

# Modern Slavery Statement

2021/2022 Financial Year



**EB GAMES**

**ZING** POP CULTURE

# Reporting Entity

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Over the last 20 years, Electronics Boutique Australia Pty Ltd ACN 077 681 422, trading as EB Games (**EB Games, we, our, us**) has become one of Australia's leading retailers and has grown to more than 420 corporate stores across Australia and New Zealand under two brand names, EB Games and Zing Pop Culture.

EB Games became an entity of GameStop Corp (**Gamestop Group**) in 2004. Gamestop Group operates more than 5,500 company stores across 14 countries.

During the financial year ending January 2022, EB Games continued to work towards minimising modern slavery within its own business operations and supply chains. This statement intends to meet the requirements of the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) and describes the steps taken by EB Games in addressing modern slavery.



## COMPANY FACT SHEET

<b>Entity</b>	Electronics Boutique Australia Pty Limited ACN 077 681 442 ('EB Games')	
<b>Ultimate Holding Company</b>	GameStop Corp. (Publicly listed company on the New York Stock Exchange)	
<b>Employees</b>	+ 3,000	
<b>Areas of Employment</b>		
<b>Distribution Centre/ Warehouse</b>	<ul style="list-style-type: none"> <li>• Logistics</li> <li>• Import management</li> <li>• Refurbishment of second-hand goods</li> <li>• Picking and packing</li> <li>• Forklift and machinery operators</li> </ul>	
<b>Store Support Centre (SSC)</b>	<ul style="list-style-type: none"> <li>• Customer service</li> <li>• Store support lines</li> <li>• Finance and Accounts</li> <li>• Property</li> <li>• Legal</li> <li>• Buying</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing/Social media</li> <li>• Website/eCommerce/ Development</li> <li>• Human Resources/Payroll</li> <li>• Loss Prevention</li> <li>• IT</li> </ul>
<b>Field Team</b>	<ul style="list-style-type: none"> <li>• • Operations managers</li> <li>• • Field managers</li> <li>• • Store managers</li> <li>• • Sales associates</li> </ul>	
<b>Areas of Operation</b>	Australia and New Zealand	

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# EB ETHOS



Family.  
Integrity.  
Vision.  
Vitality.  
Accountability.  
Recognition.  
Sustainability.

## Our Values

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Our EB Ethos reflects the heart and soul of EB Games. It defines how we do things, what we stand for and what it takes to work here. All EB Games employees in Australia are required to comply with EB Game's Code of Conduct and its key principles.

When we interact with our customers and colleagues the EB Ethos helps us develop and grow. Together these values form a culture that we think is unique and sets us apart from the rest.

We are proud of our diverse culture and strive to create an inclusive environment for all employees. We welcome individuals from diverse backgrounds to be part of the EB Games family.

# Our Brands

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The logo for EB Games, featuring the letters 'EB' in a stylized, red, italicized font, followed by the word 'GAMES' in a bold, black, italicized sans-serif font.

The retail sale of video game and computer equipment, software, digital currency and subscriptions, accessories, games, pop culture items, collectibles, related apparel, and other merchandise.

The logo for ZING Pop Culture, featuring the word 'ZING' in a large, green, stylized font with a speech bubble-like shape at the end of the 'G'. Above the 'ZING' is the phrase 'POP CULTURE' in a smaller, green, sans-serif font, arched over the top of the 'ZING'.

The retail sale of merchandise related to movies, television shows, the internet, games, books, music and other popular culture mediums including toys, comics, trading cards, clothing, screen media, apparel, board games and other items of a collectable or popular culture nature.



# Our Supply Chain

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We have large and far-reaching supply chains which are reflected in the diversity of the products we bring to the market and the scale of our operations.

Over 90% of our annual spend with suppliers is with Australian companies. In some instances, we are dealing with offices of global companies located in Australia or Australian based subsidiaries which results in a high percentage of our cash spend remaining in Australia.

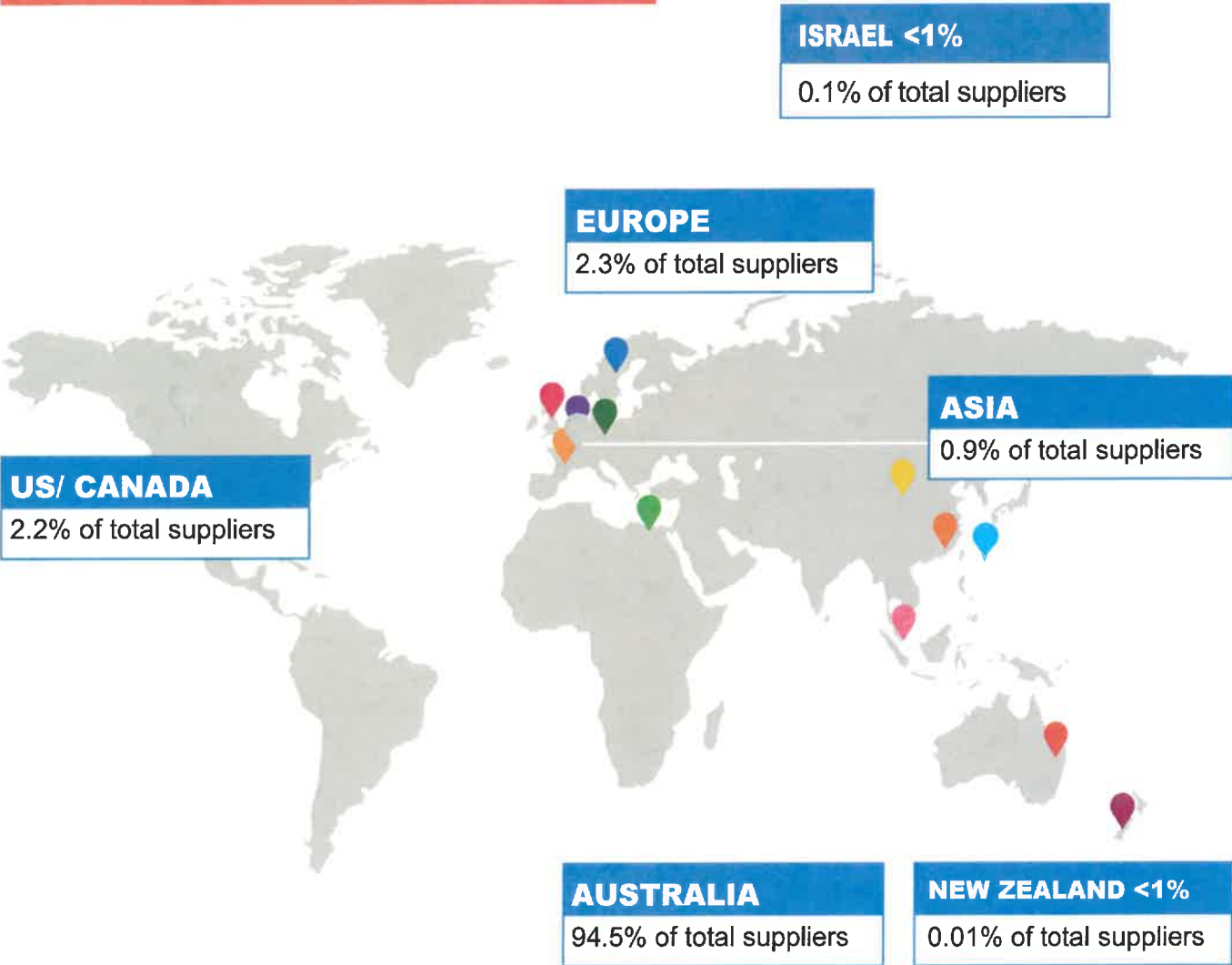
We acknowledge that in some circumstances the product provided by the supplier is not necessarily produced or distributed from their Australian office.

When considering our supply chain, we have looked at a range of aspects within our business, including the direct supply of:

- Physical products sold by our company;
- Manufacturers our business engages with to make products on our behalf;
- Manufacturers engaged to make our store fixture systems;
- External professional advisors (including but not limited to legal and financial services);
- Promotional goods and marketing;
- Cleaning services
- Office suppliers of stationery etc.;
- Information technology and communications; and
- Real estate and property services (including but not limited to utilities and waste management).



# Geographical Location of Suppliers



- Australia
- UK
- Singapore
- United States
- Taiwan
- France
- Sweden
- China
- Germany
- New Zealand
- Hong Kong
- Israel
- Netherlands

# Risks in Supply Chain

We have worked through our organisation as a whole, reviewing the above areas in our supply chain, to separate out the areas where we have identified potential risks in causing, contributing to or being directly linked to modern slavery in our business. This risk has then been split into two categories –

- Operational Risks
- Production and Buying Risks

## Operational Risks

Our operations are based entirely in Australia and New Zealand. We have been able to undertake a thorough review of potential modern slavery risks in the operational aspects of our organisation because of our domestic location.

People are our strength. We recruit and develop a diverse team of high performers and strong leaders who love winning, embrace change, and embody the values of EB Ethos and our Code of Conduct.

Our Code of Conduct ensures all employees act respectfully and responsibly towards the community, comply with law and recognise human rights. This Code of Conduct is a fundamental part of our corporate social responsibility.

At EB Games we pride ourselves on the quality of working conditions provided to our staff across the business and ensure we go above and beyond to instil a sense of value and empowerment. We are constantly ensuring all employment law requirements are met for our staff in both Australia and New Zealand and are swift to implement any necessary changes or updates as required.

We consider the risk of modern slavery within our direct business operations in Australia and New Zealand to be low.

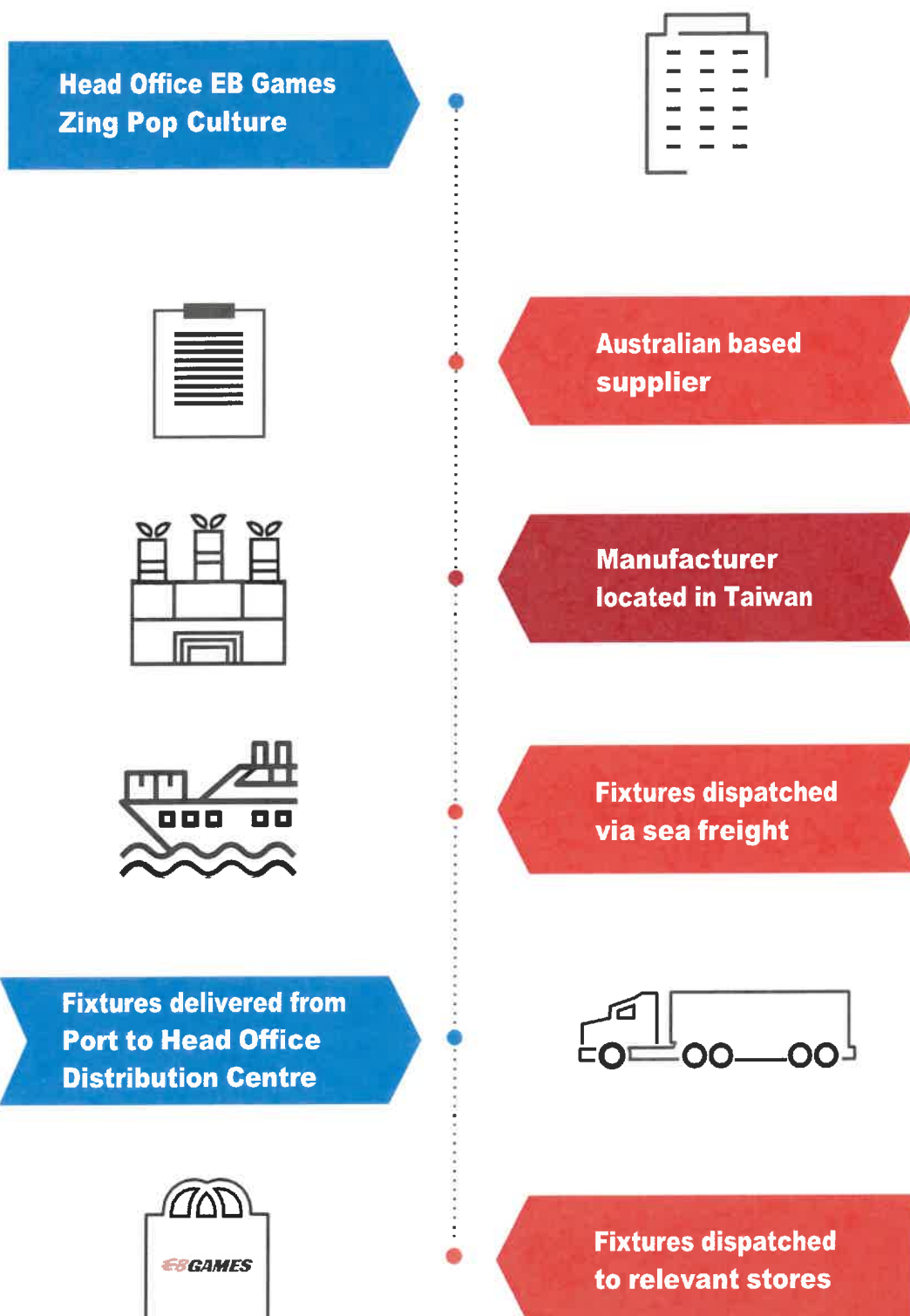
## Production and Buying Risks

Our supply chain used to acquire the products we sell and manufacture, and the items we purchase, have been identified as holding the most significant risks of modern slavery. As part of the continual review of our supply chain risks we have assessed our relationships with distributors, manufacturers we deal with indirectly through agents, and manufacturers we directly engage.

The most significant potential risks associated with our supply chain are indirect and involve:

- the possibility of suppliers and their supply chain, particularly in circumstances where they are producing uniforms, items of clothing and electronic goods, being involved in modern slavery practices such as forced labour, excessive working hours, poor working conditions and wage exploitation;
- the geographical locations of our suppliers' supply chains, where a higher prevalence of modern slavery has been detected due to poor governance, socio-economic weaknesses including poverty, and compromised rule of law. We currently purchase store fixtures through three main Australian suppliers who source from factories in Taiwan for manufacturing such fixtures. This is outlined in the diagram on the next page; and
- The COVID-19 challenges we previously faced have been alleviated following the decrease in COVID-19 isolation requirements. This is further addressed below.

## Production and Buying Cycle



# Risk Assessment and Due Diligence

Through working with our suppliers, we have come to learn most of them have employees working directly with the factories in China and Taiwan. Their local team members carry out inspections of the properties and in some cases have offices in the factories. There is, however, no formal procedures or standards required of the factories before they commence manufacturing of our products.

As a part of our due diligence to tighten our procedures and to minimise the risk of modern slavery, we partner with The Walt Disney Company (**Disney**), and adhere with their standards, the Facility and Merchandise Authorisation (**FAMA Audit**), for all vendors we engage to manufacture under licence and their facilities which provide high level licensed goods. FAMA Audits are required for all engaged licenced vendor facilities as a part of our due diligence. In circumstances where a vendor subcontracts to another company for production, a FAMA Audit must be completed.

Where our engaged licenced vendors or their subcontractors, do not hold a FAMA Audit certificate, production will be halted until this certification is received.

We consistently receive FAMA Audit certificates to which we review and ensure all vendor facilities meet the required FAMA standards. We also implement the GameStop Group Vendor Product Quality Terms and Conditions (**Vendor Terms and Conditions**), which include, but are not limited to, the following terms for vendors of EB Games:

- non-engagement of child labour, forced labour or bribery;
- non-discrimination;
- minimum wage requirements as per local law;
- reasonable employee work hours; and
- conflict free and responsible sourcing of conflict minerals and diamonds.

We retain the right to conduct periodical audits to ensure compliance of suppliers with the Vendor Terms and Conditions. Where suppliers fail, we maintain the right to suspend future orders or terminate existing purchase orders.

Other risk management mechanisms we have implemented include:

- policies and procedures including a whistleblower policy;
- training for employees and new employees;
- internal grievance resolution procedures and guidelines; and
- adequate reporting and monitoring mechanisms.

At the end of our financial year for this statement (February 2021 to January 2022) we reached our previous objective of all fixture manufacturers obtaining a Business Social Compliance Initiative audit for each factory used, with a minimum 'C' grade achieved on the audit.

# Our Fixtures

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# Remediation

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EB Games is committed to promoting a culture of ethical behaviour, compliance, and good corporate governance.

As part of this EB Games has a Whistleblower Policy accessible to all employees in the company. We are committed to supporting a whistleblower whilst they raise concerns and protecting them throughout the process.

For internal grievance resolution procedures, EB Games have a Respectful Workplace Policy and Guidance which allows all employees to raise concerns to any managers in the business. Managers then have an obligation, once receiving a concern, to remediate accordingly.

EB Games have a HR hotline and inbox, which is constantly monitored by trained HR professionals to remediate.

EB Games also encourages anonymous feedback through company surveys, which then can be remediated by the Director team.

We also insist on compliance and rectification of deficient areas in BSCI audit reports received from manufacturers and refuse to deal with companies that do not meet our requirements.

Annual training is provided to all employees and new employees of EB Games, in addition to the reporting and monitoring mechanisms mentioned in this section.

# Impacts of COVID-19 Pandemic

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The COVID-19 pandemic impacted EB Games, in our previous financial year ending January 2021, in several ways with the closure of stores and shopping centres resulting in some of our business being inoperable for a considerable period of time, and issues with our supply chain and labour.

Since then, EB Games and Zing Pop Culture stores have been open. In response to the new modern slavery risks created by the COVID-19 pandemic and in order to maintain health and safety amongst our stores, customers and employees, we established new supply chains to source masks and sanitation.

We have continued to maintain relationships and engage with key suppliers. We have ensured modern slavery risks continue to be addressed pre and post COVID-19 pandemic by continually checking key suppliers' compliance with our Vendor Terms and Conditions, and the FAMA Audit.

The COVID-19 pandemic impacted our labour and employees, contributing to our inability to submit this Modern Slavery Statement within the required timeframe, following the financial year ending January 2021.

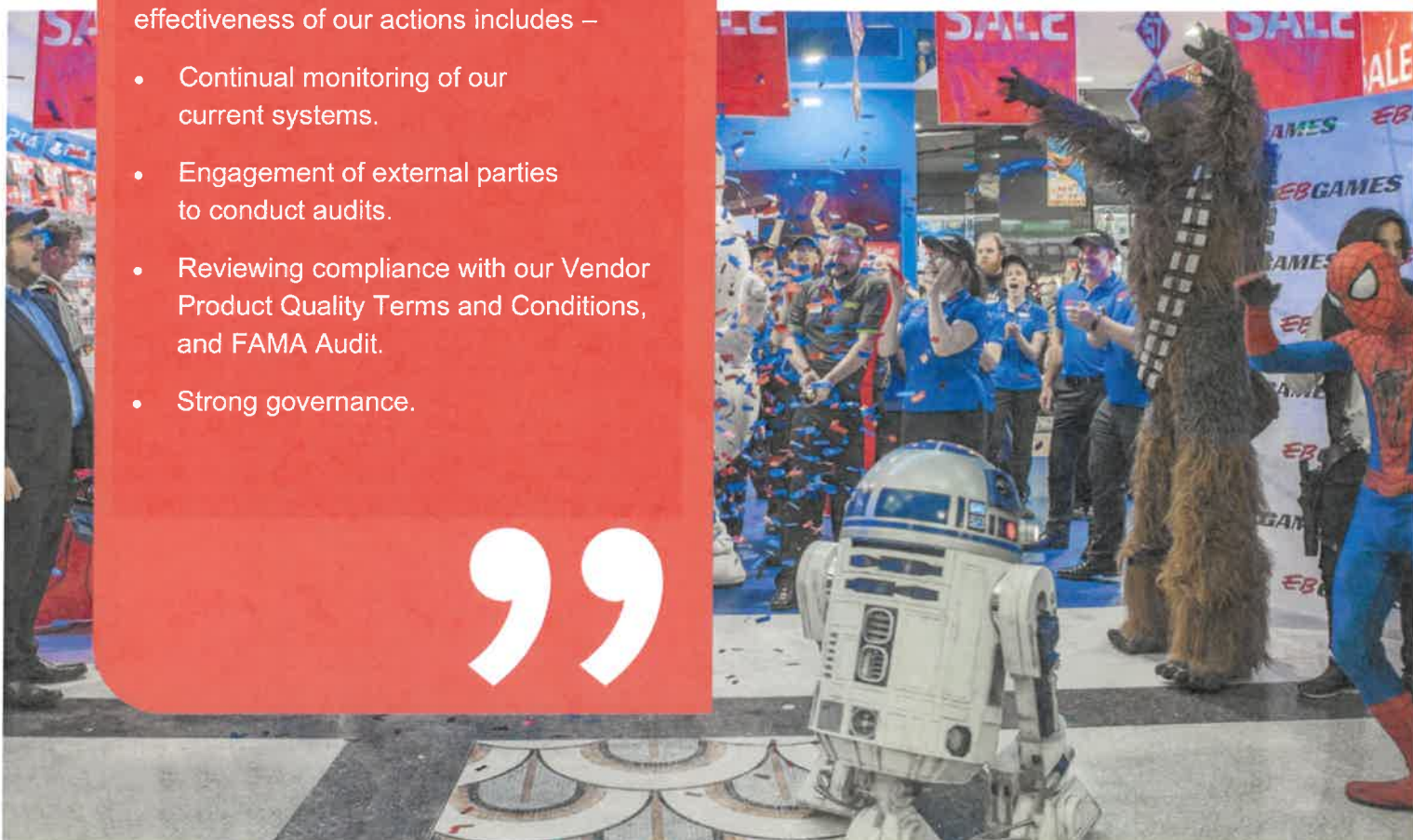
Both EB Games and the Gamestop Group understand the impact COVID-19 has had on modern slavery risks and therefore have consulted with industry networks, business peers and stakeholder groups to better manage and address modern slavery within their operations.

# Assess Effectiveness of Actions

Our current approach to measuring the effectiveness of our actions includes –

- Continual monitoring of our current systems.
- Engagement of external parties to conduct audits.
- Reviewing compliance with our Vendor Product Quality Terms and Conditions, and FAMA Audit.
- Strong governance.

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# Consultation

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Whilst we do not have any subsidiary companies, we ensure that the practices implemented into our Australian business are mirrored in our New Zealand business.

Gamestop Group and its Australian controlled entities, including EB Games and Zing Pop Culture, maintain the same management systems, frameworks, policies and procedures such as Vendor Terms and Conditions.

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# Future Commitments

EB Games continue to acknowledge their obligations in ensuring adherence with the Modern Slavery Act to minimise the risks of modern slavery within our supply chain.

We intend to continue reviewing and updating all policies, procedures (for manufacturers etc.), Vendor Terms and Conditions and FAMA Audits adopted by us.

Moving forward we will continue managing our BSCI audits and engaging with our key suppliers, stakeholder groups and industry bodies.

Signed  
by Stephen Charles Wilson on 01 / 08 /2023

  
▲ Signature of Stephen Charles Wilson

## **Stephen Charles Wilson** **Managing Director**

This Modern Slavery Statement was approved by the Board of Directors Electronics Boutique Australia Pty Limited 077 681 422. on 1 August 2023 and signed by Stephen Charles Wilson, the Managing Director of Electronics Boutique Australia Pty Limited 077 681 422.



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