The words "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "hope," "want," "strive," "aim," "goal," "target," "estimate," "predict," "potential," "continue," "contemplate," "possible," and similar words are intended to identify forward-looking statements. These statements may contain information about financial prospects, economic conditions, and trends and involve risks and uncertainties. Our actual future results, including the achievement of our targets, goals, or commitments, could differ materially from our projected results as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties, and factors.

CONTACT INFORMATION

Please direct any questions about the content of this report to <u>PR@Fanatics.com</u>.



ABOUT FANATICS

Our mission is to ignite the passions of global sports fans and maximize the presence and reach for our sports partners globally.

We are building a leading global digital sports platform – the Fanatics Platform. Everything we do starts and ends with the sports fan. Our mission is to ignite the passions of global sports fans and maximize the presence and reach for our hundreds of sports partners globally.

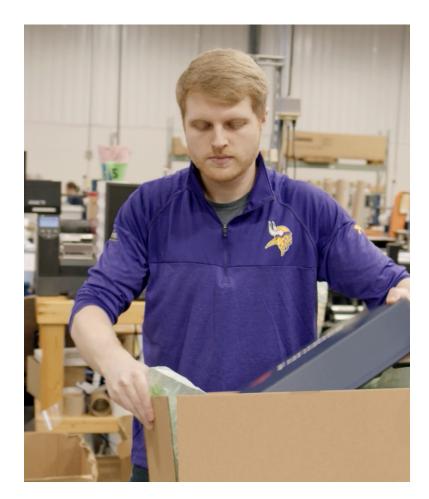
Few passions are as strong as those that sports evoke. Sports provides connections, creates a sense of identity and community across generations, brings the nation and, at times, the world together for a common purpose, inspires hope to achieve the impossible, serves as a platform for facilitating social change across countries and continents, and teaches the value of teamwork.

We will ignite these passions for global sports fans by offering an integrated, personalized, and immersive fan experience through the Fanatics Platform.

Our vision is to serve global sports fans across their digital sports journey with their favorite athletes, leagues, teams, colleges, and celebrities. We aim to be wherever global sports fans are – across digital and mobile sites, retail locations, apparel and merchandise, live events, colleges, stadiums, and more.

Being a sports fan is a life-long journey that spans generations, genders and identities, and geographies. We aim to be a go-to digital sports platform for every fan and, given the enduring nature of sports, will be able to serve fans for decades with the breadth of our products, services, and offerings.

Fanatics has grown rapidly and evolved to provide the fan experience across each of our current businesses – Fanatics Commerce, Fanatics Collectibles, and Fanatics Betting & Gaming – allowing sports fans to Buy, Collect, and Bet.





BUY

Fanatics Commerce is a leading designer, manufacturer, and seller of licensed fan gear, jerseys, lifestyle and streetwear products, headwear, and hardgoods. Fanatics Commerce reaches fans through an omnichannel distribution strategy, which consists of direct-to-consumer (DTC) sales through its flagship website, www.fanatics.com, as well as through websites under the brand names of the Company's partners; its in-venue retail locations that the Company operates on behalf of its partners; the Company's wholesale manufacturing business; and its approximately 2,100 Lids retail stores.

Fanatics Commerce has a broad range of partnerships worldwide, including comprehensive partnerships with leading players associations, leagues, teams, colleges, and sports organizations across the world–including the National Football League (NFL), Major League Baseball (MLB), the National Basketball Association (NBA), the National Hockey League (NHL), Major League Soccer (MLS), World Wrestling Entertainment (WWE), Formula 1, and the Australian Football League (AFL); the Dallas Cowboys, Golden State Warriors, Paris Saint-Germain, Chelsea F.C., AC Milan, and Tokyo Giants; the University of Notre Dame, University of Alabama, and University of Texas; the International Olympic Committee, England Rugby, and the Union of European Football Associations (UEFA).

Fanatics Commerce also has partners for whom it manufactures apparel under license. For example, Fanatics Commerce manufactures and distributes certain Nike-branded NFL and MLB fan apparel sold at retail, including all associated jersey categories, women's merchandise, and outerwear and, commencing in 2024, certain Nike-branded National Collegiate Athletic Association (NCAA) retail fanwear, sideline apparel, and headwear.











COLLECT

Fanatics Collectibles is a leading licensee, designer, producer, manufacturer, and seller of physical and digital sports and entertainment trading cards, sports and entertainment memorabilia, and other digital assets. It has an omnichannel presence across DTC, retail, and wholesale, with primary sales under two brands: Fanatics Collectibles and Topps. Fanatics Collectibles also operates Fanatics Live, a live-streamed shopping platform focused on trading card breaking, which launched in July 2023. In May 2023, Fanatics Collectibles acquired PWCC Marketplace, a secondary marketplace offering peer-to-peer buying and selling of digital and physical collectibles and vaulting services.

Fanatics Collectibles has secured certain current and future exclusive, long-term licensing agreements with a number of individual athletes, players associations, major national professional sports leagues, including the NFL, MLB, and NBA, WWE, MLS, Bundesliga, UEFA, and the Ultimate Fighting Championship, to produce physical and/or digital trading cards or other collectibles. Fanatics Collectibles also has partnerships with a number of individual international sports teams and leagues and with owners of other entertainment properties granting similar exclusive rights.



BET

Fanatics Betting & Gaming is an online and retail (physical location) sports betting (Sportsbook) business that allows fans to engage with sporting events through real-money wagering. It also has online casino (iGaming) operations.

In January 2023, Fanatics Betting & Gaming became the first legal sports betting operator to open a retail Sportsbook inside an NFL stadium with the opening of a Fanatics Sportsbook in FedExField in Maryland, home of the Washington Commanders. In 2023, Fanatics Betting & Gaming officially launched the Fanatics Sportsbook online in Maryland, Massachusetts, Ohio, Tennessee, Kentucky, and Connecticut, and opened 12 additional retail Sportsbooks in Ohio and Connecticut, including two in partnerships with the MLB's Cleveland Guardians and the NHL's Columbus Blue Jackets, resulting in 13 retail Sportsbook openings in 2023.

Following the final closing of our acquisition of PointsBet USA Holding Inc. and its 100%-owned subsidiaries in April 2024, Fanatics Betting & Gaming operates in 19 states for legal sports betting and four states for iGaming, using a two-brand approach that features Fanatics Sportsbook and PointsBet, A Fanatics Experience. We intend to consolidate our betting and gaming business under the Fanatics brand in the future.







GLOBAL IMPACT

Fanatics remains committed to clear and transparent communication with all stakeholders. Our third annual Global Impact Report captures our progress in 2023, as well as our commitments for the remaining journey ahead.





GLOBAL IMPACT PILLARS

Global Impact has six pillars that guide how Fanatics delivers, measures, and communicates our ESG commitments. THESE PILLARS STEM FROM OUR CONTINUOUS DEDICATION TO CREATING THE BEST FAN, EMPLOYEE, AND COMMUNITY EXPERIENCES AROUND THE WORLD.

Our Global Impact ambitions continue to expand and evolve alongside our businesses. We are focused on further scaling our programs across our entire organization and are committed to growing the size and impact of our programs to reflect the new arenas in which we are playing.

LEVELING THE PLAYING FIELD: LABOR AND HUMAN RIGHTS

Treat people across the value chain fairly and respectfully.

Protect and secure the mental and physical health and safety of employees and factory workers across the globe.

KEEPING OUR EYES ON THE BALL: SOURCING TRANSPARENCY

Source from diverse suppliers who share our values and standards.

Promote and empower a sustainable and transparent supply chain.

COVERING OUR BASES: ENVIRONMENT

Minimize the environmental impact of our products and operations.

Innovate and invest in sustainable materials and processes.

OUR ALL-STAR TEAM: CULTURE AND TALENT

Grow and retain a diverse, representative, and inclusive team.

Create opportunities for our teams to innovate, engage, and learn.

PLAYING THE RIGHT WAY: GOVERNANCE

Develop and implement corporate strategy and operations toward sustainable long-term value creation for all stakeholders.

Conduct business in a fair, transparent, ethical manner.

OFF-FIELD IMPACT: COMMUNITY

Champion causes that unite our fans, partners, shareholders, and employees.

Activate our network to respond to pressing needs.



As Fanatics continues to grow and scale, our commitment to creating a fair and respectful work environment for the people who manufacture our products – both at our owned manufacturing facilities and at sites within our supply chain – remains unwavering. In 2023, we continued to enhance our labor and human rights programs, with a focus on bolstering brand-level worker grievance channels and furthering our understanding of worker wage levels.

"Operating a successful, sustainable business starts with creating a positive work environment for the thousands of people who manufacture our products across the globe. Last year, our focus centered around improving supplier partner monitoring performance, increasing labor issue training and engagement with our supply chain teams, further developing our long-term goals specific to factory labor risk reduction, fair compensation, grievance mechanisms, and industrial relations, and deepening our monitoring work within certain areas of the Fanatics enterprise. At the center of it all, is a continued commitment to creating a meaningful experience for the people and communities who are at the heart of our operations."

JOE BOZICH CEO, Fanatics Vertical Brands



GLOBAL IMPACT

OUR APPROACH TO LABOR AND HUMAN RIGHTS

Fanatics' manufacturing efforts primarily sit within Fanatics Brands, which is part of our Fanatics Commerce business. Fanatics Brands produces goods on behalf of licensing partners, including universities, major sports leagues, and other apparel companies, and has a global supply chain of approximately 120 Tier 1 cut, sew, and embellishment contract facilities, as well as a limited number of owned and operated manufacturing facilities in the U.S. as of December 31, 2023. Since 2018, in alignment with the requirements of the Transparency Pledge, a multi-stakeholder initiative by human and labor rights organizations to improve transparency in garment and footwear supply chains, we have continued to publish a list of these facilities on our website. Our website also features our most current supply chain disclosures.

TIER 1 - WHAT'S INCLUDED



Our approach remains centered on further building a best-in-class program that enables us to assess, manage, and mitigate labor and human rights risks. This program is grounded in the Fair Labor Association (FLA) Principles of Fair Labor and Responsible Sourcing. In addition to our Fanatics Brands affiliation with the FLA as an Accredited company, our Mitchell & Ness, WinCraft, Fexpro, and Topps businesses

are also currently affiliated with the FLA through their collegiate businesses.

We continue to stay informed of global labor and human rights priorities for the apparel industry through our participation in multistakeholder initiatives, partnering with civil society organizations (CSOs), and other labor stakeholders, including the <u>FLA</u>, the International Labor Organization's (ILO) <u>Better Work</u> program, the Americas Group facilitated by the <u>Maquila Solidarity Center</u>, the <u>International Accord</u> in Bangladesh and Pakistan, and the <u>Anker Research Institute</u> where Fanatics is a Corporate Sponsor. You can read more about our work with labor stakeholders here.

Two years ago, we enrolled two of our factory partners in Bangladesh in the Factory Improvement Program (FIP) developed by Impactt, a globally recognized ethical trade and human rights consultancy. Impactt's FIP program aims to improve human resource management systems to mitigate excess working hours, encourage better workforce attendance, communicate workplace policies more clearly, and encourage healthy management-worker relations. In 2023, our same factory partners concluded the Impactt FIP program and developed a corrective action plan (CAP) to track ongoing progress. Fanatics continues to monitor FIP CAP improvements through our regular Field Operations activities.

In response to our <u>2021 Fair Labor Association Accreditation feedback</u> related to enhancing our brand-level grievance mechanisms, Fanatics launched a new brand-level grievance mechanism in 2023 to support our existing email channel that directs to our sustainability team. Fanatics chose to partner with <u>Ulula</u> for this initiative because their grievance management system uniquely aligns with best practices and regulations as defined by the United Nations Guiding Principles (UNGPs) on the effectiveness of non-judicial grievance mechanisms. Through our partnership with Ulula, Fanatics has been able to provide better communication options to roughly 40,000 workers at 35 Tier 1 strategic suppliers.



Fanatics has worked closely with supplier representatives to cascade detailed instructions to workers on how to use the mechanism and to promote its trustworthiness, distributing posters and encouraging workers to test the mechanism during pre-shift meetings. Workers at these facilities can report concerns anonymously directly to Fanatics via a phone call or through submitting a WhatsApp message. Fanatics then works to address each grievance by tracking concerns through Ulula's interactive platform, which allows Fanatics to maintain ongoing communication with each worker through the remediation process.

Last year, building on the in-depth evaluation of our current state of labor and human rights work conducted in 2022, our Sustainability Team began to further develop our long-term goals and targets related to our strategic areas of focus, including compensation, grievance mechanisms, and industrial relations. We plan to finalize this work by the end of 2024 and look forward to sharing more information in next year's report.

For more information on Fanatics' approach to Labor and Human Rights, please see our Combined Statement on Forced Labor, Human Trafficking and Modern Slavery.

OUR PROGRAMS AND PROGRESS

SUPPLIER SELECTION

To ensure our suppliers align with Fanatics'

commitment to labor and human rights, Fanatics Brands conducts a labor risk assessment for any potential Tier 1 factory that will be manufacturing our products. The factory is assessed against our <u>Fanatics Workplace</u> Code of Conduct, which is grounded in the <u>FLA Workplace Code of Conduct</u>, ILO standards, and certain other internationally recognized labor practices.

We leverage third-party auditors to conduct these assessments who have been trained and accredited on our Fanatics Workplace Code of Conduct and our audit methodology. These assessments are conducted onsite over several days and include document review, facility walkthrough, management and worker interviews, and other key activities. In addition to these assessments, we will not conduct business with a new Tier 1 supplier until they confirm in writing they are willing and able to meet our labor standards.

Our Fanatics Workplace Code of Conduct defines the standards to which we hold ourselves and our Tier 1 suppliers, including their facilities, accountable. We require every Fanatics Brands Tier 1 facility to post the Fanatics Workplace Code of Conduct, along with our brand-level grievance channel, in the local language, and in a conspicuous location that is visible to all workers. We leverage these standards to evaluate working conditions and collaborate with factories and suppliers if improvements are required.

On an annual basis, Fanatics Brands' suppliers

are required to deliver training for their facility production workers on their rights under the Fanatics Workplace Code of Conduct and on how to use the Fanatics Brands' grievance channel. The suppliers are then required to certify to us that they have delivered this training at all relevant facilities, which is verified through the auditors' evaluation. If it's determined that workers have not been trained on their rights, according to local law and the Fanatics Workplace Code of Conduct, development and deployment of such training will be included as part of a Corrective Action Plan (CAP).

Suppliers and their facilities must also review and acknowledge other Fanatics Brands' policies and regulations related to labor, human rights, and the environment. Tier 1 suppliers contractually agree to adhere to all our standards, including our Tier 1 Sustainability Manual, which commits suppliers to participate in our broader sustainability program. It also includes our Restricted Jurisdiction Policy, which prohibits suppliers from sourcing inputs for Fanatics Brands' goods from regions and countries that pose legal, compliance, human rights, labor rights, or other risks that undermine our commitment to sustainability.

UPHOLDING OUR STANDARDS

Once a Tier 1 supplier enters the Fanatics Brands source base, we continue to monitor working conditions at the facility level and benchmark their improvement and incorporation of best practices over time. The supplier's future business with Fanatics Brands is conditioned on.



among other factors, sustainability performance and a commitment to ensuring good working conditions.

As an FLA-accredited company, our proprietary monitoring program is based on the FLA Code and Benchmarks. The FLA Code is rooted in ILO Conventions and requires factories to develop robust management systems. As a Better Work Partner and Social & Labor Convergence Program (SLCP) Brand Signatory, we also accept Better Work assessments and SLCP verified assessments in lieu of deploying our own Fanatics audits. By accepting mutually recognized monitoring tools, we are solidifying our commitment to our suppliers to reduce excessive and duplicative auditing at their facilities to create more time for our partners to focus on continuous improvement.

Each Fanatics audit, Better Work assessment, and SLCP-verified report is evaluated and rated in accordance with our proprietary scoring methodology. A facility's risk rating determines whether it will be subject to a followup onsite or virtual site assessment. All facilities in the Fanatics Brands' source base that are subject to this follow-up assessment undergo remediation training and develop a Corrective Action Plan (CAP) to address their findings. The CAP development process requires suppliers to conduct a root cause analysis for each finding, along with identifying immediate and sustainable measures to prevent finding recurrence. Based on our standard operating procedures, our Sustainability Team escalates any facility that

has achieved a certain severity of violation to leadership, who will determine next steps. Dependent on violations and leadership decision, responsible divestment of the relationship may occur in a manner that aims to minimize negative impacts on workers.

In 2023, 136 audits were conducted either directly for Fanatics Brands by our trained third-party auditors, or by other FLA Accredited brands or our organizational partners, such as Better Work. Additionally, our Sustainability Team conducted 30 individual facility visits in 2023, focusing on compliance, capacity building, and advancing progress on labor programs. These visits occurred in our countries of manufacture, including the United States, Honduras, Bangladesh, Vietnam, and Indonesia, among others. Last year, we also continued to conduct training and awareness internally across Fanatics for our supply chain leadership, strategic sourcing team members, and with select suppliers. This training focused on living wage gaps based on data collected and analyzed from all our Tier 1 suppliers in 2023, FLA requirements, and the potential levers for realizing fair compensation, including brand purchasing practices. We plan to continue to further enhance and broaden this training over the next several years.

As Fanatics continues to grow and expand, our labor and human rights programs must do so alongside it. In 2023, we expanded our working conditions monitoring activities beyond Fanatics Brands to other businesses within Fanatics

Commerce. Through a phased approach that includes quarterly performance accountability against sustainability goals and targets, we have begun monitoring factories manufacturing products for our WinCraft, Mitchell & Ness, and Fanatics Japan businesses, with plans to have a finalized system in place over the next several years.

We also remain committed to integrating Fanatics' sustainability standards into new businesses that we acquire. In 2023, Fanatics Brands acquired Fexpro, a leading wholesaler of licensed sports and branded apparel serving Latin America. We are excited to share that we have begun the onboarding process for Fexpro into Fanatics' sustainability program and plan to integrate the Fexpro source base into Fanatics' supply chain monitoring program in 2024.

PARTNERSHIPS

Ensuring the people and communities who are part of our manufacturing process are protected and respected requires having strong partnerships with organizations that share our commitment to labor and human rights. We collaborate with key partners within our industry as well as proactively engage with multi-stakeholder groups, including the FLA, ILO, Better Work, and SLCP. By working with our partners to ensure best practices, we can ensure a more consistent and meaningful experience for our factory workers.

In 2023, Fanatics Brands also continued its partnership with the Better Buying Institute,



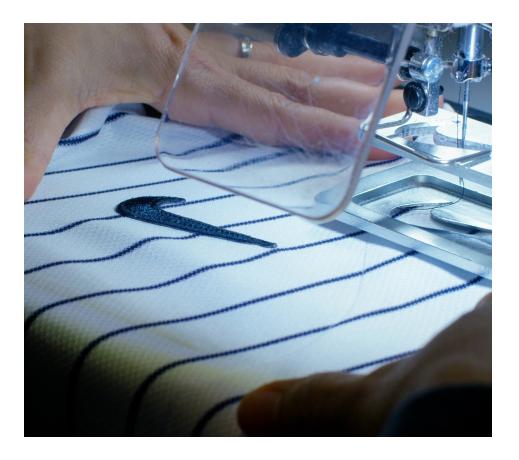
which aims to improve supply chain outcomes by changing buyer purchasing practices. As a result, we again improved our performance on the Better Buying Purchasing Practices Index (BBPPI) across five of their seven categories. In 2023, we launched internal business stakeholder engagement on how best to integrate BBPPI learnings into ongoing business processes and systems improvement initiatives. We are dedicated to continuing this engagement and gaining valuable insights to identify areas for improvement across the business.

Additionally, in 2023, we continued to participate as an elected member of the FLA's Manufacturing Committee. As a FLA Board of Directors committee, the Manufacturing Committee is responsible for making recommendations to the FLA Board of Directors regarding its standards for member companies and their applicable manufacturing factories. This includes the FLA Workplace Code of Conduct and Compliance Benchmarks, the FLA Principles of Fair Labor and Responsible Sourcing, and the scope of accreditation for manufacturing. The Manufacturing Committee also provides strategic input to FLA staff regarding the systems the FLA uses to assess company compliance with these standards. Participation on the Manufacturing Committee further cements Fanatics Brands' commitment to the FLA and provides another channel to continuously learn and provide feedback on issues concerning workers worldwide.

Fanatics Brands also continued its work with the FLA Dashboard Taskforce, a multi-stakeholder effort that aims to aggregate improvement opportunities and identify potential solutions for the Fair Compensation Dashboard, as well as discover other levers that can support wage data confidence and refinement.

As part of Fanatics Brands efforts to realize its Fair Compensation strategy, in 2023, we continued as a Living Wage Corporate Sponsor of the Anker Research Institute, which engages in and disseminates high-quality research, analysis, and training related to living wage and living income. We also supported the launch of the FLA's Living Wage Community, which seeks to further Living Wage knowledge across all FLA members. Fanatics co-hosted the first webinar in July 2023 on behalf of the Living Wage Community.

Additionally, we conducted in-depth Fair Compensation Training Sessions for our internal Supply Chain teams, including members of Supply Chain leadership and Product Creation Centers in Honduras and Thailand. Our trainings focused on an analysis of wage data collected from 31 Tier 1 strategic suppliers, as well as stakeholder expectations, and responsible planning and purchasing intersections related to living wage. We will continue to conduct Fair Compensation Training Sessions with our Tier 1 strategic suppliers into 2024, covering topics such as multi-year gaps between actual and living wages for workers in their facilities and ensuring suppliers further understand the drivers behind our work on Fair Compensation.





LOOKING AHEAD

Ensuring an ongoing positive experience and mitigating risk for our factory workers, regardless of location, requires a continued commitment to enhancing our labor and human rights programs. This is a multi-year journey, and we are still in the early days of scaling our efforts company-wide, including recent acquisitions. These initiatives remain a priority, however. Over the next several years, we plan to focus on:

- Expanding training and awareness to include internal eLearning modules on Responsible Planning & Purchasing for Fanatics Brands' employees, as well as regular learning sessions on select Labor & Human Rights topics for other divisions within Fanatics Commerce.
- Continuing to expand and deepen our labor monitoring work to our various brand groups within Fanatics Commerce.
- Operationalizing our long-term goals and targets related to strategic areas of focus, including fair compensation, grievance mechanisms, and industrial relations.





To ensure our supply chain aligns with our social and environmental standards, we remain dedicated to sourcing transparently from a global network of suppliers who share our commitments.



OUR APPROACH TO SOURCING TRANSPARENCY

Through Fanatics Brands' supplier engagement and due diligence traceability program, we strive to gain visibility to the entities and materials in our upstream supply chain so that we can partner with our suppliers to assess and mitigate regulatory, labor, environmental, and business continuity risks. To this end, our suppliers are required to:

- Maintain an accurate list of the facilities in their source base.
- Actively participate in training and due diligence activities.
- Cascade traceability requirements to their upstream suppliers.
- Commit to continuous improvement of their own traceability management systems.
- Disclose traceability-related information with Fanatics in a timely and transparent manner.

SUPPLY CHAIN TIERS - COTTON SUPPLY CHAIN

GLOBAL IMPACT



Our Traceability program has four key areas of work: Supplier Engagement, Upstream Mapping, Product Traceability, and Regulatory and Customer Compliance.

SUPPLIER ENGAGEMENT

We acknowledge that achieving full supply chain visibility and product traceability are challenging goals that require trust, transparency, and collaboration. That is why we are committed to sharing guidance, training, and tools with suppliers to support compliance with our requirements.

In 2023, we launched our Supply Chain Traceability Policy, which outlines our expectations for suppliers pertaining to responsible management of upstream supply chains, raw material and product traceability, and transparent disclosure of related information. This policy applies directly to contracted manufacturers of Fanatics Commerce's finished products and the parties that supply materials and components to those directly contracted manufacturers. Last year, we trained our Fanatics Brands' Tier 1 finished goods vendors and Tier 2 main body fabric suppliers globally on this policy.

We also provided one-on-one training with all Fanatics Brands' Tier 1 vendors and select Tier 2 suppliers on traceability management systems and the documentation required to demonstrate chain of custody of product and material origins. We continue to hold suppliers accountable for assigning personnel in their organization to be responsible for maintaining these procedures and systems.

In 2023, we also continued our engagement with the <u>Responsible</u> Sourcing Network Yarn Ethically and Sustainably Sourced initiative (RSN YESS) to build the capability of mills and spinners to conduct their own due diligence related to forced labor risks in the upstream supply chain.

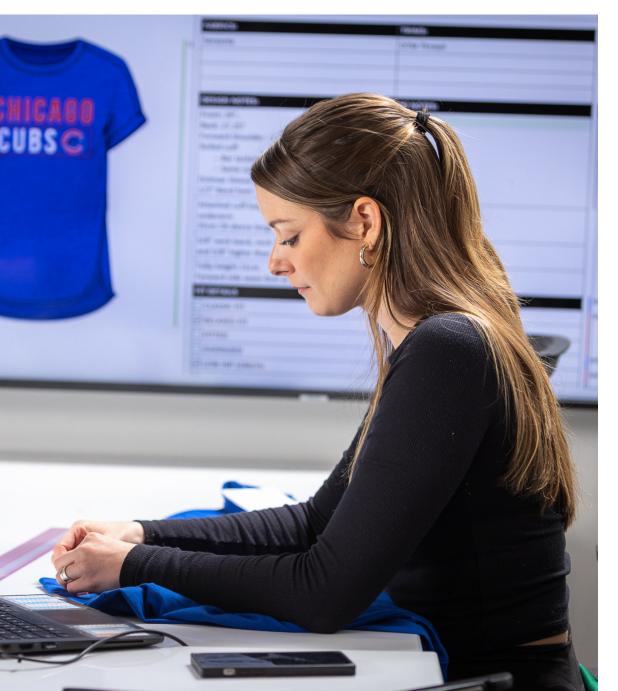
UPSTREAM MAPPING

Upstream Mapping enables us to gain visibility into the upstream production locations in our source base that manufacture the inputs and process the raw materials for Fanatics Brands' products. We regularly require our Fanatics Brands suppliers to disclose information on their upstream business partners, which enables us to conduct desktop due diligence to identify labor, regulatory, and sustainability risks.

In 2023, we onboarded our global Fanatics Brands' Tier 1 vendors and Tier 2 suppliers to a third-party software platform that enables us to expand and update our upstream supply chain mapping for cotton and polyester product. This mapping includes:

- Tier 2 production facilities, which includes knitting and weaving facilities as well as those conducting wet processes such as dyeing, finishing, and laundry,
- Tier 3 yarn spinners, and
- Tier 4 raw material agent or trader and claimed fiber country of origin.





We also continued to collect information from our Tier 2 facilities to further understand their traceability management systems and identify areas of focus for sustainability program integration. In addition, last year, we began to map top labor and environmental risks in Fanatics Brands' Tier 2 source base. This effort included development of a country risk framework with our Enterprise Risk Management and Supply Chain teams. We also continue to benchmark best practices for Tier 2 engagement against peer brand practices. Finally, we leverage industry forums to identify opportunities for collaboration on supplier training, due diligence, and remediation.

PRODUCT TRACEABILITY

Upstream Mapping is the foundation of our Product Traceability work. Only by understanding where and how our products are manufactured upstream can we understand the journey of the material inputs that comprise our products. In addition to our chain of custody training efforts, in 2023, we conducted a due diligence exercise with our Fanatics Brands' Tier 1 suppliers and select Tier 2 main body fabric suppliers to collect and evaluate procurement documentation of product inputs. We are actively working with our suppliers to identify areas for improvement in their product traceability management systems. We are also pursuing meaningful partnerships and certification schemes for raw materials, such as the Better Cotton.



LOOKING AHEAD

We remain committed to expanding the breadth and depth of our traceability work. Over the next several years, we will continue to focus heavily on supply chain mapping and supplier engagement, including:

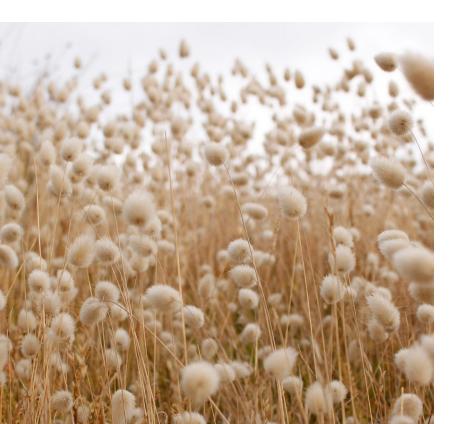
- Further integrating traceability risks and considerations into our pre-sourcing and annual evaluation process for Fanatics Brands' Tier 1 finished goods suppliers and Tier 2 main body fabric suppliers.
- Communicating our labor and environmental compliance expectations to and expanding our visibility to labor, environment, and traceability risks with Fanatics Brands' Tier 2 facilities.
- Continuing to build and test supplier capabilities related to product traceability and chain of custody.
- Onboarding strategic Tier 2 suppliers to virtual RSN YESS Pilot training on due diligence standards for mills and cotton yarn spinners.
- Piloting expansion of our traceability work to Fanatics Brands' trims and components source base.
- Engaging business divisions beyond Fanatics Brands on our traceability program to prepare them for expansion of this work to their respective supply chains.





COVERING OUR BASES

Fanatics' ongoing commitment to limiting the negative impacts we have on the environment continued in 2023. We hit key milestones in program development and target setting across climate, materials, and manufacturing.



OUR APPROACH TO PROTECTING THE ENVIRONMENT

Across all areas of our business, there are environmental impacts within our own operations and across our broader upstream and downstream value chain. We are gaining a greater awareness of these impacts over time through measurement and due diligence, then taking concrete steps to implement both mitigation actions and accountability mechanisms for our priority impact areas. Our strongest progress in 2023 was made in addressing our climate impacts, bolstered by our second annual Greenhouse Gas (GHG) emissions inventory and our new commitment to setting a science-based climate target for our Fanatics Commerce business.

Fanatics' environmental efforts continue to develop and mature across programs covering operations, product, and supply chain manufacturing. We continue to gain a clearer picture of our overall impacts, with new data spanning more of our supply chain. This is allowing us to refine our strategy and expand our focus into additional key impact areas over time, including waste, chemistry, and wastewater.

COVERING OUR BASES

GLOBAL IMPACT

OUR PROGRAMS AND PROGRESS

CLIMATE

Earlier this year, Fanatics conducted its second annual, companywide GHG emissions inventory for calendar year 2023, aligned with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, covering Scopes 1 and 2. These inventories are calculated for each calendar year at the beginning of the following year. In 2023, we completed our calendar year 2022 GHG inventory, covering Scopes 1 and 2.

These exercises are continuing into 2024, allowing us to track our progress over time. Equally important, is the introspection we can do as a global organization by having access to this data on an annual basis, enabling us to begin changing behaviors in lasting and meaningful ways.

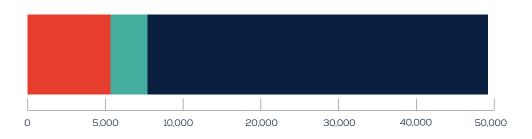
Enabled by our GHG emissions inventory, our Fanatics Commerce business achieved a major milestone along our climate journey in 2023 by publicly committing to setting a GHG emissions reduction target via the <u>Science Based Targets initiative</u> (SBTi) by the end of 2025. Over the next one to two years, Fanatics Commerce will work with the SBTi to model and validate quantitative near-term climate targets.

In alignment with the GHG Protocol Corporate Accounting and Reporting Standard

- SCOPE 1 includes direct GHG emissions from sources owned or controlled by Fanatics, such as the on-site generation of heat, electricity or steam, transportation, fugitive emissions (HVAC), and physical or chemical processing.
- SCOPE 2 data includes indirect emissions from the generation
 of purchased energy, for which emissions physically occur at the
 location the electricity is generated. Examples include purchased
 electricity, heating, cooling, and purchased renewable electricity.

Our 2023 Scopes 1-2 GHG Emissions Results in Detail:

ESTIMATED 2023 GHG EMISSIONS (MTCO2e)



Scope 1 Stationary	8,843.0
Scope 1 Mobile	3,907.3
Scope 2 (Location-based)	36,122.1
TOTAL	48,872.5

Our 2023 GHG emissions inventory took on a broader scope than previous inventories, driven by organizational changes and improvements to our data collection process. As Fanatics acquires companies with established physical footprints, more emissions sources come into scope, and the pool of what we are measuring expands. Additionally, we have focused on improving our data collection efforts to use less estimated data overall and ensure we have the best-available information for target setting and disclosure. Given these changes, Fanatics' aggregate 2023 GHG emissions differ significantly from aggregate emissions calculated in prior years. Organizational changes (including the inclusion of the Lids business) account for 83% of this overall difference, while data improvements account for 15%. Comparing 2022 and 2023 GHG inventories from the same pool of sources, emissions were constant. Scopes 1–2 emissions from buildings decreased slightly, while Scopes 1–2 emissions from vehicles increased slightly.



GLOBAL IMPACT

COVERING OUR BASES

MANUFACTURING

Through our affiliation with <u>Cascale</u> (formerly known as the Sustainable Apparel Coalition (SAC)), Fanatics Brands continued to deploy the <u>Higg Facility Environmental Module</u> (FEM) requirements to our expanded Tier 1 source base and began incorporating Tier 2 locations into our assessment program. In 2023, over 90% of our Eastern Hemisphere Tier 1 and Tier 2 production facilities completed a third-party verified assessment, representing a 100% increase in the number of facilities assessed relative to 2022.

This annual assessment data continues to serve as the foundation for monitoring our supply chain facilities, allowing us to effectively deploy impact reduction programming and track improvements over time.

At the end of 2023, we launched a formal Environmental Compliance program to our Tier 1 and Tier 2 Eastern Hemisphere suppliers that builds upon the continued annual verified FEM requirement. Included in this program are minimum environmental compliance requirements for supply chain facilities, a noncompliance remediation program based on an annual assessment, policies aimed at reducing supply chain greenhouse gas emissions, and foundational wastewater compliance testing requirements. We will collaborate with our suppliers to align on the goals and expectations of the new compliance program and preview additional impact reduction programs planned for the future.

PRODUCT

Product-level environmental impacts continue to be a priority area of focus for Fanatics Brands. To help build our program, we have expanded our external partnerships with key industry organizations. We first became members of the Textile Exchange, a global nonprofit driving positive impact on climate change across the fashion and textile industry, in 2022. In 2023, we deepened our engagement via participation in the Textile Exchange's learning communities, including the Recycled Polyester Round Table, Sustainable Cotton Round Table, and Regenerative Agriculture Community of Practice. In addition, Fanatics Brands is now a proud member of Better Cotton Initiative.

Better Cotton's mission is to help cotton communities survive and thrive, while protecting and restoring the environment.



Fanatics Brands is committed to improving cotton farming practices globally with Better Cotton. Through its implementing partners, Better Cotton trains farmers to use water efficiently, care for soil health and natural habitats, reduce use of the most harmful chemicals and respect workers' rights and wellbeing. Better Cotton is sourced via a chain of custody model called mass balance. This means that Better Cotton is not physically traceable to end products, however, Better Cotton Farmers benefit from the demand for Better Cotton in equivalent volumes to those we 'source.'

Our affiliations with both the Textile Exchange and Better Cotton are enabling us to plan a transition to more environmentally preferred materials. In 2023, we began our internal preferred-materials journey by launching a product sustainability task force, which is a crossfunctional group comprised of representatives from product creation, merchandising, materials, sourcing, finance, and sustainability. This group helped to create a preferred materials scenario analysis and transition plan, critical tools along the path toward setting formal preferred materials commitments in the future.



COVERING OUR BASES

PACKAGING

In 2023, we continued to explore ways to reduce the impact of our packaging within our Fanatics Commerce business. This included transitioning to an alternative poly mailer that is comprised of 100% recycled content. The new mailers are currently in stock at each of our fulfillment centers and are being used to ship our fans' orders.

ZERO WASTE TO LANDFILL INITIATIVE

In 2018, Fanatics launched a zero waste to landfill initiative, utilizing a Waste to Energy model, for our current North American e-commerce distribution centers and corporate offices, with a completion goal set for 2030. As of December 31, 2022, we have implemented our Zero Waste Program across 60% of our footprint – 20 locations and 3.4 million square feet. This included transitioning our Jacksonville, Florida, and Frazeysburg, Ohio facilities to Waste to Energy in 2023. We plan to continue expanding the program to the remaining balance of our portfolio over the next several years.

We are also proud to share that we do not have any underground chemical storage or underground diesel tanks for our generators at any of our sites.

SHIPPING EFFICIENCY

Fanatics aims to reduce the impact of product delivery by optimizing the transport of Fanatics Commerce products from our distribution centers to our fans. We use

multiple software solutions to manage delivery, reducing air and express packages whenever possible, and we meet quarterly with our network of carriers to discuss opportunities for greater efficiency.

In 2023, we better optimized our fulfilment network by:

- Expanding into six 3PL locations in the U.S. to get closer to our fans. By doing this, time in transit was cut down by one full day.
- Bringing on Royal Mail as the primary parcel provider for the U.K. Over half of Royal Mail Parcels are delivered wholly or partially on foot and 21% of their delivery routes have zero emissions.
- Successfully piloting a "parcel shop" delivery service within the U.K. A second pilot is planned for the second half of 2024.

OWNED-FACILITY ENVIRONMENTAL COMPLIANCE

Environmental compliance is non-negotiable at Fanatics. We have teams assigned to manage Environmental Health and Safety (EHS) at each of our 50 corporate offices, 20 retail locations, 30 warehouses, and 10 manufacturing sites (four of which are owned and six are leased). In addition, through our in-venue retail partnerships (IVR), we also ensure that our EHS goals are met at the more than 50 IVR sites under our purview. This approach helps us maintain operating permits and meet local regulatory requirements for our sites, including regulations for wastewater and air emissions.

Current Fanatics Commerce U.S. locations responsible for generating regulated waste are required to comply with all applicable federal, state, and local requirements. Locations must manage their waste in such a manner that they are not a hazard to employees in the workplace or the environment. This includes following appropriate procedures for waste accumulation, labeling, shipping, and transport, and maintaining all disposal records and manifests. Sites that generate Hazardous, Universal, Electronic, and any other unregulated waste stream are required to conduct a weekly waste area inspection audit. Completion of the weekly audits are maintained within the audit portal of our EHS software program. This allows for effective monitoring of audit completion and closure of discrepancies requiring corrective action.

Certain manufacturing facilities that are Fanatics Brands owned or operated participate in our facility monitoring program managed by our Sustainability Team, which includes auditing for environmental compliance. Additionally, we have begun to deploy the FEM in our owned facilities to establish a baseline of – and eventually set reduction targets for – their environmental impacts.

North American distribution and production employees of Fanatics Commerce receive annual environmental compliance training that covers hazardous communication and chemical management. Additionally, employees

GLOBAL IMPACT

COVERING OUR BASES

receive process-specific training that includes the requirement for safe handling and respective chemicals and personal protection equipment. In 2023, we rolled out additional and enhanced training for all our authorized and impacted employees on related Fanatics' compliance policies.

PRODUCT INTEGRITY AND CHEMICALS USE

To our knowledge, Fanatics Brands does not use chemicals from the EU REACH Restricted Substances List (RSL), as documented in our Apparel Product Integrity Manual. Fanatics Brands products are tested for RSL chemicals annually by a third-party testing lab and/or undergo annual certification to assure compliance with legal requirements.



COVERING OUR BASES



LOOKING AHEAD

We intend to continue in our journey to lessen our environmental impact. Our plans for 2024 and beyond include:

- Launching our science-based climate target development process in accordance with the guidelines from the <u>Science-Based Targets initiative</u>.
- Operationalizing our environmental compliance program within our Tier 1 and Tier 2 supply chain and continuing to expand the scope of program coverage.
- Piloting collaborative supply chain efforts with Fanatics Brands suppliers to address coal use, water use, and wastewater impacts.
- Initiating the transition to environmentally preferred materials for Fanatics Brands' products.





Our most powerful asset remains our employees. With thousands of employees around the globe working together to achieve our mission, vision, and goals, we remain committed to creating a best-in-class work environment and culture, grounded in inclusion, diversity, equality, and advocacy (IDEA).



OUR APPROACH TO CULTURE AND TALENT

Our mission, vision, and goals are ambitious at Fanatics. To build a leading global digital sports platform, it will take all of us – working across businesses and geographies – to not only continue to deliver value to our fans and partners, but to continue to build a best-in-class culture that empowers our employees to be their best authentic selves. This starts at the top with Fanatics Founder and CEO Michael Rubin, who regular hosts all-company meetings to ensure transparent communication, and extends to our entire leadership team, who are tasked with consistently demonstrating the importance of culture to the success at Fanatics.

GLOBAL IMPACT

OUR ALL-STAR TEAM

FANATICS IDEA FRAMEWORK

In 2023, we took a fresh look at our IDEA framework. To ensure we were best capturing our efforts, we made changes to our acronym in April 2024. This included changing "equality" to "equity" and "advocacy" to "allyship."

INCLUSION

Belonging, a welcoming culture that recognizes and accepts all

DIVERSITY

Representation, what makes each of us unique (identities, perspectives, life experiences, and more)

ALLYSHIP

Advocacy in action for others to gain visibility, validity, and credibility for their work and contributions

EQUITY

Ensuring fairness by removing systemic barriers so everyone has a chance to contribute their perspectives and talents

OUR PROGRAMS AND PROGRESS

GLOBAL INCLUSION TEAM

At Fanatics, we have a core Global Inclusion Team that works across our entire organization to ensure we have a comprehensive look at our IDEA efforts. The team's strategy is guided by driving change globally and further enhancing the employee experience, with a focus on Representation, Employee Experience, and Talent Practices. While our efforts are global, we also ensure local relevance for our fans, partners, shareholders, and employees outside of the U.S.

EMPLOYEE ENGAGEMENT

We remain committed to finding the best candidates for our open positions at Fanatics. We also know that diverse teams help us all to be more innovative, creative, and achieve better results. To ensure we are attracting a diverse range of candidates, we continue to look for ways to improve our sourcing strategies. In 2023, this included:

- Introducing new recruiting technology to help our recruiting team build more diverse and inclusive slates of talent, while also providing key market insights, which help support sourcing efforts.
- Continuing our partnership with the Black Sports Business Academy, including having Fanatics' team members serve as allies and mentors for the organization.
- Utilizing diversity-focused job boards to market job opportunities to underrepresented groups.
- Leveraging external and internal training for the recruiting team to develop their ability to create and improve their diversity and inclusion talent acquisition strategies.



In 2023, we continued to engage with key partners to ensure that our career opportunities are accessible and visible to a diverse candidate pool. Last year, we partnered with the University of North Florida's Diversity, Equity, and Inclusion Mixer and the University of Florida for information sessions and career fairs. In the U.K., we engaged with Raise Your Game, Kick It Out at their annual conference by hosting a segment on Inclusion in the Workplace and partnered with the organization on an internship.

To better understand those who are applying for our open positions, we offer a voluntary survey to each candidate in the U.S., allowing us to collect gender and ethnicity information. With this information, we analyze the candidate passthrough rates at various stages – from application submission to recruiter interview, to manager interview, and then to job offer – to identify where additional focus is needed to strengthen and diversify our candidate pipeline.

In 2023, we found that 48% of our U.S. workforce new hires identified as racially and/or ethnically diverse and 41% identified as female. While we know we have more work to do to increase ethnic and gender representation at all levels, we remain committed to this important work.

WORKFORCE DATA

By utilizing comprehensive employee data collection and reporting capabilities for our full-time U.S. workforce, we can better understand the makeup of our workforce and adjust our processes as needed. While we have more than 22,000 global employees as April 2024 (including full-time, hourly, contract, seasonal, retail, and Lids employees), the workforce data captured within this report is specific to our 2023 U.S. full-time workforce, which was approximately 7,764 employees as of December 31, 2023. Of this population, 48% of company-wide employees identify as racially and/or ethnically diverse and 49% identify as female. In 2023, at the Director and above level, 23% of employees identify as racially and/or ethnically diverse and 32% identify as female. Internationally, our workforce is made up of 41% women and 54% men, with 4% undisclosed.

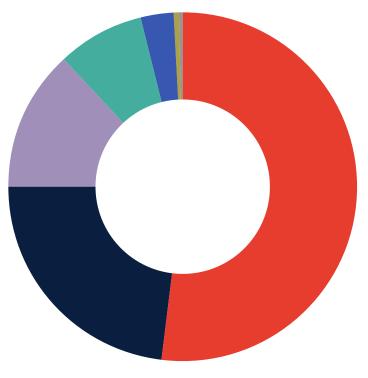
During 2023, we also continued to focus on improving visibility into our workforce demographics, including the diversity of our international employees. This included launching a voluntary and anonymized survey to our employees in the U.K. to capture gender identity, ethnicity, nationality, ability status, and Armed Forces service. With this information, we will be able to further expand and enhance our IDEA initiatives. As we continue into 2024, access to ongoing workforce analytics will become more accessible as part of our transition to utilize Oracle's Analytics Platform.

FAIR COMPENSATION

Utilizing our IDEA framework, Fanatics continues to review any potential gender pay gaps. In accordance with U.K. regulations, we publish an annual Gender Pay Gap Report for our U.K. workforce. Following the publication of the Report in 2023, we entered *The Financial Times'* Top 50 Employers for Gender Equality to gain additional industry insights. This information served to further our gender equality programs in areas such as flexible working, compensation, and benefits.



2023 U.S. WORKFORCE DIVERSITY 1



AMERICAN INDIAN/ALASKAN NATIVE	.4%
- I ENGAN INDIAN/ALAGNAN VATIVE	70
ASIAN	8%
BLACK/AFRICAN AMERICAN	13%
HISPANIC/LATINX	23%
PACIFIC ISLANDER/NATIVE HAWAIIAN	0.3%
MULTIRACIAL	3%
WHITE	52%

of employees identify as racially and/or ethnically diverse

49% of employees identify as female

of employee Directors and above identify as racially and/or ethnically diverse

of employee Directors and above identify as female



Throughout each point in an employee's career at Fanatics, we aim to deliver a best-in-class, immersive experience in alignment with IDEA. In support of this, we executed the following signature engagement initiatives in 2023

IDEA INCLUSIVE LEADERSHIP DEVELOPMENT PROGRAM

In 2023, we rebranded and evolved our IDEA Council to an Inclusive Leadership Development Program to reflect feedback from our employees after our inaugural year in 2022. About 30 employees from across the Fanatics organization came together for a three-day, inperson experience hosted at our New York City headquarters to learn key inclusive leadership skills that foster both personal and professional development. The curriculum and content included an assessment of thinking and communication styles, diversity and inclusion as a business imperative, and opportunities to hear from Fanatics leadership across our businesses. The sessions included instructor-led content, interactive discussions, and exercises on issue exploration. Participants noted finding value in learning specific leadership strategies to overcome bias in themselves and others and how to recognize and combat microaggressions.

IDEA CHAMPIONS

Building on the success of the launch of our IDEA Champions (Ambassadors and Advocates) network in 2022, last year, we invested further in the program by expanding it to all businesses across the organization within the U.S. and U.K. The 2023 cohort helped to expand and celebrate fulfilment center cultural celebrations, hosted roadshow events, and continued to shape geographically relevant cultural moments for Fanatics. The cohort also supported Fanatics' Inclusion team by promoting new IDEA initiatives with employees, such as helping to cascade information on the new self-identify initiative within the U.K.

IDEA-FOCUSED LEARNING AND DEVELOPMENT

We continue to provide ongoing IDEA learning and development courses and seminars for all global employees. Topics offered include: how to become a better ally in the workplace, addressing microaggressions,

tackling unconscious bias, disability inclusion, and more. In 2023, the top three IDEA courses taken by employees were:

- IDEA Listen & Learn: Shine a Light on Antisemitism,
- IDEA & Me Part I: Starting Your Journey, and
- IDEA & Me: Part II: Building Awareness.

At our inaugural Business Planning Summit in September of 2023, which brought together senior leaders from across our businesses, we were fortunate enough to welcome Kenji Yoshino, Chief Justice Earl Warren Professor of Constitutional Law at New York University's School of Law, as a guest speaker. Mr. Yoshino spoke to the group about the importance of inclusive leadership, with a focus on how to talk about identity, diversity, and justice within a corporate setting. We look forward to welcoming him back to Fanatics for another session in the future.





IDEA SUMMIT

In 2023, we hosted our now-annual, company-wide IDEA Summit where guest speakers from across Fanatics and the broader sports community came to Fanatics' NYC headquarters to share insight into their personal and professional journeys, and speak on the importance of advocacy for self, others, and fans. Guests included, among others, Orlando Ashford, Chief People Officer, Fanatics; Lydia Jett, member of the Fanatics Board of Directors; Sandra Douglass Morgan, President, Las Vegas Raiders; and Steve L. Robbins, PhD, diversity and inclusion expert, and author.

FANATICS ALLIANCE NETWORKS

Our employee resource groups — Fanatics Alliance Networks (FANs) — focus on enhancing our workplace community, supporting diverse recruiting initiatives, improving retention, identifying community outreach opportunities, and unlocking innovative business ideas through cross-functional teamwork. FANs are co-chaired by dedicated employees who volunteer their time to lead their respective resource group, develop content and programming, and help advance the FANs' mission. Each FAN is sponsored by Fanatics executives who lend their support and guidance.

In 2023, FAN groups continued to drive inclusion and a sense of belonging through employee engagement by hosting memorable cultural moments and milestones, providing networking platforms, creating safe spaces, and initiating learning series that address the needs of employees across many dimensions of diversity. We now have approximately 24% of our global salaried employees participating across the FAN program and we continue to explore additional FANs that will benefit our employee population.

A few examples of FAN events in 2023 include: the Fanatics Global Black Alliance recognizing Juneteenth with a panel discussion in partnership with the NFL's Black Engagement Network, celebrating Hispanic Heritage Month with a read-along event with Major League Baseball player Jose Trevino and a cooking demonstration with Chef Kevin Fernandez, hosting a Veteran's Luncheon in support of K-9 Warriors, creating bi-monthly safe space forums for our LGBTQIA+ employees, and recognizing Transgender Awareness Month with a letter writing project.



Family First



Global Black Alliance



Multicultural



Pride



Veterans



Women's Initiative Network

"Inclusion matters. It matters to our employees, fans, partners, and shareholders. At Fanatics, we aim to drive deep and systemic action to enhance our culture of inclusion and improve representation at all levels while also leading by example for other companies within the sports industry to follow."

TORETHA MCGUIRE

Senior Vice President, Talent Management and DEI





PROFESSIONAL ATHLETE IMMERSION PROGRAM

In 2023, we took a fresh look at our externship program – which started as a partnership with the National Football League's Player Association and the National Hockey League Alumni Association – and made the strategic decision to expand it into a professional athlete immersion program, with a focus on preparing athletes for life after professional sports. This new initiative focuses on providing a more immersive experience and is open to all leagues. Last year, we hosted players from the Women's National Basketball League and Major League Baseball for a pilot in Los Angeles, allowing participants to gain firsthand insights into our Fanatics Commerce, Fanatics Collectibles, and Fanatics Live businesses. They also had the opportunity to collaborate directly with Fanatics' key executives and provide feedback on products and initiatives.

The program will continue to evolve as we introduce a new pillar focused exclusively on former athletes in 2024. Participants will experience distinctive learning tracks, in partnership with the University of Southern California, and receive hands-on work experience through rotations across Fanatics' businesses, with a goal of full-time job placement at the conclusion of the six-month experience.



OUR ALL-STAR TEAM

Our Supplier Diversity initiative covers merchandising and indirect procurement and has three focus areas – increasing our overall spend with diverse and small suppliers, sourcing merchandise from diverse-owned businesses to resell on our website, and enhancing our merchandise offerings to reflect the diverse interests and affiliations of our fans.

DIRECT SUPPLIER DIVERSITY - MERCHANDISING:

In 2023, we continued to search for new opportunities to partner with diverse suppliers to deliver innovative and inclusive products for our fans around the world. We also continue to partner with diverse organizations on our merchandising efforts. This includes Historically Black Colleges and Universities (HBCUs) as well as the Negro League Baseball.

Last year, Kick It Out and Fanatics teamed up with Everton, Aston Villa, and Derby County to launch their first-ever, club-branded merchandise to support the charity's goal of tackling discrimination and promoting equality and inclusion in sports. Through the partnership, Fanatics designed, manufactured, and sold a range of high-quality, club-branded fanwear emblazoned with club, Kick It Out, and Fanatics' branding, designed to empower fans to show their shared support for Kick It Out and its mission.

INDIRECT SUPPLIER DIVERSITY:

In 2023, we continued the process of establishing an inclusive and comprehensive indirect supplier diversity program. We continue to invest in data and reporting functionality to understand our existing diverse supplier landscape spend in addition to better identifying prospective diverse suppliers for business consideration.





OUR ALL-STAR TEAM

A COMPREHENSIVE EMPLOYEE EXPERIENCE

In addition to our IDEA framework and initiatives, we also offer Learning and Development, Well-Being, and Health and Safety programming to our employees around the world to create a comprehensive employee experience.

LEARNING AND DEVELOPMENT

We know the importance of career development at Fanatics and we strive to empower employees with the tools and skills they need to continue to progress in their careers. We do this through on-the-job experiences, networking opportunities with colleagues, and structured courses and programs.

Our Fanatics University (FanU) program expanded beyond Fanatics Holdings and Fanatics Commerce employees in 2023 to include Fanatics Betting & Gaming employees. FanU offers a variety of learning opportunities and experiences that support employees in their development. Areas of emphasis for learning material include personal growth, leadership, performance coaching, and soft skill improvement.

Through the FanU Learning Portal, the digital learning arm of FanU, our corporate office-based employees and all people managers can access more than 8,000 resources. The FanU Learning Portal is available to employees

across the U.S., U.K, Honduras, India, Canada, Spain, Hong Kong, and Thailand, with plans to expand to additional locations in 2024. In 2023, our employees completed nearly 37,000 courses, across more than 1,400 learning modules. In 2023, we also launched our new manager essentials program called LEAP, which is offered to people leaders as they advance at Fanatics. Approximately 60 managers completed the program in 2023, and we look forward to reaching more leaders in 2024.

GAME CHANGERS

Last year also marked the launch of Game Changers, Fanatics' official Talent Development Program, designed to unlock talent potential by empowering team members with personalized opportunities for personal and professional growth. This includes our first enterprise-wide Leadership Coaching and Mentorship programs, as well as Culture Consulting services.

Our Leadership Coaching program is a structured program designed to enhance leadership skills, empower leaders, and drive professional growth. Each quarter, we identify 20–25 high potential and emerging leaders for one-on-one coaching focused on engaging, empowering, and elevating individuals. The program's objective is to deliver 600 coaching hours within the first 12 months, with a subsequent increase to 800 hours annually.

Fanatics' Mentorship program enables team

members across the enterprise to learn from one another and expand their networks across the organization. Mentors and mentees applied and were selected in 2023, with the program kicking off in February 2024 for a duration of six months with 150 participants.

In addition to an enterprise-wide Mentorship Program and Leadership Coaching, Game Changers also features Culture Consulting services, including custom culture team workshops, designed to drive team engagement and cultivate culture-driven leadership skills, and a Culture Playbook, developed to provide leaders with best practices for implementing culture practices into team interactions. These services were initially launched in August 2023 with Fanatics' finance and accounting shared services team.



GLOBAL IMPACT

OUR ALL-STAR TEAM

WELL-BEING

Our approach to compensation is grounded in total awards with a focus on providing resources for our employee's overall wellbeing: career wellness, financial wellness, and health wellness (physical and mental).

CAREER WELLNESS

We provide an immersive new hire onboarding experience that sets employees up for success on Day 1. Our Learning and Development initiatives empower employees to take control of their careers with access to tools and skill-building. Our FANs bring a sense of community to the workplace based on shared interests or life experiences. Fanatics talent development programs, such as mentorship, leadership coaching, and culture workshops, provide 1:1 and team support, and our performance management process provides employees with opportunities to receive ongoing feedback and support.

FINANCIAL WELLNESS

Our compensation philosophy is grounded in total rewards, with a focus on attracting, rewarding, and retaining the best talent. This includes competitive base pay and short-term incentives, such as an annual bonus, and where eligible, long-term incentives, such as company equity awards. In addition, we offer a robust 401(k) savings plan with an employer matching contribution in the U.S. and comparable regionally appropriate pension plans in most of our global locations. Depending on an employee's regional location,

we also offer a wide range of health, financial, legal, and lifestyle benefits and discounts, including a student loan repayment assistance program, tuition reimbursement for further education, and access to free financial advice, legal resources, subsidized childcare, child and adult at-home care, pet, and home care, as well as tutoring services.

HEALTH WELLNESS (PHYSICAL AND MENTAL)

Fanatics subsidizes high-quality comprehensive medical, dental, and life insurance, and, in the U.S., we fully subsidize disability coverage for our employees up to 26 weeks at 100% of base pay. Through our employee assistance programs, employees have access to confidential support for issues like stress, substance abuse, depression, and anxiety. Additionally, employees who participate in our benefits plans are eligible for telemedicine, where they can ask a physician any health-related question 24/7.

Our exempt employees enjoy a Discretionary Time Off Program that allows them to use their professional judgment to take time away from work throughout the year to enjoy vacation and other personal time off. We also offer a strong parental leave policy. All U.S. employees who are birthing parents are eligible to take up to 16 weeks of leave — paid at 100% of base salary, while non-birthing parents can take up to four weeks of baby bonding leave — also paid at 100% of their base salary.

Additional benefits to support health wellness include:

- fertility coverage,
- gender affirmation reimbursement,
- adoption assistance,
- compassionate leave program,
- reimbursement of up to \$4,000 for travel expenses for medical services not available or accessible within 100 miles of an employee's home location,
- Gympass membership,
- Mindfulness app memberships,
- Talkspace membership, and
- retail, gym, and fitness center discounts and special rates.

We continue to make further enhancements to our benefits. In 2023, we also:

- enhanced the coverage and broadened eligibility for U.K. private medical care,
- expanded mental health resources in the U.K. to improve quality for employees and their family members, and
- launched a suite of new benefits in Japan, including private health care and disability and pension services.



OUR ALL-STAR TEAM

EMPLOYEE ENGAGEMENT SURVEY

Last year, we expanded our annual employee engagement survey to include employees from two of our businesses, with plans to include employees from all our businesses in 2024. In 2023, we saw 84% of invited employees take the survey, which is nine points higher than industry average. We believe in a say/do ratio at Fanatics, so to address feedback that we received in the survey, we did the following:

- Produced quarterly update videos with Fanatics Chief People Officer Orlando Ashford focused on how we were making progress in our three identified priority areas – career development, culture, and communications.
- Launched our first enterprise-wide Intranet called Starting Lineup to ensure easy and ongoing access to communication, resources, and employee storytelling.
- Developed an inter-company mobility policy to provide opportunity for employees to seek out new opportunities within Fanatics.
- Designed team-specific learning modules to increase technical skills, manager competencies, team building, decision making, and more.

HEALTH AND SAFETY

In 2023, we started the process of integrating our U.S. Environmental Health and Safety (EHS) team with our European Union Operations team, with the goal of further enhancing our health and safety efforts at a global level. This includes across our office locations and our e-commerce, retail, and owned manufacturing operations. Our EHS leaders review incident and injury metrics weekly and build action plans to achieve a 10% injury reduction rate year-over-year.

When incident or injury rates increase, we assign site leadership training sessions with EHS and Workers Compensation to address the issue area. Exempt and non-exempt Operations employees receive EHS training live and online. Non-exempt employees also receive initial EHS compliance training during New Hire Orientation and advance skills training for core areas of risk on the operations floor. Our EHS integration program focuses on the core areas of EHS compliance and other critical content, including Powered Industrial Truck Safety and Loading Dock Safety.



OUR ALL-STAR TEAM

AWARDS AND RECOGNITION

In 2023, we were the recipient of numerous industry and publication awards reflecting our commitment to enabling a best-in-class work environment and business excellence. The <u>following are select awards</u> and recognitions from 2023:



Fanatics Founder and Chief Executive Officer Michael Rubin was recognized on Sports Business Journal's 2023 Most Influential list.

Fanatics Collectibles SVP, Global Expansion Julie Yoo was recognized in Sports Business Journal's 2023 "Game Changers" class, which recognizes female leaders in the sports industry.

Fanatics Betting & Gaming Chief Business Officer Ari Borod was recognized in Sports Business Journal's 2023 "Forty Under 40" class.



Ms. Yoo and Diane Gotua, Fanatics Holdings SVP of Strategy, co-host an annual Women in Sports dinner in partnership with Liberty Media and Advance. In its second year, the 2023 dinner gathered 40 business leaders and investors from major sports leagues, publications, and companies in New York City for an event focused on advancing women's leadership within the sports industry.



Fanatics was recognized as one of the "Best Employers in Sports" by Front Office Sports.



Fanatics

LOOKING AHEAD

We intend to continue to expand upon and enhance the programs that support our all-star team. Our plans over the next several years include:

- After reevaluating our needs for an IDEA internship program in 2023, we are currently designing a new Women in Leadership Program for team leads within our Fanatics Commerce Operations team.
- In addition to welcoming active athletes from professional sports leagues, we will launch our new pillar focused on former professional athletes.





As we continue to grow and scale as a global organization and enter new businesses and geographies, we remain focused on conducting business in a fair, transparent, and ethical manner. This includes continuing to enhance and expand our governance practices, policies, and standards.



OUR APPROACH TO GOVERNANCE

Our vision is to serve global sports fans across their digital sports journey with their favorite athletes, leagues, teams, colleges, and celebrities. We aim to be wherever global sports fans are – across digital and mobile sites, retail locations, apparel and merchandise, live events, colleges, stadiums, and more. As we continue to grow, both organically and through acquisitions, we remain committed to staying true to who we are as an organization and playing the right way. We continue to strive to be world class in all our operations and an effective governance structure remains integral to our success.

GLOBAL IMPACT

OUR PROGRAMS AND PROGRESS

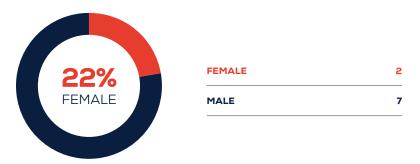
In its entirety, Fanatics – including the Fanatics Board of Directors (Board) and its standing Audit and Compensation Committees, Fanatics Senior Leadership, the ESG Executive Committee and Working Group, and the Information Security Governance Committee – is committed to maintaining a strong focus on governance, including ESG and accountability.

TONE AT THE TOP

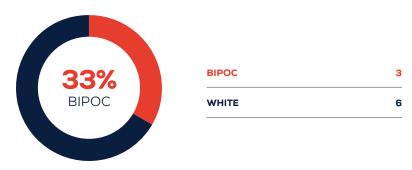
BOARD OF DIRECTORS

Strong corporate governance must start at the top. At Fanatics, this tone is set by our Board. We have built a Board that currently consists of nine highly skilled individuals with a diverse set of backgrounds, experiences, and qualifications. In early 2024, we announced the addition of Trevor Edwards to our Board. As the former president of Nike Brand, Mr. Edwards spent more than 25 years at Nike, with a focus on further growing and elevating the renowned global brand alongside its wholesale and direct-to-consumer business. Our Board plays an essential role in ensuring we are best set up for continued success and that the systems and processes we have in place protect and enhance the Fanatics brand. The full Board can be found on our website here.

FANATICS BOARD GENDER DIVERSITY



FANATICS BOARD ETHNIC DIVERSITY



FANATICS BOARD AGE DIVERSITY



Our Board currently has two standing Committees – the Audit Committee and the Compensation Committee – each of which adopted a formal Charter in 2022.

AUDIT COMMITTEE

The Audit Committee, which met eight times in 2023, oversees the integrity of our financial statements, the effectiveness of our internal controls over financial reporting, the independence, qualifications, and performance of our independent registered public accounting firm, the performance of our internal audit function, and our compliance with legal and regulatory requirements. In fulfilling its purpose, the Audit Committee maintains free and open communication among its members, our management, our independent registered public accounting firm, and our internal audit function.

The Audit Committee meets as often as needed and, at a minimum, quarterly, to fulfill its responsibilities. This includes meeting periodically with Fanatics Holdings Chief Legal Officer to review legal matters that may have a material impact on the financial statements or our policies, procedures, and internal controls and to review our approach to regulatory compliance risks, reviewing periodically a comprehensive risk assessment and discussing significant financial, technology, operational, or strategic risks and steps that management has taken to monitor such exposures. In addition, the Committee meets periodically with Fanatics Holdings Chief Information Security Officer to review risks related to our technology platform and information security profile as well as with the Fanatics Holdings Chief of Corporate and Governance Affairs to review and evaluate our approach to addressing ESG risks.

COMPENSATION COMMITTEE

The Compensation Committee, which met six times in 2023, oversees compensation matters related to our executive officers and employees. In fulfilling its purpose, the Compensation Committee maintains free and open communication among its members and our management.

The Compensation Committee meets as often as needed, which

is usually at least quarterly, to fulfill its responsibilities, including administering our equity incentive plans and executive compensation programs, determining eligibility for, and awards under, such plans and programs, and making recommendations regarding the adoption of new employee benefit and equity incentive plans. The Compensation Committee works closely with our leadership team to assess compensation-related risks.

FUTURE STANDING COMMITTEE

We also plan to establish a Nominating and Corporate Governance Committee in the future that may be responsible for matters such as identifying individuals who are qualified to become directors, recommending nominees for membership on the Board and on committees of the Board, reviewing and recommending corporate governance principles, procedures, and practices, and overseeing the annual self-assessments of the Board and its committees.

SENIOR LEADERSHIP

We hold each of our senior leaders accountable for practicing strong corporate governance. In 2023, we welcomed Andrew Low Ah Kee as the new Chief Executive Officer for Fanatics Commerce. Andrew brings more than 20 years of experience to the role, which includes focusing on creating best-in-class customer experiences, having a proven track record around leveraging data and customer insights to drive performance, building renowned brands, scaling businesses into new markets, and building world-class cultures and teams.

In addition, we hired our first dedicated Fanatics Holdings Head of Investor Relations, Deborah Crawford, who has more than 25 years of experience in developing and executing comprehensive investor relations programs, and our first dedicated Fanatics Holdings Chief Information Officer, Parag Argawal, who has more than 25 years of experience in developing and overseeing internal digital systems transformations, leading IT infrastructure, and partnering with company businesses to further enhance global IT capabilities across the enterprise.



The company-wide senior management team can be found on our website <u>here</u>.

ESG EXECUTIVE COMMITTEE AND WORKING GROUP

Our Fanatics ESG Executive Committee and Working Group have the mandate to further develop our ESG priorities, commitments, and paths to achievement, and to further solidify our commitment to ESG governance and accountability. The ESG Executive Committee meets quarterly and includes the Fanatics Holdings Chief Financial Officer, Chief People Officer, Chief Legal Officer, and Chief of Corporate and Governance Affairs. The Working Group meets monthly and includes cross-functional representatives from our Sustainability, Human Resources, Legal, Communications, Global Impact and Inclusion, Philanthropy and Community Engagement, and Internal Audit Teams.

Our Board and Audit Committee are updated by key executives on the ESG Executive Committee and Working Group on our initiatives and progress.

GOVERNANCE OF ESG AT A GLANCE

BOARD COMMITTEES

Audit Committee

Compensation Committee

LEADERSHIP

Executive leaders who guide, promote and implement ESG strategies, including

- Chief Executive Officer
- Chief Financial Officer
- Chief People Officer
- Chief Legal Officer
- Chief of Corporate and Governance Affairs
- Chief Communications Officer

Approve annual Global Impact Report and other disclosures

Oversight of ESG Working Group

ESG WORKING GROUP Comprised of cross-functional leaders across our businesses, including representatives from:

- Sustainability
- Human Resources
- Communications
- Global Impact & Inclusion
- Internal Audit
- Philanthropy
- Community Engagement
- Legal

Sets ESG strategy and goals

Integrates sustainability into business strategy

Supports disclosure process

GLOBAL IMPACT

INFORMATION SECURITY GOVERNANCE COMMITTEE

Our Information Security Governance Committee, which met 11 times in 2023, is designed to further reduce risk and complexity by aligning common security practices and standardizing cybersecurity controls across each of our businesses. To help ensure ongoing compliance and protection for our fans and employees, the Information Security Governance Committee meets regularly and includes the Fanatics Holdings Chief Financial Officer, Chief Information Security Officer, Chief Legal Officer, Chief Accounting Officer, Chief Information Officer, and SVP, Audit and Risk Management.

STEPPING UP TO THE PLATE

ETHICS AND COMPLIANCE

POLICIES & PRINCIPLES

We are committed to fostering and enabling a company-wide culture of decision-making based on ethics and compliance with applicable laws, policies, regulations, and best practices. One way we do this is through the establishment and monitoring of comprehensive policies, which aim to guide our employees daily, including the following:

CODE OF BUSINESS CONDUCT AND ETHICS	Provides the basic legal framework and essential behaviors that help us make the right decisions and ensure we're conducting ourselves ethically and in compliance with the law, our policies, and our values. Full document can be found here .
ANTI-CORRUPTION COMPLIANCE POLICY	Sets out our zero-tolerance policy for bribery and corruption and describes the controls we have in place to mitigate risks of corrupt conduct at Fanatics.
TRADE CONTROLS COMPLIANCE POLICY	Describes the guiding principles, policy requirements, and controls we have in place to comply with applicable "sanctions" that prohibit dealings with certain countries, regions, and persons and "export controls" that restrict the export, re-export, and transfer of items – commonly referred to as "Trade Controls."
GLOBAL INFORMATION SECURITY POLICY	Focuses on protecting the confidentiality, integrity, and availability of all information assets entrusted to us by our fans, partners, and employees.
GLOBAL INFORMATION SECURITY ACCEPTABLE USE POLICY	Defines the behaviors expected when working within Fanatics to help protect ourselves, our corporate interests, and our fans.
ARTIFICIAL INTELLIGENCE (AI) USE PRINCIPLES	Provides our guidelines regarding the responsible use of AI tools and platforms by our employees and controls we have in place to, among other things, limit certain risks and protect our fans, partners, and employees

when using AI tools and platforms.

COMPLIANCE HELPLINE

We expect our employees to raise concerns or questions regarding ethics, compliance, workplace culture, discrimination, harassment, or conflicts and to promptly submit feedback regarding any concerns or suspected violations of these and other applicable laws, regulations, rules, policies, procedures, and standards. Our company-wide Fanatics Global Compliance Helpline includes a toll-free number that is available 24 hours a day, seven days a week, 365 days a year, and is staffed by live operators who can connect to translators to accommodate multiple languages.

The Fanatics Global Compliance Helpline is operated by a third-party provider, which conducts intake on the feedback received. Our Compliance Helpline protocol allocates responsibility for handling the concerns to the appropriate function within Fanatics. As a general matter, our Fanatics Holdings Chief of Corporate and Governance Affairs and our Fanatics Holdings SVP, Audit and Risk Management share responsibility for reviewing concerns expressed through the Compliance Helpline and are responsible for ensuring that such concerns are handled appropriately. Concerns may also be reported to or through managers, the Fanatics Holdings Chief of Corporate and Governance Affairs, the Fanatics Holdings Chief People Officer or, alternatively, to any member of the Fanatics Legal or Human Resources Teams.

DATA SECURITY AND PRIVACY

We have the privilege of serving millions of sports fans around the world. Our commitment to using their data responsibility will always be a top priority. We work with our partners to ensure our fans have access to incredible and unique experiences, powered by data, that is used and stored safely and securely in a way that only benefits our fans.

As part of our commitment to responsible privacy practices and a fan-first approach, we <u>publish consumer privacy notices</u> that describe our data collection and use practices, and provide fans with controls and choices around their data to include limits on collection, sharing, and use. We also enable users to access and delete their personal information.

We also continue to build out our privacy-by-design approach to product launches and help ensure that privacy controls and requirements are addressed throughout the product and data lifecycle. This includes enhancing our capabilities around vendor risk management related to privacy. We have developed an approach and program to track the maturity of each of our divisions with respect to privacy governance.

CYBERSECURITY

We utilize a defense-in-depth approach to cybersecurity, combining appropriate technologies and measures to help ensure we comply with relevant requirements. We also leverage external threat intelligence sources to keep informed of current and emerging threats, while proactively monitoring and updating the effectiveness of our cybersecurity controls.

To help employees understand and fulfill their responsibility to keep information secure, we conduct regular training and awareness campaigns, as well as phishing tests, based on location, role, and level of interaction with systems, among other factors. These initiatives include new hire training and annual awareness trainings assigned to employees, which are tracked for completion as well as supplemental awareness materials delivered at least quarterly through various methods, including emails and postings on our corporate intranet site. Our internal phishing awareness campaigns are delivered at least quarterly and include follow-up training and additional campaigns for any employees which may be found susceptible.

We also understand that new threats and vulnerabilities emerge regularly. Therefore, Fanatics is committed to continually improving our Information Security program and protecting our customer's sensitive data. Our baseline Information Security framework is modeled to the NIST Cyber Security



Framework (CSF). Each of our businesses subsequently builds upon this baseline, creating their own specialized controls to meet specific protection needs of their unique businesses.

We, together with the Chief Information Security Officer of each of our businesses, track the maturity of the controls for each business using a security scorecard, which is broadly aligned with industryrecognized control frameworks, including CSF. The internal security scorecard provides minimum operating measures for our businesses to follow, including guidelines for use of technologies such as multi-factor authentication to protect employee records. Maturity and progress of the scorecard requirements is reviewed at least semiannually with the Audit Committee and more frequently with the Information Security Governance Committee.

PLAYING RESPONSIBLY

While betting and gaming are meant to be exciting and fun recreational activities, it is our responsibility to also ensure our fans have a healthy and safe experience. With the launch of our Fanatics Betting & Gaming platform in 2023, we adopted a Responsible Gaming Plan, which outlines our commitment to offering safe and entertaining wagering products, and facilitates compliance with applicable Responsible Gaming statutes, regulations, and industry best practices. This also included

hiring a dedicated team to oversee our Fanatics Betting & Gaming compliance efforts.

COMPLIANCE PROGRAMS AND POLICIES

Our Fanatics Betting & Gaming business is highly regulated. We are committed to compliance with legal and regulatory requirements and the prevention and detection of money laundering and other crimes through our business. In 2023, our Fanatics Betting & Gaming business adopted a Bank Secrecy Act (BSA)/Anti-Money Laundering (AML) Policy and an Office of Foreign Assets Control (OFAC) Compliance Policy. The BSA/AML Policy sets forth the components of our BSA/AML compliance program, which include internal controls, roles and reporting structure, procedures (Know Your Customer (KYC), Suspicious Activity Reports, Currency Transaction Reports, and recordkeeping), independent testing, automated programs, and training.

The OFAC Policy sets forth the components of our OFAC compliance program, which includes screening and re-screening customers against OFAC and other sanctions lists as part of the KYC process and reviewing potential matches, performing due diligence on third parties such as vendors, suppliers, and sponsorship partners to ensure they are not subject to sanctions, and complying with OFAC reporting requirements for blocked and rejected transactions.

TRAINING

At Fanatics, we believe it is everyone's responsibility to abide by our Responsible Gaming commitments, which include being aware of problematic gaming indicators and how to escalate Responsible Gaming concerns accordingly. All Fanatics Betting & Gaming employees receive initial Responsible Gaming training upon joining the company, and annual training thereafter. We also recognize that certain job functions have greater risks and responsibilities within this area. As such, we deploy additional, enhanced training for employees that have greater exposure to Responsible Gaming concerns due to the nature of their work. This includes dedicated training for our customer-facing teams, including customer service.

RESPONSIBLE GAMING WEBPAGE

Our top priority is to make sure our fans play safely and responsibly. To advance this, we developed and implemented a public Responsible Gaming webpage that provides visitors with the tools and resources offered by Fanatics Sportsbook and iGaming as well as Responsible Gaming assistance available in all 50 U.S. states.

INDUSTRY CERTIFICATION AND ADDITIONAL GOVERNANCE

With the launch of Fanatics Betting & Gaming in 2023, we took key steps to ensure we are aligned with industry standards and best practices. Key achievements in 2023 included:

• Becoming a platinum member of the



National Council on Problem Gaming, which seeks to minimize the economic and social costs associated with gambling addiction.

- Adopting 21+ as the minimum gaming age for our platform in all states.
- Formed a Marketing Advisory Council, comprised of external experts, that serves as a sounding board to the Company on marketing best practices and Responsible Gaming initiatives.
- Adopting a universal limits and selfexclusion approach, which means that fans on the platform can have their state limit and exclusion elections apply nationally.

With the launch of Fanatics Sportsbook and iGaming in 19 states that all require Responsible Gaming tools and features, we are proud to share that we have not received any material Responsible Gaming deficiencies to date from applicable state regulators.

MAINTAINING STANDARDS OF PLAY

ENTERPRISE RISK ASSESSMENT

Fanatics performs a comprehensive enterprise risk assessment to identify and address risks that may impact our ability to achieve our strategic objectives. This assessment incorporates external industry data, internal operating data including historical issues, and input from approximately 90 leaders across each of our businesses to highlight key risk themes. The Chief Executive Officer of each of our businesses are actively involved in this effort, as they have defined the top

risk priorities for each of their respective businesses and provide periodic updates to the Audit Committee on the status of risk mitigation.

Our enterprise risk framework incorporates ten risk categories and considers a broad set of potential business impacts such as financial losses, brand damage, legal, or regulatory consequences, technology systems, and consumer implications. ESG-related risks, including sustainability, labor, culture, information security, and privacy, are incorporated into the enterprise risk assessment. The framework also considers our existing control environment with the goal of ensuring controls are appropriate to meet our strategic objectives.

BATTLING COUNTERFEITS

With our growth also comes a responsibility to protect our fans from counterfeit sites and products. In 2023, we identified several imposter e-commerce sites that copy the "look and feel" of Fanatics.com and other Fanatics-operated sites that are targeted to our fans.

To help put a stop to these "fake" websites, illegal activity, and deter future bad actors, Fanatics filed an action in federal court in the Southern District of Florida in late 2023 alleging, among other claims, trademark counterfeiting and infringement and cybersquatting that targets these imposter websites. We are proactively working to shut down these illegal websites and, in tandem

with the court action, added <u>a dedicated page</u> to our corporate website on brand protection, which includes information on how our fans can protect themselves as well as report any activity they suspect to be fraudulent.

FANATICS INTERNAL AUDIT

The Fanatics Internal Audit team continues to be responsible for providing objective, risk-based assurance and advisory services designed to provide unique risk insights and recommendations to improve our risk management environment.

The Internal Audit Team's scope of work covers each of our businesses and is designed to evaluate whether:

- risks are appropriately identified and addressed;
- the internal control environment is operating as designed; and
- significant compliance issues are understood and addressed appropriately.

Fanatics Internal Audit is an independent function reporting directly to the Audit Committee, with administrative oversight provided by the Fanatics Holdings Chief Financial Officer. Internal Audit leads the annual enterprise risk assessment exercise and leverages the outcomes to inform the annual audit plan. All Internal Audit results and monitoring of outstanding issues are shared with the Audit Committee.

OUR APPROACH TO ENTERPRISE RISK MANAGEMENT

GLOBAL IMPACT

RISK CATEGORIES

COMPLIANCE

Risks that arise from potential violations of laws, regulations, or established industry expectations. Examples may include violation of responsible gaming or anti-corruption laws.

CUSTOMER

Risks that directly impact the consumer experience or the consumer's willingness to engage with the Fanatics brand. Examples may include lack of compelling product or inability to respond to customer needs (NPS).

EXTERNAL EVENTS

Risks that arise outside the Fanatics corporate environment and are not generally preventable yet require effective response. Examples may include geopolitical events and natural disasters.

FINANCIAL

Risks that directly impact or arise from Fanatics' financial management control environment. Examples may include financial reporting or fraud risk.

HUMAN CAPITAL

Risks that directly impact or arise from the recruiting and management of a diverse global workforce. Examples may include lack of workforce diversity or succession planning.

LEGAL

Risks that arise as a result of entering into or breaching formal legal agreements. Examples may include litigation or contract risk.

OPERATIONAL

Risks that directly impact or arise from Fanatics' day-to-day operations, specifically with respect to customer order fulfillment. Examples may include manufacturing risks or supply chain disruptions.

STRATEGIC

Risks that directly impact Fanatics' corporate strategy or risks that arise as a direct result of Fanatics' corporate strategy. Examples may include competition or acquisition integration.

TECHNOLOGY

Risks that directly impact or arise from Fanatics' technology infrastructure and applications, including both the ecommerce platform, as well as the corporate infrastructure. Examples may include information security or system availability.

VENDOR RELIANCE

Risks that arise through reliance upon or engaging with various third parties, including service providers and partners. Examples may include vendor failure or inability to fulfill commitments.

OFF-FIELD IMPACT

We are committed to championing causes that unite our fans, employees, and partners, while also harnessing our reach – more than 22,000 employees in 15 countries and more than 900 partners, suppliers, and vendors – to make an enduring impact on the world.

OUR APPROACH TO PHILANTHROPY AND COMMUNITY ENGAGEMENT

At Fanatics, supporting causes that unite our fans and benefit our local communities is inherent to our culture. To do this effectively, we prioritize the organizations and issues that matter most to the global communities in which our fans live, work, and play, while aligning these efforts to our core competencies and brand promise. In 2023, we further evolved our philanthropic strategy to focus on three core areas: Fanatics Philanthropy Programs, a first-of-its-kind partnership with Make-A-Wish America, and the Fanatics FoundationTM.



OUR PROGRAMS AND PROGRESS

FANATICS PHILANTHROPY PROGRAMS

GLOBAL VOLUNTEERISM

We are proud to host an annual company-wide day of service that enables thousands of Fanatics employees across the globe to volunteer alongside their teammates to make a lasting impact within their local communities. In 2023, more than 4,000 employees came together to volunteer at over 200 projects in 10 different countries, totaling more than 1.2 million minutes volunteered. Volunteer projects included refurbishing parks and play areas, planting gardens, cleaning wildlife refuges, painting youth centers, packing backpacks for kids, writing letters to veterans, assisting in shelters and soup kitchens, among others.

To further challenge ourselves to reach even more people in need, in 2023, we introduced a new, one-time initiative called Fanatics Merch Madness: Fan Gear Giveaway, which consisted of a series of local market fan gear donations. In total, we provided 300,000 pieces of apparel (jerseys, t-shirts, hoodies, hats, jackets, and more), with an estimated original retail value of \$15 million. The Fan Gear Giveaways occurred in locations across the U.S. where Fanatics hosted Global Volunteer Day events.

Alongside professional sports team partners, Fanatics welcomed youth to stadium/arenas for "field day" experiences where they learned new skills, met star athletes, and received merchandise. Fanatics employees also boarded buses and went around their cities hand delivering merchandise to various local community organizations alongside sports icons, celebrities, and influencers.



"The Boys & Girls Clubs of Northeast Florida were honored to work with Fanatics for Merch Madness. During summer camp, 29 of our clubs participated in the event. Some went to local universities for sports clinics and merch giveaways, while others had the Fanatics bus come to them for a merch shopping spree! Our clubs are in the communities that need us the most and we serve the children that need us the most. The Merch Madness event brightened their lives and was a huge success. The members have been wearing Fanatics gear daily since the event! Thank you so much for an amazing day."

THE BOYS & GIRLS CLUBS OF NORTHEAST FLORIDA (FLORIDA)





"So often the population we serve can be overlooked and/or underserved. The ability to obtain new or a favorite piece of sports swag may not often be a reality with the expenses that are faced while living with a disability. When our organization learned they would be welcomed into our auditorium to pick out their favorite sports swag, the excitement was not only on faces but literally felt in the air around our locations. We will forever be grateful to Fanatics for making Opportunity Village one of their choice locations and sharing not only their merchandise, but their kindness and love through the team members that were present."

OPPORTUNITY VILLAGE (NEVADA)

"The last day of school tends to be rather uneventful, and attendance can be questionable as students are looking to jumpstart their summer vacation. Fanatics Merch Madness changed all of that! We witnessed thousands of students across 13 New York City Public Schools pack auditoriums and school buildings to receive multiple pieces of free merch and some students even had an opportunity to meet major stars in sports and the music industry. This event created a moment and memory none of these students will forget based on the joy, excitement, and sheer appreciation on display."

THE EAGLE ACADEMY FOUNDATION (NEW YORK)

"The merchandise we received from the Fanatics Merch Madness was a tremendous gift to our mission. Partnering with Fanatics allowed us to offer our shoppers "merch" that all kids want to wear. In-kind donations and partnerships are vital to our ability to provide a quality shopping experience to our children — Fanatics brought it!"

CLOTHES TO KIDS, INC. (FLORIDA)

SUPPORTING EMPLOYEE VOLUNTEERISM YEAR-ROUND

Our annual volunteer day is just one piece of our overarching efforts. During 2023, we estimate that Fanatics employees volunteered more than 20,000 hours through self-directed volunteering and Fanatics-organized events. A few of those initiatives in 2023 included:

- In London, employees stepped up to help Roald Dahl's Marvellous Children's Charity by collecting donations at London King's Cross train station.
- In Frazeysburg, employees spent an afternoon working together to assemble youth bicycles that were donated to a local nonprofit.
- At our New York City headquarters, we welcomed high school students from Sports Biz Careers, hosting discussions with employee volunteers about internships, career pathways, and everything in between. The day concluded with students pitching ideas to a panel of judges on how the trading card industry could connect with Gen Z, fostering interest in the hobby.
- The Fanatics Production Art team and designers volunteered their time and expertise while working with kids at the Josh Kraft Mattapan Teen Center in Massachusetts. Together, the designers and teens worked to create a new line of apparel for the Boys & Girls Club teens and staff to wear. This skills-based volunteer opportunity provided professional insight and advice to teens interested in graphic design and apparel manufacturing.

We also recognize that we have a role to play in supporting our employees during times of national and international crisis. This includes providing them with ways to give monetary support to nonprofit organizations supporting people in need in alignment with our pillars. In 2023, Fanatics matched employee donations in support of both US and international relief efforts.

RECOGNIZING OUR EMPLOYEES FOR THEIR VOLUNTEERISM

To ensure we recognize our employees' time and efforts, in 2023, we announced our inaugural Fanatics Impact Awards Program, which recognizes the work of full-time employees who are going above and

beyond to give back to their local communities. Recipients of the Impact Awards were selected in early 2024 and awarded \$2,500 each to designate to a nonprofit organization of their choice that fits within the Fanatics Foundation's strategic giving pillars.

We also hosted our third annual Volunteer Honor Roll Program, which highlights employees who have volunteered more than 25 hours of their time over the past year. In 2023, we expanded this program to include a charitable donation to one volunteer from each of the Honor Roll categories:

- Bronze (25 49 Hours Volunteered) \$1,000 donation.
- Silver (50 99 Hours Volunteered) \$1,500 donation.
- Gold (100+ Hours Volunteered) \$2,000 donation.

The employee recipients of this award were selected at random and were able to designate a grant to the nonprofit of their choosing.



Fanatics



CHANGING THE GAME FOR CRITICALLY-ILL KIDS

FANATICS MAKE-A-WISH

In October 2023, Fanatics announced a first-of-its-kind partnership with nonprofit organization Make-A-Wish America. The partnership makes Fanatics the wish-granting organization's "Official Sports Partner," supporting all sports-related wishes in the U.S. We are honored to serve in this capacity, especially knowing that our efforts will help close the gap in the number of sports wishes waiting to be granted, resulting in more children receiving their wishes sooner.

With a global partner network of approximately 900 sports properties, including major national and international professional sports leagues, players associations, teams, colleges, college conferences, celebrities, and retail partners, and 2,500 athletes, Fanatics has the unique capabilities to create incredible experiences for wish kids and their families.. This includes supporting life-changing wishes specific to athlete meet and greets, attending games and special events such as the MLB All-Star Game, NHL Winter Classic, NFL Super Bowl, NBA All-Star Game, WWE, and other customized sports experiences.

In addition to supporting wish granting, Fanatics committed \$10 million to Make-A-Wish America over the next three years. Fanatics will also continue to provide the organization with in-kind donations, including cobranded Fanatics Make-A-Wish merchandise, fan gear, and production costs for external storytelling efforts. The result is a significant partnership over the course of the next several years, which will allow us to deliver transformative wish experiences faster and at a more enhanced level.

To celebrate the partnership's launch, Fanatics and Make-A-Wish hosted their first co-branded event in New York City, featuring sports icons Tom Brady, Aaron Judge, and Jayson Tatum. This multi-wish event created an opportunity for wish kids to have their wish granted and meet and spend time with several world-class athletes. The event was an introduction to how Fanatics and Make-A-Wish are committed to enriching and amplifying current and future sports-related wishes.

In addition to our official partnership launch event, in 2023, Fanatics supported numerous other sports-related wishes, which included engagements at the Fanatics Charity Golf Classic, the MLB-All Star Game, meet and greets with the Philadelphia 76'ers, and shopping experiences for wish kids attending games with the Jacksonville Jaguars, San Francisco 49ers, Golden State Warriors, Minnesota Vikings, Indianapolis Colts, and more.







"Make-A-Wish plays an essential role in recapturing childhood for the thousands of children and families we serve, because a wish can help a child replace fear with confidence, sadness with joy, and anxiety with hope. The partnership between Make-A-Wish and Fanatics has allowed us to tap into a broader range of resources, expertise, and networks that were previously inaccessible. Together, we have made a meaningful difference off the field by combining our strengths and leveraging shared values to bring joy to children battling critical illnesses nationwide."

LESLIE MOTTER

President & CEO of Make-A-Wish America





FANATICS CHARITABLE FOUNDATION

Founded in 2022, the mission of the Fanatics Charitable Foundation, a 501(c)(3) organization, is to create positive and lasting change across the global communities in which our fans and employees live, work, and play through a commitment of time and strategic philanthropic engagements. As Fanatics' philanthropic arm, it helps to advance the causes that align with the Fanatics brand and fall within our strategic giving pillars – Community, DEI/Social Justice, Relief and Aid, and Sustainability. This includes supporting public charities that improve or develop skills and capabilities within under-resourced communities, advance diversity, equity, inclusion, and social justice, promote wellness and enhance culture, and foster environmental sustainability. Our philanthropy team defines environmental sustainability as the redistribution of returned, unwanted, or obsolete merchandise so that it doesn't end up in landfills.

The Board of Directors for the Foundation consists of Michael Rubin, our Chairman and Chief Executive Officer, and Orlando Ashford, Fanatics Chief People Officer, who are personally committed to our philanthropic efforts and provide critical value and leadership to ensure we uphold our mission.

In addition to the Board, the Foundation has several officers, including Secretary Melissa Bengtson, Chief of Corporate and Governance Affairs, Treasurer Justin Sebastiano, SVP, Treasury, and Executive Director Grace Farraj, VP, Global Impact who are responsible for overall governance and general management of the Foundation. As part of the Foundation's governance, the Directors and Officers meet on a semi-annual basis to review current and prospective philanthropic initiatives and engagements and other related matters impacting our global communities and their changing needs.

The Foundation receives a minimum annual grant of \$10 million from Fanatics Holdings. In 2023, the Foundation adopted an investment policy, which serves as a crucial tool for financial protection,

sustainability, and the means to amplify our impact in the communities we serve.

The Foundation carries out its mission through:

- Philanthropic Partnerships with nonprofit organizations in collaboration with our partners across professional sports leagues, teams, athletes, and colleges.
- Community Grants in support of advancing the causes of prospective and current nonprofit partners and their programs in our global communities.

COMMUNITY GRANT PROGRAM

In 2023, we also announced the launch of a new Community Grant Program for our employees starting in 2024, which provides them with opportunities to receive additional funding for nonprofit organizations that fit within our giving pillars. On a semi-annual basis, Fanatics will distribute Community Grants, each up to \$2,500, on an employee's behalf to organizations that align with Fanatics' four strategic giving pillars. Each organization is vetted to ensure it is a registered 501(c)(3) or recognized as a charitable organization under the laws and provisions of their respective government, community organization in good standing; and the organization is located where Fanatics has operations and/or employees are based. The Fanatics Philanthropy and Community Engagement team review each submission and select the winners based on the designated criteria.

IN-KIND DONATIONS

MERCHANDISE DONATIONS

In addition to the merchandise donations we made during our Merch Madness event, in 2023, we distributed obsolete and undamaged returned merchandise to nonprofits across the globe to assist with relief and aid efforts. The merchandise we donated not only goes to those in need, but it also allows Fanatics to lessen our environmental footprint and landfill deposits.

EVENTS AND CAUSES

Some of our notable philanthropic moments from 2023 include:



CHARITY GOLF TOURNAMENT

In April 2023, nearly 300 stakeholders from across the sports ecosystem joined Fanatics for the annual charity golf tournament at TPC Sawgrass in Ponte Vedra Beach, Florida. Beneficiaries included a variety of nonprofit partners, including Make-A-Wish America, Special Olympics, and Boys and Girls Clubs of America.



MARCUS GRAHAM PROJECT'S (MGP) ICR8 SPORTS MARKETING WORKSHOP

In March 2023, Fanatics partnered with the Brooklyn Nets to host the Marcus Graham Project (MGP)'s iCR8 Sports Marketing Workshop at Barclays Center. The four-day program gave 24 young professionals (21 to 30 years old) the opportunity to gain experience and insight into the sports marketing field. Over the course of the program, attendees worked in teams to develop a marketing plan for the 2023/2024 season of Nets United Games that would engage and educate the fans with impactful programming, as well as drive in-venue retail (IVR) to the Brooklyn Nets Team store, operated by Fanatics. In addition to developing a marketing campaign, attendees heard from and networked with representatives from Fanatics, the Brooklyn Nets, TBWA Worldwide, and Moët Hennessy.



KICK IT OUT

In 2023, Kick It Out and Fanatics teamed up with Everton, Aston Villa, and Derby County to launch their first-ever club-branded merchandise to support Kick It Out's goal of tackling discrimination and promoting equality and inclusion. Additionally, to mark the charity's 30th anniversary, Fanatics collaborated on a bespoke merchandise range. This collaboration is the latest step in Fanatics' ongoing work with Kick It Out as the organization's official merchandise partner, which began in August 2022.



LOOKING AHEAD

Moving forward, we will continue to create opportunities for our fans, partners, shareholders, and employees to give back and strengthen our communities and foster a culture of philanthropy. Our plans over the next several years include:

- Supporting sports-related wishes for kids with critical illnesses through our partnership with Make-A-Wish, with a focus on helping to fulfill more wishes in less time and enhancing the wish experiences for wish kids, their families, and our team and athlete partners.
- Expanding employee engagement in our philanthropic efforts by relaunching and revamping our employee donation match program.
- Executing against our new employee grant program, providing grants on a biannual basis to nonprofit organizations selected by our employees and align with our grant criteria.
- Launching our Fanatics Foundation website, which will allow us to accept grant applications from current and prospective nonprofit partners as well as increase awareness of key initiatives with our nonprofit partners.





WORKFORCE DATA

The data in the following charts only reflect Regular, U.S. employees. The charts exclude Seasonal, Contract, and Intern positions as well as Lids and global data.

WORKFORCE GENDER DIVERSITY BY REGION					
	FY20	FY21	FY22	FY23	
Total	4,893	5,562	6,843	7,764	
Men	2,336	2,566	3,440	3,965	
% Men	48%	46%	50%	51%	
Women	2,558	2996	3,443	3,798	
% Women	52%	54%	50%	49%	

WORKFORCE GENDER DIVERSITY BY JOB CATEGORY								
	F	FY20 FY21 FY22 FY23						Y23
	%Men	%Women	%Men	%Women	%Men	%Women	%Men	%Women
Directors and above	68%	32%	67%	33%	67%	33%	68%	32%
Managers	59%	41%	57%	43%	58%	42%	58%	42%
Supervisor Staff	59%	41%	54%	46%	63%	37%	54%	46%
Technical Professional Staff	55%	45%	55%	45%	58%	42%	59%	41%
Other Support Staff	41%	59%	39%	61%	41%	59%	43%	57%

Professional Staff – Exempt/Salaried individual contributors. Support Staff – Non-Exempt/Hourly support staff



WORKFORCE ETHNIC DIVERSITY BY JOB CATEGORY

	FY20	FY21	FY22	FY23
WORK	FORCE			
White	49%	52%	52%	52%
All minorities	51%	48%	48%	48%
Black/African American	17%	15%	12%	12%
Hispanic/LatinX	22%	22%	22%	22%
Asian	6%	6%	7%	7%
American Indian/Alaskan Native	0.5%	0.4%	0.3%	0.3%
Multiracial	4%	4%	3%	3%
Pacific Islander/Native Hawaiian	0.4%	0.4%	0.4%	0.4%

	FY20	FY21	FY22	FY23
ETHNIC REPRESENTATION I	BY CATEGO	RY - MANAG	GERS	
White	75%	74%	67%	68%
All minorities	25%	26%	33%	32%
Black/African American	6%	5%	6%	6%
Hispanic/LatinX	7%	6%	8%	10%
Asian	6%	10%	12%	12%
American Indian/Alaskan Native	0%	0%	0.2%	0.2%
Multiracial	4%	4%	4%	4%
Pacific Islander/Native Hawaiian	0%	0%	0%	0%

ETHNIC REPRESENTATION BY CATEGORY - DIRECTORS AND ABOVE						
White	80%	81%	77%	77%		
All minorities	20%	19%	23%	23%		
Black/African American	3%	3%	3%	5%		
Hispanic/LatinX	5%	4%	5%	6%		
Asian	6%	6%	10%	9%		
American Indian/Alaskan Native	0%	0%	0.2%	0.3%		
Multiracial	4%	4%	3%	3%		
Pacific Islander/Native Hawaiian	0%	0%	0%	0%		

ETHNIC REPRESENTATION BY CATEGORY - SUPERVISORS						
White	56%	53%	53%	56%		
All minorities	44%	47%	47%	44%		
Black/African American	18%	18%	20%	20%		
Hispanic/LatinX	17%	21%	19%	16%		
Asian	3%	2%	4%	3%		
American Indian/Alaskan Native	0.4%	1%	0.7%	0.6%		
Multiracial	4%	3%	3%	5%		
Pacific Islander/Native Hawaiian	0%	0%	0%	0.5%		



WORKFORCE ETHNIC DIVERSITY BY JOB CATEGORY

	FY20	FY21	FY22	FY23			
ETHNIC REPRESENTATION BY CATEGO	ETHNIC REPRESENTATION BY CATEGORY - TECHNICAL PROFESSIONAL STAFF						
White	62%	65%	64%	63%			
All minorities	38%	35%	36%	37%			
Black/African American	8%	7%	6%	7%			
Hispanic/LatinX	11%	11%	10%	11%			
Asian	12%	11%	12%	15%			
American Indian/Alaskan Native	0.4%	0.5%	0.4%	0.3%			
Multiracial	5%	5%	4%	4%			
Pacific Islander/Native Hawaiian	0.4%	0.4%	0.3%	0.2%			

ETHNIC REPRESENTATION BY CATEGORY - SUPPORT STAFF OTHER						
White	36%	41%	40%	40%		
All minorities	64%	59%	60%	60%		
Black/African American	22%	20%	18%	18%		
Hispanic/LatinX	30%	30%	33%	34%		
Asian	4%	4%	4%	4%		
American Indian/Alaskan Native	0.5%	0.4%	0.4%	0.5%		
Multiracial	4%	3%	3%	3%		
Pacific Islander/Native Hawaiian	0.5%	0.5%	0.6%	0.5%		



FANATICS GRI INDEX

Fanatics has reported the information cited in this GRI content index for the period of January 1, 2023 to December 31, 2023 with reference to the GRI Standards. This report is our first prepared with reference to the GRI Standards. Responses given as N/A reflect the fact that we are currently a private company.

GRI STANDARD	DISCL	DESCRIPTION	DESCRIPTION
GRI 2: General Disclosures 2021	2-1	Organizational details	About Fanatics
	2-2	Entities included in the organization's sustainability reporting	Fanatics does not disclose the full list of legal entities. Consistent with financial reporting, our consolidated entities are covered in this report, unless otherwise noted.
			About This Report
	2-3	Reporting period, frequency and contact point	We publish our Global Impact Report annually.
			About This Report
	2-4	Restatements of information	N/A
	2-5	External assurance	No external assurance has been obtained for information presented in this report.
	2-6	Activities, value chain, and other business relationships	Supply Chain
	2-7	Employees	Employee Data
	2-8	Workers who are not employees	We do not have a significant portion of the Company's activities performed by people who are not employees.
	2-9	Governance structure and composition	Playing the Right Way



2-10	Nomination and selection of the highest governing body	N/A
2-11	Chair of the highest governing body	The Chair of the Board is an executive director – our Founder, Chairman and CEO.
2-12	Role of the highest governing body in overseeing the management of impacts	Playing the Right Way
2-13	Designation of responsibility for managing impacts	Playing the Right Way
2-14	Role of the highest governing body is sustainability reporting	Playing the Right Way
2-15	Conflicts of interest	Fanatics Code of Business Conduct and Ethics
2-16	Communication of critical concerns	Fanatics Code of Business Conduct and Ethics
2-17	Collective knowledge of the highest governing body	Playing the Right Way
2-18	Evaluation of the performance of the highest governance body	N/A
2-19	Renumeration policies	N/A
2-20	Process to determine renumeration	N/A
2-21	Annual total compensation ratio	N/A
2-22	Statement on sustainable development strategy	N/A
2-23	Policy commitments	Policies and Principles Our Approach to Labor and Human Rights Our Approach to Sourcing Transparency Employee Wellbeing Supplier Selection



2-24	Embedding policy commitments	Fanatics Code of Business Conduct and Ethics Our Approach to Labor and Human Rights Our Approach to Sourcing Transparency Employee Wellbeing Supplier Selection Responsible Gaming Training
2-25	Process to remediate negative impacts	Fanatics Code of Business Conduct and Ethics Supply Chain Our Approach to Labor and Human Rights Sourcing Transparency
2-26	Mechanisms for seeking advice and raising concerns	Fanatics Code of Business Conduct and Ethics Compliance Helpline Supply Chain Our Approach to Labor and Human Rights
2-27	Compliance with laws and regulations	Fanatics Code of Business Conduct and Ethics Supply Chain
2-28	Membership associations	Memberships and stakeholder engagement are mentioned throughout the report.
2-29	Approach to stakeholder engagement	Memberships and stakeholder engagement are mentioned throughout the report.
2-30	Collective bargaining agreements	N/A

