

**Arlie's Sport Shop (Downtown) Ltd. and Joint Entities Report on Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act**

**1. This report is for which of the following?**

Entity

**2. Legal name of reporting entity or government institution:**

Arlie's Sport Shop (Downtown) Ltd.

**3. Financial reporting year:**

3.1. Start Date July 31, 2022

3.2. End Date July 29, 2023

**4. Is this a revised version of a report already submitted this reporting year?**

No.

**5. Business number(s)**

**10026 1106**

**6. Is this a joint report?**

Yes.

**6.1. If yes, identify the legal name of each entity covered by this report.**

Boathouse Row Hamilton Inc.

Boathouse West Inc.

Boathouse Quebec Inc.

Blackwell Supply East Inc.

Blackwell Supply West Inc.

**6.2. Identify the business number(s) of each entity covered by this report, (if applicable).**

**10056 1539**

**85183 3806**

**77261 7148**

**10026 1122**

**81918 1702**

7. Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction?

No.

8. Which of the following categorizations applies to the entity? Select all that apply.

Canadian business presence (select all that apply):

Has a place of business in Canada

Does business in Canada

Has assets in Canada

Meets size-related thresholds:

Yes.

9. Which of the following sectors or industries does the entity operate in? Select all that apply.

Retail Trade

10. In which country is the entity headquartered or principally located?

Canada

10.1. In which province or territory is the entity is headquartered or principally located?

Ontario

### Annual Report – Reporting for entities

1. What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply.

Mapping supply chains

Monitoring suppliers

Engaging with supply chain partners on the issue of addressing forced labour and/or child labour

2. Please provide additional information describing the steps taken (if applicable).

Approximately 2/3 of our supplier volume is working with other importers of record, with those parties maintaining their own child & forced labour prevention policies across relevant jurisdictions.

For the remaining third of our supplier volume where our organization is the importer of record, we develop and maintain over many years a trusted list of relationships with agents & factories, that avoid certain 'red flag' geographic regions. These agents are experienced in the local markets and physically inspect factory production sites. As part of the relationship-building process, key members of senior management have visited the regions where agent-approved factories are located, being Chittagong in Bangladesh and Jiangsu, Guangzhou, Ningbo, Xiamen and Zhejiang in China.

**3. Which of the following accurately describes the entity's structure?**

Corporation

**4. Which of the following accurately describes the entity's activities? Select all that apply.**

Selling goods

In Canada

Importing into Canada goods produced outside Canada

**5. Please provide additional information on the organization's structure, activities and supply chains.**

Arlie's Sport Shop (Downtown) Ltd. ("Arlie's") purchases approximately 2/3 of our supplier volume via other importers of record ("Branded Suppliers"), with those parties maintaining their own child & forced labour prevention policies across relevant jurisdictions. For the remaining third of our supplier volume where Arlie's is the importer of record, we develop and maintain over many years a trusted list of relationships with agents & factories, that avoid certain 'red flag' geographic regions. These agents are experienced in the local markets and physically inspect factory production sites. Arlie's then sells products to the other joint report entities (Boathouse Row Hamilton Inc., Boathouse West Inc., Boathouse Quebec Inc., Blackwell Supply East Inc., and Blackwell Supply West Inc.), that own different store banners ("Boathouse" & "Blackwell Supply Co."), which sell the goods across approximately 120 stores and via e-commerce in Canada.

**6. Does the organization currently have policies and due diligence processes in place related to forced labour and/or child labour?**

Yes.

**6.1. If yes, which of the following elements of the due diligence process has the organization implemented in relation to forced labour and/or child labour?**

Embedding responsible business conduct into policies and management systems

**7. Please provide additional information on the organization's policies and due diligence processes in relation to forced labour and child labour (if applicable).**

Rather than a codified policy in relation to forced and child labour, a senior leadership director is charged with maintaining due diligence processes to mitigate risks in this area. This is accomplished by building long-term trusted relationships with agents and the factories they work with in approved regions, vetted by physical visits to the sites by both the agents and our director. Areas considered are the sourcing of and use of labour and sourcing of raw materials, both direct and indirect.

**8. Has the organization identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used?**

Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.

**8.1. If yes, has the organization identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains?**

The sector or industry it operates in

The types of products it produces, sells, distributes, or imports

The locations of its activities, operations or factories

The types of products it sources

The raw materials or commodities used in its supply chains

Tier one (direct) suppliers

**9. Has the organization identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries?**

Manufacturing

Retail trade

- 10. Please provide additional information on the parts of the organization’s activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the organization has taken to assess and manage that risk (if applicable).**

Over many years, in the garment & footwear production and retail industries, we have identified a small list of a dozen acceptable product source locations where we are the importer of record, with acceptable labour & raw material sourcing. This narrow focus has been vetted via strong trusted agency and factory relationships developed, including in-person visits. To further mitigate risk exposure, we have avoided jumping to new relationships that might be unproven and/or unclear in their processes or sources.

- 11. Has the organization taken any measures to remediate any forced labour or child labour in its activities and supply chains?**

Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

- 12. Please provide additional information on any measures the organization has taken to remediate any forced labour or child labour (if applicable).**

Not applicable.

- 13. Has the organization taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains?**

Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

- 14. Please provide additional information on any measures the organization has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable).**

Not applicable.

- 15. Does the organization currently provide training to employees on forced labour and/or child labour?**

No.

**16. Please provide additional information on the training the organization provides to employees on forced labour and child labour (if applicable).**

While no formal training is provided, the decades of experience of the key senior director experience is leveraged to ensure establishment and maintenance of approved relationships for contracting & purchasing decisions.

**17. Does the organization currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains?**

Yes.

**17.1. If yes, what method does the organization use to assess its effectiveness?**

Other, please specify:

Our senior director is accountable to our CEO for ensuring these risks are monitored and addressed. Our CEO has visited these regions and relationships as well.

**18. Please provide additional information on how the organization assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable).**

See relationship accountability noted above.

**Attestation by Arlie’s Sport Shop (Downtown) Ltd. & Joint Entities**

This report has been approved by the Board of Directors on May 28<sup>th</sup>.

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.



**Matt Hillier, CPA, CA**  
**Controller**

I have the authority to bind the entity

**Date of Signature**  
**May 28, 2024**