



## **California Transparency in Supply Chains Act of 2010 (SB 657) and UK Modern Slavery Act 2015 Disclosure Statement**

For the Fiscal Year ending December 31, 2021, as approved by the Executive Management of Fanatics, LLC on October 2, 2022, and signed by Fanatics, LLC's CEO, Doug Mack, on October 2, 2022.

Fanatics, LLC ("Fanatics") is committed to improving fair labor practices throughout its business and supply chain by ensuring that it complies with all applicable laws related to slavery and human trafficking. We refer to both California's Transparency in Supply Chains Act of 2010 and the UK Modern Slavery Act 2015 together as (the "Acts"). This statement, which is published by Fanatics, LLC and its wholly owned subsidiary, Fanatics (International) Limited, discusses Fanatics' global business practices to address forced labor. Not all of our consolidated subsidiaries are subject to the Acts.

California's Transparency in Supply Chains Act of 2010 requires certain retailers and manufacturers to provide increased visibility into their efforts to address the global issues of slavery and human trafficking to allow consumers to make more informed choices regarding their purchasing decisions.

The UK Modern Slavery Act 2015 requires certain commercial organizations to set out the steps they have taken to ensure that slavery and human trafficking are not taking place in their supply chains or any parts of their business.

### **Fanatics' Business and Supply Chain**

Fanatics possesses an innovative vertical commerce business model that allows the company to quickly design, manufacture and distribute high quality fan gear, jerseys, lifestyle and streetwear products, headwear and hardgoods. Through this model, Fanatics better serves the real-time expectations of leagues, teams and fans living in today's mobile-first, on-demand culture. Fanatics offers the broadest assortment of first and third-party fan merchandise and memorabilia worldwide, whether manufactured in-house, sourced from preeminent fan apparel brands or available via drop-ship.

Fanatics publishes and regularly updates its Global Supplier List, which details Fanatics' Tier 1 manufacturers (those manufacturers which Fanatics engages to produce Fanatics-branded products) ("Private Label Suppliers") and which can be found here: <https://www.fanaticsinc.com/fair-labor-practices> Fanatics also purchases apparel, headwear, accessories and other products from third parties, which Fanatics sells through its online, direct-to-consumer business.

Fanatics employs an internal sustainability team, which reports into Fanatics' leadership. The sustainability team develops labor, environment, and traceability goals and targets in alignment with guidance from Fanatics' key partners and suppliers. On a regular cadence, Fanatics' leadership reviews progress toward key sustainability goals and targets.

### **Fanatics' Workplace Code of Conduct and Related Policies**

Fanatics is committed to supporting the aims of the Acts and sets high standards in acting ethically and with integrity in its business and commercial relationships.

Fanatics has taken steps in updating, maintaining and promoting our internal conduct policy, which requires our employees to uphold high ethical standards and to act with integrity in our business relationships.

Private Label Suppliers are obligated to comply with Fanatics' Workplace Code of Conduct, which aligns with the Fair Labor Association ("FLA") Workplace Code of Conduct, a set of global factory



working condition standards developed by the International Labor Organization (“ILO”). These standards are designed to protect workers’ rights and prohibit, amongst other things, forced labor. Certain Fanatics subsidiaries are affiliated with the FLA as Participating Companies and/or Collegiate Licensees.

### **Identification and Management of Risks**

Fanatics has taken steps to monitor potential risk areas of our business and supply chains as part of our ongoing business-wide practices. Fanatics conducts a risk assessment for any potential Private Label Suppliers that will be manufacturing apparel, headwear or other products on behalf of Fanatics before approving production of any products by such party.

During the 2021 financial year, in the wake of the COVID-19 pandemic, Fanatics remained committed to working closely with our Private Label Suppliers, not only to identify ways to promote business continuity, but also to lessen negative impacts on workers. Additionally, we tracked national health and safety directives regarding COVID-19, as well as compensation requirements, within our countries of manufacture. In this process, we engaged with our Private Label Suppliers both to reinforce an understanding of, and adherence to, these directives and requirements, so that the health and safety of workers, as well as legally mandated compensation and benefits, were prioritized.

### **Verification, Due Diligence Processes and Assessment of our Supply Chain**

Prior to being on-boarded by Fanatics, new Private Label Suppliers are required to undergo an audit by Fanatics, which, among other things, assesses whether the proposed Private Label Supplier is in compliance with Fanatics’ requirements and standards, including the Workplace Code of Conduct, and looks for evidence of forced labor.

### **Certification**

Private Label Suppliers are required to sign an Annual Compliance Commitment Certification, certifying compliance with the Workplace Code of Conduct, and to maintain records that are sufficiently detailed to substantiate compliance with applicable anti-slavery and human trafficking laws and produce such records upon request. In addition, contracts between Fanatics and its Private Label Suppliers require compliance with our Workplace Code of Conduct and all applicable laws, rules and regulations. Anti-slavery and anti-human trafficking language is included in relevant contracts with our Private Label Suppliers.

As a general matter, Fanatics has the right to terminate relationships with suppliers if Fanatics believes such suppliers are in violation of the Workplace Code of Conduct (if applicable) or applicable law.

### **Audits, Monitoring and Key Performance Indicators**

Fanatics has taken steps toward ongoing monitoring of the business and supply chains operated by Fanatics.

Once engaged, Private Label Suppliers are periodically, and at least annually, assessed against the Workplace Code of Conduct through announced and/or unannounced audits by both the sustainability team as well as independent third-party monitors that are retained by the sustainability team. As part



of these audits, Private Label Suppliers are expected to provide relevant records demonstrating compliance and to allow the sustainability team and/or independent third-party to interview the Private Label Suppliers' personnel. The sustainability team works with Private Label Suppliers to remediate issues identified as part of such audits; if such issues cannot be remediated in a satisfactory and/or timely manner or if the Private Label Supplier fails to submit to the audit, then Fanatics may take action, up to and including termination of the relationship with the Private Label Supplier.

On an annual basis, the FLA conducts a comprehensive, programmatic evaluation, including an evaluation of Fanatics' supplier monitoring program, and provides feedback to Fanatics on areas for improvement. Fanatics strives to incorporate the FLA's feedback into our sustainability team's work.

### **Training**

The sustainability team is trained on human trafficking and slavery laws and related matters. In addition, selected associates and management directly involved in the Fanatics supply chain and procurement functions receive training on the Workplace Code of Conduct, which includes a review of the forced labor code element and benchmarks, the characteristics of forced labor and human trafficking, and actions to take in response to a suspicion of the presence of forced labor at a Private Label Supplier facility. Fanatics conducts training on an annual basis.

Fanatics conducts training on our Workplace Code of Conduct during the Private Label Supplier onboarding process as well as annually in conjunction with our auditing process. The sustainability team deploys additional training to third-party agents and other partners along our supply chain as needed.

### **Accountability and Reporting**

All Fanatics employees are expected to conduct business in a legal and ethical manner. In addition, employees and management who support Fanatics' supply chain and procurement functions are expected to follow procedures regarding notification of suspected slavery and human trafficking. Failure to comply with these requirements may result in disciplinary action.

The sustainability team provides Fanatics' employees and supplier partners with a grievance channel email address for reporting of any violations of Fanatics' Workplace Code of Conduct, including any instances of forced labor. Any reports submitted via this grievance channel are received and appropriately addressed directly by the sustainability team.

/s/ Doug Mack  
Doug Mack, CEO, Fanatics, LLC