PLE Computers

Modern Slavery Statement FY2020-21

Introduction

PLE Computers is a leading retailer of custom-built computers and computer components. Established in 1991, PLE Computers is proudly Australian-owned and family-operated, and we aim to provide exceptional products at affordable prices. At PLE Computers, we pride ourselves on delivering best-in-class customer service for all stages of each sale. We aim for each of our customers to be completely satisfied with our products and services, and we focus on providing value to the communities in which we operate. These priorities are reflected in our eight core values which guide decisions and make PLE Computers unique:

Figure 1: PLE Computers' mission statement and core values

PLE Computers: Our Corporate Structure, Operations and Supply Chain

The Reporting Entity and Our Corporate Structure

This Modern Slavery Statement is submitted by PLE Computers Pty Ltd (ABN 48 051 046 596) as the only reporting entity under the Australian *Modern Slavery Act 2018* (Cth) (MSA). PLE Computers is a privately-owned technology company operating in Western Australia (WA) and Victoria (VIC).

PLE Computers' internal governance structure comprises of the Board of Directors who are responsible for formulating our strategic direction, approving capital expenditure, establishing our management framework, and ensuring risk management and legal compliance. The board sets the appropriate ethical standards and is responsible for implementing them throughout the business. The Board formally meets every quarter, while managers meet monthly.

Our Operations and Supply Chain

Our operations include five retail stores across WA and VIC, one distribution centre in each of the two states, as well as an online store. Our products are shipped Australia-wide, and customers can also purchase and pick up in-store.

PLE Computers has around 500 tier-1 (direct) suppliers in total. Our products come from a smaller group of key suppliers which include manufacturers, factories, and distributors from around the world. The geographic profile of these tier-1 product suppliers predominates in Asia, but also includes the United States, the United Kingdom, and parts of Europe, as depicted in Table 1 below.

Table 1: Geographic distribution of tier-1 product suppliers

Country of Tier-1 Supplier	Manufacturer	Factory	Distributor
China	1	7	-
Taiwan	7	1	-
Hong Kong	4	1	1
Singapore	1	-	-
USA	4	-	1
UK	2	-	-
Germany	-	1	-
Slovenia	1	-	-
Belarus	-	1	-

We currently collect data such as the supplier's number of years in business, shelf-readiness of products, freight arrangements, trademark certification, and electrical and product safety from our suppliers at onboarding.

Modern Slavery Risks

PLE Computers has undergone a high-level review of inherent slavery risks in our operations, supply chain, and the industry we work in. This has been based on the potential to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains, as defined in the MSA's Guidance for Reporting Entities.

In general, modern slavery risk exists in the technology sector. This can be especially true for electronics products, considering their complex upstream supply chains which often include rare earth materials from high-risk geographies. As such, PLE holds some of this risk by retailing a wide selection of electronic products and accessories. The majority of this risk resides beyond our direct operations and even our tier-1 suppliers and concentrates on higher-risk geographies. The Walk Free Foundation's Global Slavery Index 2018 identifies electronics among Australia's at-risk imported products, showing China and Malaysia as primary high-risk source countries (page 121 of Global Slavery Index). We anticipate this risk to remain in the Walk Free Foundation's forthcoming updated Global Slavery Index 2021.

With that said, all organisations, including Australian organisations like PLE Computers, have modern slavery risk in their onshore operations, even if that risk is minimal. This could include transportation, subcontracted and outsourced cleaning, or branded clothing, to name a few examples. These operational risks are mitigated by several factors, including our strong company culture and our focus on the eight core values, which emphasise respect and inclusiveness for all our staff. We have also fostered long, trusting, and transparent relationships with our staff.

From our high-level review of the inherent risks within our industry, operations, and supply chain, we have identified the following risk factors as the most relevant for consideration and further investigation in the future: **Geographic risk beyond our direct operations**. We also acknowledge that these risk factors are likely to have been exacerbated by the ongoing global COVID-19 pandemic, which is increasing worker vulnerability in many parts of the world, including countries where our products ultimately originate from. This reality increases the urgency for increased supply chain transparency and risk-reducing activities to ensure PLE Computers is doing its part to mitigate the negative impacts of the pandemic on workers.

As we progress our counter-slavery response, PLE Computers will deepen our understanding of risks within our operations and supply chain and adapt our response accordingly to best mitigate modern slavery risks. In the next section, we provide detail on how we are increasing our understanding of these risks and building out a strategic response.

Addressing the Risks of Modern Slavery

Governance & Culture

The culture at PLE Computers is strongly driven by the Directors' core values and respect for every individual. We cultivate an environment of openness and inclusivity, to ensure all our staff feel a sense of belonging.

Our Board of Directors has ultimate responsibility for PLE Computers' governance, formulating strategic direction, and ensuring the integrity of risk management. The Board establishes the company's management framework and priorities.

Our Board is committed to engaging on emerging issues and being responsive to developments that call for action, including modern slavery risks. In line with this commitment, we are taking steps to further embed

modern slavery within our governance and procedures. This includes setting the issue as an agenda item for briefing to the entire Board before the end of every financial year, with an update on actions taken to date and priorities for the next year. We plan to establish an internal working group driven at the Director level, to manage the development and implementation of our modern slavery response framework over time. Our commitment and counter-slavery actions will be communicated to managers and staff to ensure awareness of the issue and the required responses across the company.

Policies & Contracts

PLE Computers has a suite of policies and supporting procedures in place which govern relationships and articulate our values and culture. New employees are required to learn and acknowledge these policies through an online portal at onboarding. The following table lists the ones most relevant for countering human rights risks amongst our operations and team members.

Table 2: PLE Computers' human rights relevant policies and practices

Policy & Procedure	Purpose
Code of Conduct	Establishes proper conduct and practices, including ethical, moral, and honour codes, essentially laying out our expectations for how team members will behave towards each other and our stakeholders.
Equal Employment Opportunity & Anti-Discrimination Policy	Promotes a safe, equitable, flexible, and respectful workplace free of discrimination, bullying, and sexual harassment.
Workplace Health & Safety Policy	Promotes a safe workplace and ensures that for any identified hazards, appropriate control measures are in place for the health and safety of our staff.

In addition to these, we have in place a Complaints Handling Policy, a COVID-19 Policy, and a Casual Employment Information Statement to ensure the protection of our employees. We are currently developing a Grievance Handling Policy to establish and ensure awareness of reporting channels that would allow employees to report and escalate concerns, including those pertaining to human rights and modern slavery. At present, our staff bring up any concerns to managers in monthly meetings; managers then escalate concerns to the appropriate senior management.

We are deepening our human rights controls by developing a standalone Modern Slavery Policy which will cover our stance on the issue and lay out our response plan.

Supplier Engagement & Management

PLE Computers maintains relationships with our suppliers, both large and small. Many of our suppliers are long-term partners with a high degree of mutual trust and transparent communication. This sets us up well to engage and manage risks within our supply chain, including around modern slavery.

Before engaging our suppliers on modern slavery, PLE Computers will first undertake a detailed modern slavery supply chain risk assessment to determine where our exposure predominates. We will aggregate supply chain data relevant for measuring modern slavery risk and assess based upon known risk vectors such as geography, industry, product, and service. We will then develop a sequential engagement plan to determine where to focus first and how broad to go.

We see supplier engagement and management as a collaborative process and will strive to engage our suppliers as partners to help PLE Computers investigate and mitigate potential slavery risks within our supply chain.

Training

As a first step, PLE Computers will develop modern slavery training and work towards rolling it out to current and future staff as part of their induction processes. The training will focus on a general understanding of the issue globally and in Australia and help to identify modern slavery risks and issues within our operations and supply chain. The training will also guide staff on how best to respond if an issue arises or they identify a possible risk. PLE Computers will draw upon external standards and resources when developing our training, such as the United Nations Global Compact and the Walk Free Foundation. Our strong culture of a safe and inclusive workplace will be an advantage when developing and implementing modern slavery training.

PLE Computers is also considering the longer-term design and development of more specific modern slavery training for key functions within the business, such as our procurement staff, as they are likely to be essential in our counter-slavery response journey.

Collaboration

PLE Computers acknowledges that the MSA encourages organisations to work together where possible to identify and combat modern slavery. We see this as relevant to the technology industry and will explore collaboration pathways with our industry groups, peers, suppliers, and communities.

We hope to magnify our influence and contribution to combatting modern slavery by collaborating with relevant organisations and associations. We will explore ways to leverage existing initiatives and partner with peer organisations to share resources and information relevant to modern slavery. We note that the Walk Free Foundation is also in Perth, and we hope to identify ways to collaborate with them and learn from their expertise.
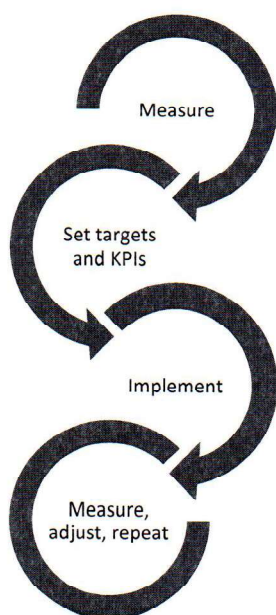
Assessing Effectiveness of Our Actions

Figure 2: Approach to assessing effectiveness of actions

PLE Computers acknowledges that the MSA calls for responding entities to demonstrate year-on-year improvement in their counter-slavery response. The key to showing this improvement for PLE Computers is assessing the effectiveness of our counter-slavery actions and activities.

We are using an iterative approach to assess the effectiveness of our actions that will mature and progress over time. In summation, our method is to measure where we are, target where we want to be, implement actions to get there, and then evaluate how well we met our targets before repeating this process. This iterative cycle is depicted in Figure 2 to the left.

It is important to note that PLE Computers will not measure the effectiveness of our actions by the absence of detected slavery or slavery risk, as this could unintentionally engender a culture of avoidance. Instead, our assessments of effectiveness will focus on quantifiable actions and progression beyond a baseline.

As a first step, we have conducted an assessment of our readiness to report under the MSA, the findings of which informed this first statement. We have concurrently conducted a benchmarking assessment to identify best practice counter-modern slavery actions being undertaken by our industry peers. Our current improvement targets and their corresponding key performance indicators (KPIs) are provided in more detail in the next section, and we will report upon our progress and effectiveness in future statements.

Modern Slavery Roadmap: Targets

PLE Computers is committed to progressing our counter-slavery response. This section identifies several important targets and our planned actions and activities to achieve each. Many of these actions correspond to longer-term targets that we will be progressing towards, while others are near-term priorities that have our current focus.

Table 3: PLE Computers' counter-modern slavery targets, actions, and commitments

Target	Action	Commitment and timing
Supply chain transparency	Creation of an internal centralised supplier database Mapping tier-1 supply chain	We commit to these actions over FY21-22, with the aim to gain further visibility over our supply chain, including suppliers beyond tier-1, following these actions in subsequent years.
Supply chain risk assessment	Assess tier-1 suppliers for modern slavery risk	We will conduct a supply chain modern slavery risk assessment on our tier-1 suppliers over the next six to eight months.
Supplier engagement	Sending supplier questionnaires on modern slavery Collecting more specific supplier data at onboarding	We will send out questionnaires to select existing suppliers in FY22-23 and update our onboarding process for new suppliers to ensure modern slavery-related data and information is captured.
Supplier Code of Conduct	Supplier alignment with Code of Conduct	Following a supply chain risk assessment, we will begin onboarding suppliers to our Code of Conduct, holding them to the same standards we maintain for ourselves.
Industry engagement	Participation in modern slavery or human rights-related industry initiatives	We will investigate industry engagement opportunities with a view to participate in regional, national, and global initiatives where we can add value.
Slavery risk management	Adoption of modern slavery policy	This is currently underway and will be adopted in FY20-21.
Staff training	Training developed and implemented in induction processes Specialised functional training	We will develop generic modern slavery training in the next six months and implement this into our employee onboarding program. Specialised training for functions such as procurement and legal will be explored in FY22-23.
Policy review and update	Adoption of grievance mechanism, whistleblower policy, and remediation	A grievance handling policy is currently being developed and will be adopted in FY20-21. We are also developing a whistleblower policy. Remediation processes will be

	processes	developed following the completion of these policies.
Formalise Board oversight	Annual agenda item for Board of Directors meetings	Modern slavery will be a formal agenda item on Board meetings at the end of every financial year from FY20-21, where work done to date and actions for the upcoming year will be discussed.
Modern slavery working group	Formal establishment of internal working group on modern slavery	An internal working group will be established in FY20-21 which will be led at the Director level and report up to the Board of Directors.
COVID-19 impacts	Reviewing the impact of COVID-19 on suppliers	As part of our engagement with suppliers, we will be reviewing the ongoing impact of COVID-19 and any implications for human rights concerns.
Review of effectiveness of actions	Annual tracking of KPIs to measure the effectiveness of counter-modern slavery action	Once grievance management, a whistleblower system, and remediation processes are implemented, we will begin tracking and reporting on any issues that may be identified.

PLE Computers will be reporting on these targeted actions and our progress against each in subsequent Statements. We consider them our early steps and initial contribution to the identification and eradication of the global issue of modern slavery.

The Impacts of COVID-19

In 2020, the COVID-19 pandemic applied significant pressure to the business, our people, and our suppliers. Since the beginning of the pandemic and early in 2021, PLE Computers acted promptly to mitigate health risks for our team. Examples of initiatives we implemented include:

- Social distancing signage, dots on floors for customers, office furniture rearrangement for social distancing, and chick-in QR codes
- Company supply of masks even when it was not mandatory and Rapid Antigen Tests available (where local legislation permits usage)
- Flexible work from home arrangements in jurisdictions where community transmission is occurring
- Additional check-ins from HR to employees for wellbeing
- Perspex screens between staff and customers, hand sanitiser available, residual antibacterial surface treatment supplied and used when in high-risk circumstances
- Paid time off for time to get vaccinated, no questions asked and access to sick leave when employees have presented symptoms requiring a PCR test
- Additional cleaning and supplies made available to staff

PLE Computers understands that global crises, including COVID-19, can exacerbate pre-existing pressures on suppliers and manufacturers to rapidly adapt, produce more, or deliver faster. This can increase vulnerabilities which trap people in conditions of modern slavery and labour exploitation. We also acknowledge that COVID-19 caused a rapid spike in demand for personal protective gear (PPE) which likely increased human rights risks for those products. This risk is something we will also investigate in our

forthcoming supply chain risk assessment for the PPE that we purchase and use.

COVID-19 has also affected our supply chain in so far as many factories are facing higher demand and lower output capacity due to the locally applied worker restrictions. Global supply chains are also experiencing a shortage in semiconductors as well as overcrowded freight from grounded aircraft and inundated ports. We work with our vendors to increase buffer stock, bring forward orders, and forecast complications, but supply chain volatility from COVID-19 remains.

PLE Computers is committed to better understanding how COVID-19 is impacting our suppliers, as well as their suppliers, particularly in relation to the products that we purchase from them. We will strive to learn more about these vulnerabilities in our forthcoming supply chain risk assessment and capture more information about them in subsequent supplier assessment questionnaires.

Consultation

PLE Computers does not own or control any other entities. This reporting criteria is, therefore, not applicable.

Approval

This statement was approved by the Board of Directors of PLE Computers, the principal governing body of the reporting entity, on 14 December 2021.

Peter Lingley

Managing Director

14 December 2021