



GME Pty Ltd
First Modern Slavery Statement
Financial Year 1 July 2020 to 30 June 2021

Introduction (criterion 1)

This Modern Slavery Statement (**Statement**) is made by GME Pty Ltd (ACN 000 346 814) (**GME**) and its controlled entity, GME Communications (NZ) Limited (**GME NZ**).

This Statement is GME’s first statement made in accordance with the Modern Slavery Act 2018 (Cth). It covers the period from 1 July 2020 to 30 June 2021 (**FY21**).

GME is committed to acting ethically and with integrity in all its business dealings, including its operations and supply chains. GME and GME NZ use the same key policies, procedures and governance processes as their ultimate parent company, Standard Communications Holdings Pty Ltd. The GME group of companies has adopted a group wide approach to modern slavery.

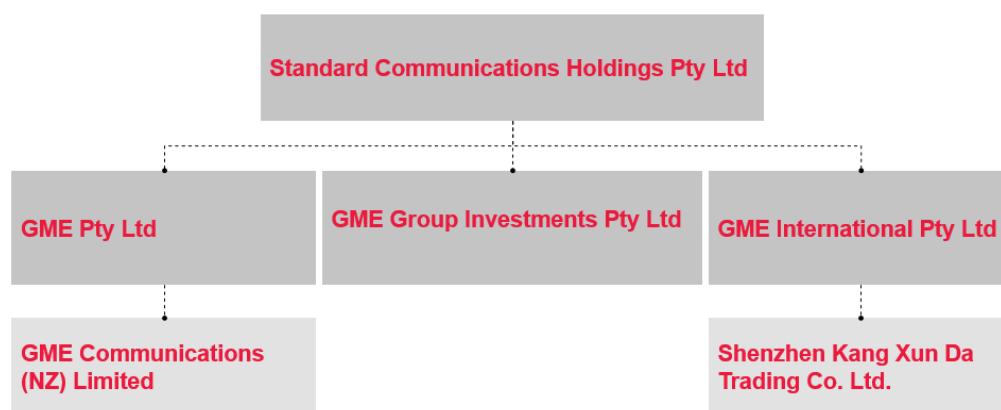
This Statement outlines the steps GME, as part of the GME group of companies, has taken to assess, address, manage and mitigate modern slavery risks in its operations and supply chains. It also demonstrates how GME and GME NZ plan to continue to improve their frameworks and processes in the future.

Structure, operations, and supply chain (criterion 2)

Structure

GME is an Australian incorporated company. It is a subsidiary of parent company, Standard Communications Holdings Pty Ltd (ACN 640 855 545) (**SC Holdings**). GME has its own wholly owned, New Zealand incorporated subsidiary, GME Communications (NZ) Limited (AZBN 415879).

The GME group structure includes other subsidiaries of SC Holdings including GME Group Investments Pty Ltd and GME International Pty Ltd (**GME Group**). GME is the group’s Australian operations arm. A summary of GME group’s structure is as follows:



The SC Holdings’ Board is responsible for the overall governance and operations of the GME Group. This includes guiding strategic direction, monitoring risk and overseeing general management activities.



Operations

GME Group is one of Australia's largest manufacturers and wholesaler distributors of quality radio communications products.

GME and GME NZ operate as radio communications equipment manufacturers and distributors across Australia and New Zealand. Both companies provide a range of products and services under the GME and Kingray brands for marine and land purposes including entertainment systems, emergency beacons, and fixed mount and handheld radios.

GME Group prides itself on engineering and manufacturing high quality, market-leading products to suit the specific requirements of its customers. It is the only Australian manufacturer of UHF CB Radios and emergency beacon products. GME has an ongoing focus on innovation and technology leadership. The group has a network of authorised dealers and service agents around the globe.

Since its inception in 1959, the GME Group has grown to a team of over 200 people and operates in Australia, New Zealand, and China.

Supply chain

GME and GME NZ work with more than 100 direct suppliers, which are predominately located in China, but also in Taiwan, Japan, Australia, and New Zealand.

These suppliers provide finished goods and component parts for products that are then manufactured at GME's head office in Winston Hills, NSW. Over 80% of GME's annual revenue is generated by GME's Australian made products. The employees in the Winston Hills warehouse are employed directly by GME.

The direct supply chain which services GME and GME NZ comprises mainly original equipment manufacturers (OEMs), resellers and distributors. Most relationships are long term and have been in place for several years. Current suppliers are based predominantly in China, Taiwan, Japan, Australia, and New Zealand.

Identifying potential risks (criterion 3)

As a radio communications equipment provider and distributor, GME recognises that the industry in which it operates has the potential to be a moderate risk area for modern slavery.

In the supply chains described above, both globally and in Australia, the risks of modern slavery are predominantly associated with manufacturing suppliers operating in China. The highest identified risk is in the manufacturing of specialised mechanical components, which are predominantly manufactured by small, independent producers in China. Workers in these regions may be susceptible to labour exploitation, including long hours, poor working conditions, and limited workplace safety processes. This risk could then also extend to those suppliers' own supply chains (e.g., where they source their parts or components), where there may be a strong focus on minimising production costs and poor labour practices.

GME requires that all new and existing China-based suppliers gain and maintain 'Approved Supplier' status by submitting to a routine audit process of all manufacturing facilities where GME's products are produced. The audit addresses several key commercial and quality criteria, as well as 'responsible sourcing' criteria. This audit includes questions about modern slavery processes, ensuring compliance with the United Nations International Labour Organisation Conventions (e.g., prohibiting child labour, and ensuring minimum wages).

GME acknowledges that, despite this process, it may lack visibility in certain overseas markets, and this carries additional risks of modern slavery especially in secondary levels of its chain of suppliers and source materials used in the group's goods and services.



Within GME and GME Group's operations, the risk of modern slavery is limited to its employees. GME's manufacturing plant is located at the same premises as its Head Office. GME directly employs its employees and complies with the relevant industrial relations laws and workplace laws in the jurisdictions it operates. It follows that the risk of modern slavery is low. However, GME recognises that there are potential risks of modern slavery within other areas of its extended supply chain, particularly in higher risk categories relating to labour supply, cleaning, and waste management services.

Identifying and addressing these potential risk scenarios is part of GME's continuous improvement initiative and will be a priority of supplier engagement activities over the next reporting year.

Assessing and addressing risks (criterion 4)

Policies and procedures

GME Group's approach to modern slavery is a groupwide effort. GME Group has formal policies and procedures in place to promote ethical, open, and transparent business conduct for all employees and suppliers. These policies and procedures apply to GME. GME Group's policies contribute to a commitment to prevent violations of human rights, including modern slavery. These policies include GME Group's Whistle-blower Policy and Code of Conduct. These policies govern the expectations all GME group companies have for their employees and suppliers regarding lawful and ethical conduct.

GME Group will continue to review and update its policies to ensure that they include processes to also help address the risk of modern slavery in its operations and supply chains.

Supplier contracts and auditing

GME's supply agreements include an anti-slavery compliance clause. During the first reporting period, GME undertook a review of this clause to ensure its expectations for suppliers regarding modern slavery risks were clear. The updated clause has a greater emphasis on the identification and management of modern slavery risks for suppliers.

As part of GME's 'Approved Supplier' audit, GME requires all China manufacturing facilities where GME's products are produced, to provide details of their current modern slavery processes and procedures. This audit process applies to both existing and new suppliers. The purpose of this routine audit, and GME's 'Approved Supplier Scheme', is to ensure that GME continues to work only with supply partners that are committed to supporting GME's strategic objectives of consistent product quality and ethical conduct – including with respect to anti-modern slavery practices.

GME has not yet had a supplier fail an audit because of not meeting the Modern Slavery criteria. If a supplier were to fail an audit, GME would ensure remedial action is put in place, and the supplier would be given an opportunity to rectify the issue. If this were not achieved GME would cease working with the supplier.

Communication to suppliers

During the first reporting period, GME's focus has been on gaining a better understanding of modern slavery risks and how those risks may be present in its operations and supply chains. In mid-2021, GME sent correspondence to its Tier 1 suppliers. This correspondence:

- strongly encouraged all those suppliers to have modern slavery controls in place (e.g., supply chain mapping, due diligence exercises, policies, procedures and training regarding modern slavery risks and identification.)
- requested suppliers to provide details of any actual or suspected occurrence or incident of modern slavery in any supply chains which have a connection with GME.



GME will continue to engage with its suppliers to understand better their modern slavery risks. This engagement and the feedback GME receives as part of this process will inform and help to develop an ongoing strategy for GME's modern slavery compliance framework.

Measuring effectiveness of actions taken (*critterion 5*)

The GME Group (including GME) is continuing to monitor and develop its internal processes to ensure it can track the effectiveness of the actions it is taking to identify and address modern slavery risks in its operations and supply chains. This includes developing a quarterly review process which is now in place.

The GME Group will also continue to engage with its suppliers and review their modern slavery practices. GME and GME Group companies will continue to implement further mechanisms to assess the effectiveness of their actions, to ensure a continual improvement approach is achieved.

Consultation with controlled entities (*critterion 6*)

GME's key policies, procedures and processes apply to all companies within the GME Group. As such, this statement applies to all of SC Holdings' subsidiaries and has been approved by their respective Boards of Directors.

This statement has been approved by the Board of GME Pty Ltd and is signed on behalf of the Board by Steven Miller, Chairman of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Steven Miller', with a large loop at the start and a horizontal line at the end.

STEVEN MILLER

Chairman of the Board of Directors
Standard Communications Holdings Pty Ltd

Date: 30 June 2022