

**REPORT ON MODERN SLAVERY  
FOR THE YEAR ENDED JANUARY 28, 2024**



**Approved by the President on May 23, 2024**

**Sporting Life Group Limited  
7777 Weston Road, Suite 800  
Vaughan, Ontario, Canada, L4L 0G9**

## **1. REPORTING REQUIREMENT**

This Report on Modern Slavery (the “Report”) is being prepared and made publicly available by Sporting Life Group Limited (“SLG”) in compliance with its reporting requirements under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

## **2. CORPORATE STRUCTURE**

SLG is a subsidiary of Fairfax Financial Holdings Ltd (“Fairfax”) (Fairfax, the ultimate parent company), a public company, whose subordinate voting shares are listed for trading on the Toronto Stock Exchange and trade in Canadian dollars under the symbol “FFH” and in U.S. dollars under the symbol “FFH.U”. Fairfax registered and head office is located at 95 Wellington Street West, Suite 800, Toronto, Ontario, M5J 2N7.

SLG is a holding company which, through its subsidiaries operates three retail brands: Sporting Life, Golf Town and Team Town Sports that specialize in golf, ski, bike, sporting goods equipment and apparel. SLG was incorporated under the *Canada Corporations Act* on August 31, 2018.

Sporting Life is a leading Canadian fashion and sports retailer combining Sports and Style, offering the best in outdoor apparel and fashion, footwear, equipment and accessories for men, women and kids.

Golf Town is Canada's golf superstore carrying an unprecedented selection of all the top brand names in golf.

Team Town is Canada's newest and leading destination for Team Sports catering to the needs of athletes of all skill levels and ages by providing them with the best possible gear and equipment to enhance their performance on the field, court, or rink.

## **3. POLICIES AND PROCESSES RELATING TO FORCED AND CHILD LABOUR**

SLG operates within Fairfax's Modern Slavery Policy (described in greater detail below); a policy that is consistent with Fairfax's Guiding Principles and our existing Corporate Governance Policies, including Fairfax's Code of Business Conduct and Ethics (the “Code”). Fairfax's Code is built around the primary value in their longstanding and regularly reported Guiding Principles – “honesty and integrity are essential in all our relationships and will never be compromised”. Together, these policies also complement Fairfax's existing Environmental, Social and Governance (“ESG”) framework, in respect of which Fairfax began preparing an Annual ESG Report in 2021, which is updated on an annual basis.

In 2023, Fairfax worked to better understand their reporting obligations under the Act as they pertain to Fairfax and its subsidiary companies. Among other things, they reviewed and updated Fairfax's corporate policy framework to more concretely address child labour and forced labour, and engaged with their operating companies to assess their existing policies and procedures relating to the matters covered by the Act.

During 2023, SLG began CEO and CFO certifications confirming that the risks relating to the potential for forced or child labour is taken into account in the operations of our company and supply chains, and that adequate policies and/or procedures are in place to discharge their responsibilities for the prevention of the use of forced or child labour in such company's operations and its supply chains. Going forward, such certifications will continue each quarter and year end periods.

In 2023, Fairfax also prepared a Modern Slavery Policy (the “Policy”), which was approved by Fairfax's Board of Directors in early 2024. The Policy was introduced to provide concrete internal guidance

regarding compliance with the Act, and to highlight the importance of Fairfax's commitment to avoid any form of child labour, forced labour, modern slavery or human trafficking within its operations or its supply chains. Among other things, the Policy strictly prohibits any form of modern slavery in our operations or supply chains and, notably, is applicable to all directors, officers and employees of Fairfax and of every subsidiary of Fairfax. The Policy further underscores the importance of identifying material ESG factors when conducting due diligence on potential investments including, where applicable, those relevant to modern slavery.

Annually, our supply chain partners sign and acknowledge the requirements and adhere to the stipulations contained in our Supply Chain Standards and Partner Code of Conduct ("Code of Conduct"). This Code of Conduct contains among other items provisions on Compliance with Laws, Employment Standards, Wages and Benefits, Working Hours, Child Labour, Forced or Slave Labour, Discrimination/Human rights, Disciplinary Practices, Abuse/Harassment, Health and safety and Environmental Responsibility.

#### **4. AREAS OF RISK**

The primary risk of forced labour under the Act resides in our supply chain, specifically for merchandise vendors. As previously noted, our suppliers must execute a vendor agreement annually that they adhere to the Code of Conduct. SLG has amended these agreements by adding the right to perform compliance procedures and can terminate the vendor relationship for failure to uphold the standards.

The majority of the goods we sell come from and are imported by well-established vendors that operate internationally and have ESG and compliance structures. We are in the process of establishing risk monitoring processes to assess material risk of forced labour under the Act.

#### **5. REMEDIATION MEASURES**

No situations have arisen requiring implementation of remediation measures.

#### **6. REMEDIATION OF LOSS OF INCOME**

Fairfax and SLG recognizes that efforts to prevent and reduce the risk of forced labour and child labour can have unintended consequences of contributing to a loss of income for vulnerable families; however, no situations have arisen requiring implementation of remediation measures.

#### **7. TRAINING**

Fairfax's Modern Slavery Policy sets an expectation that subsidiary companies will train employees in respect of modern slavery issues and preventive measures, as applicable. In 2023, Fairfax did not require formal training on modern slavery for its own employees; however, Fairfax has determined, going forward, that it will impose a requirement for the completion of annual training for employees with job functions relevant to the prevention of child labour and forced labour in Fairfax's operations, supply chains and investments. Training is expected to begin in 2024.

#### **8. HOW WE ASSESS EFFECTIVENESS**

Fairfax and SLG acknowledges that modern slavery is a possible risk within its operations and supply chain, though that risk is generally low in relation to Fairfax, as relevant activities undertaken by Fairfax are minimal and generally relate to the operation of its office in Toronto, Canada. Fairfax undertakes various steps to address this risk, including periodically reviewing our policies and business practices to ensure that they reflect our commitment to implementing effective systems reduce the risk of modern slavery in our business and supply chains.

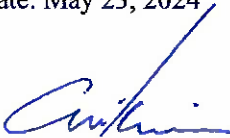
**This Report was approved by the executive of SLG pursuant to section 11(4)(a) of the Act.**

In accordance with the Requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Chad McKinnon

Title: President

Date: May 23, 2024



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I have the authority to bind Sporting Life Group Limited