PLE Computers

Modern Slavery Statement FY2021-22

Introduction

PLE Computers is pleased to submit here our second annual Modern Slavery Statement which demonstrates our continued commitment to countering modern slavery and complying with the Australian *Modern Slavery Act (Cth)* 2018. 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 approximately 400 tier-1 (direct) suppliers spread across 12 countries and 4 continents: Oceania, Asia, North America and Europe. The breakdown of suppliers by country is depicted in Figure 2.
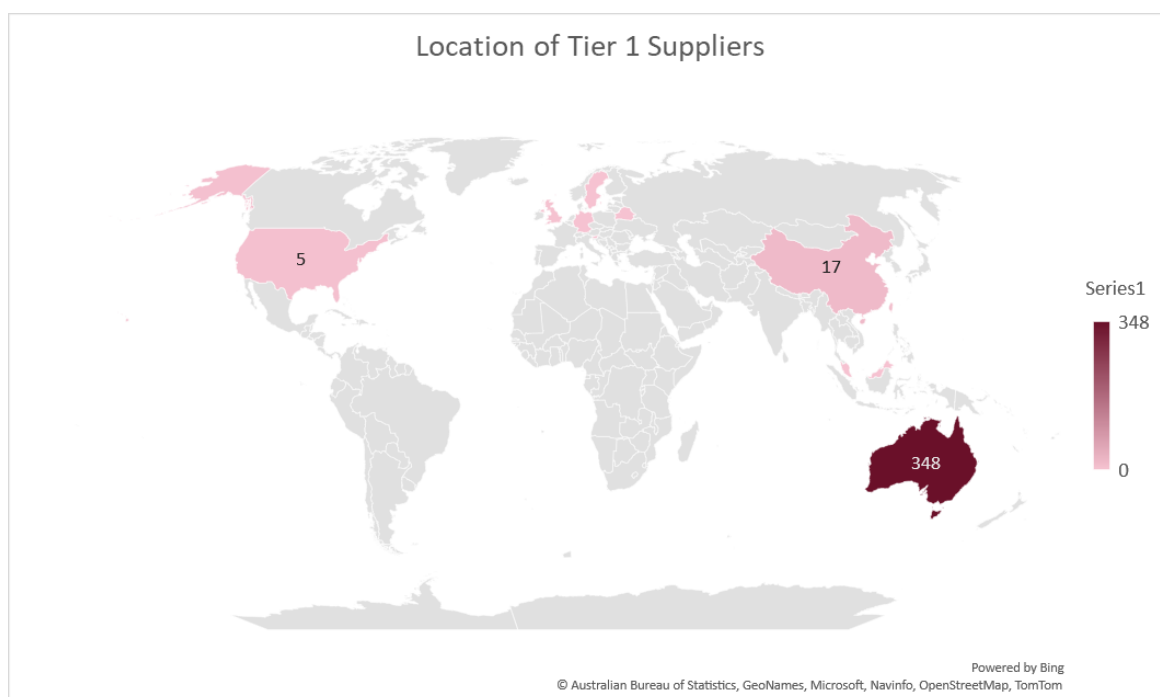
Figure 2: Geographic distribution of tier-1 product supplier

Our products predominately originate from a group of key strategic suppliers which include manufacturers, factories, and distributors from around the world. These tier-1 product suppliers are mostly in Taiwan and Hong Kong, but also include 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
Belarus	-	1	-
China	1	7	-
Germany	-	1	-
Hong Kong	4	1	1
Singapore	1	-	-
Slovenia	1	-	-
Taiwan	7	1	-
United Kingdom	2	-	-
United States	4	-	1

To improve transparency across our supply chain, 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 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 industry, especially for products with complex supply chains that include rare earth materials, some of which are sourced from high-risk geographies. PLE Computers is exposed to some of this upstream risk by retailing a wide selection of electronic products and accessories. This risk predominates beyond our tier-1 (direct) suppliers and is concentrated further upstream at several points along the electronics supply chain, namely at raw material mining, material processing, and componentry manufacturer and assembly.

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 2022 due for release in the first quarter of 2023.

Not all our slavery exposure risk is offshore. PLE Computers, like all Australian organisations, also have a small amount of risk in our onshore operations. This is mostly concentrated in transportation, subcontracted, outsourced cleaning, and branded clothing, to name a few examples. These operational risks are mitigated by several factors, including our policy suite, our strong company culture, and our focus on the eight core values which emphasise respect and inclusiveness for all staff. We have also fostered long, trusting, and transparent relationships with our staff.

To further understand PLE Computers' inherent risks within our supply chain, we conducted a detailed supplier risk assessment. This assessed all 396 of our tier-1 suppliers in financial-year 2021 by three main

factors: geographic risk, industry/sector risk, and relevant risk proxies for the Australian context (e.g. estimated size of the tier-2 supply chain). The methodology of our supply chain slavery risk assessment was developed by Ndevr Human Rights, a third-party human rights advisory that specialises in counter-slavery support and supply chain slavery risk measurement. Through this process, we identified 29 suppliers as higher risk based on the assessment results and will give these greater focus next year and beyond.

The supply chain assessment gave greater analytical visibility over our supply chain. We found that some 88 percent (348 suppliers) of our tier-1 vendors are registered in Australia, which has a relatively low geographic risk rating for modern slavery (1.73/10). This risk rating is based upon Ndevr Human Rights methodology that aggregates six global indices and datasets, including the Global Slavery Index, US Trafficking in Victims Protection Act reports, ITUC Global Rights Index, among others. Of our remaining 48 suppliers outside of Australia, we found that ~46 percent are in relatively low-risk countries (less than 4/10), while just over half are in higher risk countries (over 4/10). This breakdown is shown in table 2 below.

Table 2 – identified risk by geographic location		
Country	No. of suppliers	Risk (0-10)
Australia	348	1.73
China	17	7.89
Taiwan	10	2.22
Hong Kong	7	4.33
United States	5	2.77
Singapore	2	3.18
United Kingdom	2	2.27
Germany	1	2.06
Malaysia	1	5.68
Slovenia	1	2.5
Sweden	1	1.14

Most of PLE Computers' tier-1 supply chain is based in relatively low-risk countries. However, we anticipate our second tier and beyond will hold an increasingly higher degree of risk. For this reason, we aim to increase our visibility further down the supply chain towards source over time.

Considering 88 percent of our suppliers are in Australia, it was important for the supply chain assessment to go beyond a geographic assessment to also evaluate the industry and sector risk of our suppliers. The largest industry risk grouping we identified includes 150 suppliers providing commercial and professional services across our operations. The second largest risk grouping provides technology hardware and equipment. We also identified several other smaller industry groupings worth noting, including transportation, telecommunication services, and others, as depicted in Table 3 below.

Table 3 – identified risk by industry grouping

Industry grouping	No. of suppliers
Commercial & Professional Services	150
Technology Hardware & Equipment	125
Media & Entertainment	30
Consumer Services	19
Transportation	19
Capital Goods	11
Telecommunication Services	8
Software & Services	6
Utilities	6
Materials	5
Health Care Equipment & Services	4
Retailing	4
Consumer Durables & Apparel	3
Banks	2
Automobiles & Components	1
Diversified Financials	1
Insurance	1
Real Estate	1

We will use these industry and sector risk results to guide the future engagement process and mitigation steps. PLE Computers is finalising a supplier assessment questionnaire (SAQ) which can be rolled out to a subset of our high-risk and strategic suppliers to increase our understanding of their risk profiles and mitigation measures.

PLE Computers understands that global crises, including COVID-19, exacerbate pre-existing pressures on suppliers and manufacturers to rapidly adapt, produce more, or deliver faster. This can increase vulnerabilities that trap people in conditions of modern slavery and labour exploitation. While our suppliers have largely adapted and increased their resilience, we acknowledge that the pandemic is not finished and that additional COVID-19-related risks will remain for us and in our supply chains for some time to come.

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 have taken steps to further embed modern slavery within our governance and procedures. This included setting the issue as an agenda item for briefing to the entire Board before the end of every reporting year, with an update on actions taken to date and priorities for the next year. We have now also established an internal Modern Slavery Working Group. The Working Group meets bi-monthly and is staffed by our General Manager and our newly appointed

Compliance Manager, who is responsible for driving our counter-slavery response. Our commitment and counter-slavery actions will continue to 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 4: 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 Anti-Bullying & Anti-Harassment Policy	Promotes a work environment that is safe and enjoyable for all by outlining inappropriate behavior that may be considered bullying or 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.
Modern Slavery Policy	Promotes eight core values that support our stance on the issue and lays out our response plan. These core values include: 1. No forced or bonded labour 2. No unlawful or dangerous child labour 3. Health and safety 4. Wages and benefits 5. Lawful working hours 6. Freedom of association and collective bargaining 7. No discrimination 8. No harassment.
Whistleblower Policy	Ensures any concerns raised regarding any misconduct or an improper state of affairs or circumstances in relation to PLE Computer's business are dealt with effectively, securely, and appropriately.
Grievance Handling Policy	Establishes and ensures awareness of reporting channels that would allow employees to report and escalate concerns, including issues related to discrimination and anything our team members believe to be unjust or unfair.

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. At present, our staff bring up any concerns to managers in monthly meetings; managers then escalate concerns to the appropriate

senior management. Over time, we see the importance of expanding access to our grievance mechanisms beyond our direct employees. Using the Complaints Handling Policy as a foundation, we intend to improve our complaints and grievances systems by expanding accessibility to stakeholders such as suppliers and their workers. This will likely need to be done in phases and we hope the supply chain risk assessment and subsequent supplier engagement process will reveal meaningful ways to improve and expand our grievance systems.

Throughout this reporting period, PLE Computers strengthened our employee engagement and learning with company policy suites at all levels throughout the company. We have, specifically, expanded our integration of Waybook software throughout our onboarding and induction processes to ensure an effective introduction of new team members to our company, culture, and commitments.

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.

PLE Computers undertook a detailed modern slavery supply chain risk assessment to determine where our exposure predominates which will guide future supplier engagement. We will target our engagement efforts on areas of our supply chain with the most risk and where we have the most influence through spend or strategic partnerships. Risk-based engagement methods will include issuing targeted questionnaires to increase transparency. From the results of these questionnaires, we can determine what future engagements may be beneficial or required.

PLE Computers views supplier engagement and management as a collaborative process and we will strive to engage our suppliers as partners to help increase transparency and mitigate potential slavery risks within our supply chain or reduce the vulnerability of workers therein.

Training

PLE Computers is developing modern slavery training and is working towards rolling it out to current and future staff as part of our induction processes in early 2023. 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 we recognise those functions as essential in our counter-slavery response.

Collaboration and Engagement

PLE Computers acknowledges the importance of collaboration in combatting modern slavery. This is an area in which we are keen to make progress over the next reporting cycle. PLE Computers has several strategic suppliers that account for a large portion of our revenue, with whom we already collaborate. This collaboration involves consistent weekly communication and engagement. PLE Computers will seek to deepen discussion on counter-slavery actions and progression against modern slavery targets with those suppliers, and others we have identified through our supply chain risk assessment.

We continue our commitment to managing the impacts of COVID-19 with our suppliers, as well as their suppliers, particularly in relation to the products that we purchase from them. We continuously strive to learn more about these vulnerabilities including through our supplier assessment questionnaires.

At PLE Computers we have a strong track record of supporting charities. During FY21-22 we supported organisations such as the Australian Red Cross, and Salvation Army. We are aware that one of the ways in which we can contribute towards progress in combating slavery is by supporting organisations dedicated to protecting vulnerable people and campaigning governments for effective protections. We will investigate the opportunity to support such organisations either domestically, or in overseas locations where our suppliers are based.
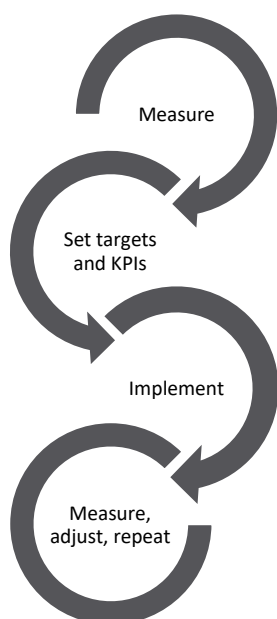
Assessing Effectiveness of Our Actions

Figure 3: 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.

We set out below the targets we set for our organisation in our first statement for FY21-22 and how we performed against those targets. Our targets for the FY22-23 reporting year and longer-term aspirations are also set out below. PLE will continue to report on our progress and effectiveness in future statements.

Modern Slavery Roadmap: Targets & Progression

PLE Computers is committed to progressing our counter-slavery response. This section outlines our progress on FY21-22 targets, our identifies FY22-23 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 5: PLE Computers' FY21-22 counter-modern slavery targets progress

Target	Action	Deadline	Status
Supply chain transparency	Creation of an internal centralised supplier database Mapping tier-1 supply chain	FY21-22	Complete
Supply chain risk assessment	Assess tier-1 suppliers for modern slavery risk	FY21-22	Complete
Supplier engagement	Sending supplier questionnaires on modern slavery Collecting more specific supplier data at onboarding	FY22-23	To be completed in FY22-23
Supplier Code of Conduct	Supplier alignment with Code of Conduct	FY22-23	To be completed in FY22-23
Industry	Participation in modern slavery or human rights-related	Ongoing	Ongoing

engagement	industry initiatives		
Slavery risk management	Adoption of modern slavery policy	**FY20-21**	Complete
Staff training	Training developed and implemented in induction processes	**FY21-22**	To be completed in FY22-23
	Specialised functional training	**FY22-23**	To be completed in FY22-23
Policy review and update	Adoption of grievance mechanism, whistleblower policy,	**FY20-21**	Complete
Formalise Board oversight	Annual agenda item for Board of Directors meetings	**FY20-21**	Ongoing
Modern slavery working group	Formal establishment of internal working group on modern slavery	**FY20-21**	Complete
COVID-19 impacts	Reviewing the impact of COVID-19 on suppliers	**Ongoing**	Ongoing
Review of effectiveness of actions	Annual tracking of KPIs to measure the effectiveness of counter-modern slavery action	**Ongoing**	Complete

Table 6: PLE Computers' current counter-modern slavery targets, actions and commitments

Target	Action	Commitment	Deadline
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.	**FY22-23**
Supplier Code of Conduct and other Policies	Supplier alignment with Code of Conduct and Contracts	We will begin onboarding suppliers to our Code of Conduct and updating Contract terms.	**FY22-23**
	Grievance, Complaints and Remediation	We will seek to broaden our accessibility for complaints by our customers, and suppliers' workers and ensure our policies expressly stipulate human rights and modern slavery as types of grievances covered by our Policies	**FY22-23 and beyond**
Industry engagement and collaboration	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.	**Ongoing**

Target	Action	Commitment	Deadline
	Support for NFP organisations working on protecting vulnerable persons	PLE will investigate opportunities to support NFP organisations focused on counter-slavery work.	**FY22-23**
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.	**FY22-23** **FY22-23**
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.	**Ongoing**

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.
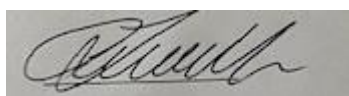
Consultation

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

Approval and Signature

This statement was approved by the Board of Directors of PLE Computers in their capacity as the principal governing body of the reporting entity on 22 December 2022.

This statement is signed by Peter Lingley in his role as the Managing Director of PLE Computers.

Peter Lingley

Managing Director of PLE Computers

28 December 2022

Annexure: Mandatory criteria

The mandatory reporting criteria in the Modern Slavery Act are addressed in our Modern Slavery Statement as indicated in the table below.

Mandatory criteria	Page number(s)
a) Identity of the reporting entity	2
b) Description of entity structure, operations and supply chain	2
c) Description of risks of modern slavery practices in the operations and supply chain of the reporting entity	3 - 5
d) Description of actions taken to assess and address these risks, including due diligence and remediation processes	5 - 8
e) Description of how the reporting entity assesses the effectiveness of these actions	9 - 11
f) Description of the process of consultation on the development of the statement with owned or controlled entities	Do not own or control any other entities
g) Any other information the reporting entity considers relevant	Not relevant