

# IVE Modern Slavery Statement

IVE Group Limited  
(ABN:62 606 252 644)



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## 1 INTRODUCTION

This Modern Slavery Statement is prepared by IVE Group Limited and its controlled entities (together “IVE”) for the financial year ended June 30 2022.

As a leading holistic marketing company, IVE recognises the importance of ensuring that we engage in business practices that identify and operate in a manner that will minimise the risk of forced labour, servitude or human trafficking activity (Modern Slavery).

The Australian Modern Slavery Act 2018 requires that IVE;

- identify risks of modern slavery practices within its operations and supply chains;
- implement controls to assess and address these risks;
- create business awareness through training and education forums;
- review and manage all supply chain governance and on boarding procedures;
- report and submit a publicly available Modern Slavery statement in accordance with the Modern Slavery Act 2018.

This report aims to outline actions in the previous financial year on how IVE has identified and minimised the risk of Modern Slavery in its supply chain.

Like many businesses, COVID-19 presented significant challenges for IVE between 2020 to present. The COVID-19 situation, especially in Australia, introduced increased challenges for IVEs efforts to assess and address the risks of modern slavery and to further advance risk controls. For example, COVID-related restrictions prevented many on-site, in-person, training initiatives and impacted the ability to further resolve the general scoping and consultation process within the supply chain.

Despite COVID-19 challenges however, ensuring sound supply chain business practices will continue to be a focus and IVE understands that this commitment is important to our employees, our clients, our investors and to the industry we operate in.

## 2 REPORTING ENTITY AND CONSULTATION

IVE Group Limited (ASX: IGL) is a publicly listed company incorporated in Australia with headquarters based in Sydney, Australia. With over 2,000 employees in NSW, VIC, ACT, WA, SA, QLD, New Zealand and Guangzhou (China), IVE has grown to be one of Australia’s largest holistic marketing companies with operations across Australia and New Zealand as well as an offshore sourcing supply chain through a wholly owned entity in Guangzhou, China.

### Entity Structure

Since listing in 2015, IVE has grown both organically and through acquisition. At June 30, 2022 the wider IVE Group consisted of the following controlled entities (a mixture of both operating and non-operating entities) - Caxton Print Group Holdings, Caxton Print Group Pty Ltd, IVE Group Australia Pty Ltd, IVE Group Victoria Pty Limited, IVE Employment (Australia) Pty Limited, IVE Employment (Victoria) Pty Limited, Pareto Fundraising Pty Limited, Task 2 Pty Limited, James Bennett & Associates Pty Limited, SEMA Holdings Pty Ltd, SEMA Operations Pty Ltd, SEMA Infrastructure Pty Ltd, John W. Gage & Co. Pty Limited, IVE Distribution Pty Ltd, Lasoo Pty Ltd, Reach Media New Zealand Limited, IVE Group Asia Limited, Guangzhou IVE Trading Limited, AFI Branding Solutions Pty Ltd.

All entities are incorporated in Australia except for: IVE Group Asia Limited (incorporated in Hong Kong, China), Guangzhou IVE Trading Company Limited (incorporated in China), and Reach Media New Zealand Limited (incorporated in New Zealand).

In this statement a reference to IVE, IVE Group, we or our, is a reference to IVE Group Limited and its controlled entities.

IVE's vision and purpose is to maintain and grow a highly respected, strong and sustainable business for all key stakeholders –staff, clients and shareholders. Core to this is ensuring a value proposition that maintains its relevance to our clients' ever evolving communications needs. IVE unlocks value for our stakeholders through the powerful combination of our brand values that are the guiding principles of our behaviour – core to this is our 'one company philosophy'. Accordingly, as our operating entities largely, use the same policies and processes, operate in the same or similar sectors and share many of the same suppliers, this Modern Slavery Statement provides a single, consolidated description of their actions to assess and address modern slavery risk.

### **Consultation**

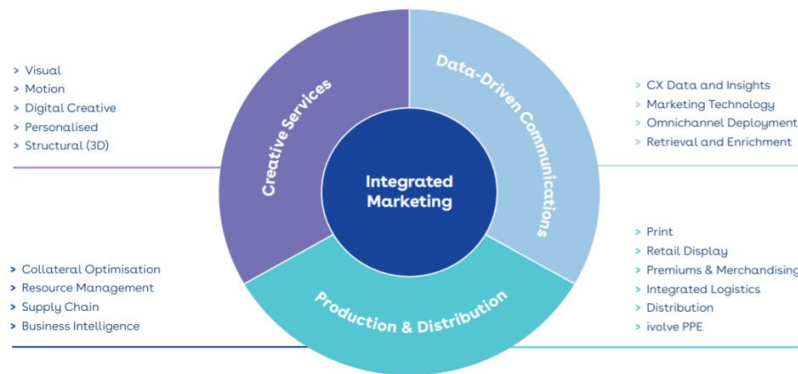
IVE notes that the Board of Directors ("Board") is responsible for the overall corporate governance of IVE Group Limited, including adopting appropriate policies and procedure, monitoring the operational and financial position and performance of IVE, and overseeing its business strategy, including approving the strategic goals of IVE. The Board is committed to ensuring that IVE, its Directors, officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board and the Boards Audit, Risk and Compliance Committee ("ARC") has created a framework for managing IVE, including adopting relevant internal controls, risk management processes and corporate governance policies and practices, which it believes are appropriate for IVE's business and that are designed to promote the responsible management and conduct of IVE. There is strong consultation between the Board, ARC and IVE senior management, as well as a group focus on matters such a procurement, supplier on-boarding, health and safety, HR and risk management. Senior management within IVE have been delegated responsibility for implementing appropriate modern slavery risk management governance encompassing risk due diligence, action, implementation and effectiveness measurement and will report back to the Audit, Risk and Compliance committee and board of directors as required.

Further information on IVE Group Limited can be found at [www.ivegroup.com.au](http://www.ivegroup.com.au) including the latest financial results, news and announcements and policy statements.

## **3 INTEGRATED SERVICE OFFERING AND SUPPLY CHAIN RISK**

### **About IVE**

Founded in 1921, IVE is Australia's leading holistic marketing company. Specialising in creative, data-driven communications, integrated marketing, production & distribution, and creative services, IVE brings together the capabilities, specialists and technology needed to make customer connection seamless. With over 2,800 customers and 2,000 employees IVE's primary service offering is summarised as follows –



## IVE Care

Core to IVEs business is IVE's driving principle IVE Care. IVE Care focuses on ensuring and improving two key areas: the quality and security of our products and services for our clients and the wellbeing, safety, diversity and inclusion of our people. We seek to ensure this through -

- **Security and certification** - IVE is fully accredited and certified across the areas of quality assurance, environmental management, data security and ethical sourcing
- **Quality assurance** - ISO 9001 certified
- **Environmental Management** - ISO 14001 environmental certification, program for endorsement of forest certification (PEFC) chain of custody certification, Forest Stewardship Council (FSC) chain of custody certification.
- **Information Security Management** - ISO 27001
- **Ethical Sourcing** - fully accredited and certified by SEDEX

## Supply Chain Risk

Within the above integrated service offering divisions, IVE provides its clients with a vast array of services including - manufacturing, sourcing (including importing), storage and distribution, 3PL, letterbox delivery, digital catalogues, permanent and temporary display material, promotional items, mailing services (direct and essential), digital mailing, SMS and EDM communications. Accordingly, the supply chain is vast and varied covering a wide range of activities, materials and products.

During 2022, IVE undertook a materiality assessment with a third-party independent consultant to define IVEs material ESG issues and inform the development of a robust and transparent sustainability framework. Included, as part of this project was a detailed examination of IVEs supply chain data to identify the presence of modern slavery risk in IVEs supply chain.

The review utilised IVEs procurement data together with Life Cycle Assessment methodology, data from global sources and a literature review to identify likelihood of modern slavery risk and to provide each spend category with a low, medium, high or very high rating of risk likelihood. The project also included a social risk hotspot analysis whereby supply chain data was examined to create a Modern Slavery risk heat map providing a key step to understanding risk areas and allowing a targeted and strategic approach for implementing risk minimisation actions and prioritised supplier engagement.

In summary IVE has 109 procurement categories and approximately 2820 suppliers in the supply chain. The largest corporate spend is in paper, distribution walkers, transport, freight and logistics.

### IVE Spend Categories

Paper	Promotional Consultants & Sourcing	Aluminium Supplier	Printing apparel	BBQ supplier
Walkers	Plastics (bags)	IT / Hardware	Plastic consumables	Plastics supplier
Transport / Freight / Logistics	Contract Labour	Security	Storage facilities	Pest Control
Outwork Commercial Printing & related Print services	IT Infrastructure	Awards - Promo Merch	Plastics material Supplier	industry association
Rent	Repairs & Maintenance provider	Insurance	White goods suppliers	Office Cleaning
Postage	Decorator	Paper Rolls and tickets	IT / Managed Service	Creative
Ink & Consumables	Cleaning & General Maintenance	Metal Fabrication (Perm Display)	Customs Broker	Shelving for Permanent Displays
Consumables / Parts / Maintenance	Security products	IT / Digital Content and Data Asset Management	Travel Agent	Catering
Packaging / Carton	Raw material for display	Electrician	Aluminium window	Fuel Supply
IT / Software	Forklift Rental / Servicing	Die making (cutting formes)	Confectionary Suppliers	Car rental
Electricity / GAS	Designers / Creative / Agency	Advertising & Marketing Agency	Office Stationery	Fullfilment Services
Promotional Merchandise	Raw Material for AFI Bus Unit (fabric)	Plastic Card supplier	Disability agency	Plumbers
Labour hire	Utilities	Plant & Equipment (Maintenance)	Flag Supplier	Motor Vehicle Fuel Card
Plant & Equipment (Capex)	Waste removal	Production supplies - Plastic	Signage	Fire safety
Envelopes	Recruitment	Warehouse Shelving / Racking	Stationery office supplies	First Aid Training
Plates (aluminium)	Office Supplies / Stationery	Labour Hire - Intellectual Disability providers	Shop Fittings	Fire monitoring
Consultants	Recycling	Plastic Fabrication (Perm Display)	General Hardware	Water
Finance leases	Labels Supplier	Proofing machine service & toner	Material / Fabrics supplier	Locksmith
Apparel / Textiles / Uniforms	Gift Cards	Forklift Gas	Outsource Labour -/ Installer	First Aid Suppliers
Pallets	Legal Services	Contractor	Spillkits	Equipment hire
Maintenance Contract & Parts	Cartons / packaging	Associations	Government	Bank
Installers	PPE - Supplier	Vinyl	Mailhouse Services/Postage/DM IT Services	

This examination of the data provided for a systematic identification of latent risk of modern slavery in IVEs supply chain and categorisation into Very High Risk, High Risk, Medium and Low Risk categories.

The supply risk areas identified in the heat map as having potential / latent risk for IVE to cause, contribute to, or be directly linked to modern slavery through its operations and supply were identified in accordance with the following:

**Very high risk** - The risk in some of these categories is driven from the overseas supply chains and the extraction of raw materials of fibre-based products, such as paper and packaging, and the extraction of raw materials and manufacturing of promotional merchandise (mainly plastics and textiles). Textiles are also a risk driver for uniforms and PPE, as well as material/ fabric supply. The extraction and manufacturing of chemicals drive the risk for categories such as die making and plastics. The very high risk in spend categories such as plant and equipment, outwork commercial printing & related print services, IT/Software, proofing machine service & toner is due to the raw materials extraction and manufacturing of electronic equipment and machinery. Materials used for display such as plastic, and metals have a risk due to both extraction of raw materials as well as manufacturing. When services are low skilled and/or offshore, these can carry a very high risk.

**High risk** - The risk in these categories is also driven from the overseas supply chains, in the extraction of raw materials of fibre-based products. Similar to very high risk, the high risk in ink and consumables is driven by the extraction and manufacturing of chemical products, and the risk in plant and equipment,

maintenance contract & parts, repairs & maintenance provider and white goods suppliers, by electronic equipment and machinery. Domestic low skilled labour refers to labour occurring in Australia. This may arise through contracted services and the use of labour hire. Low skilled labour has a higher likelihood of using irregular or migrant workers that are particularly vulnerable to exploitation and abuses in the workplace. Example of this is walkers, transport / freight / logistics, rent and storage facilities (including services), cleaning and general maintenance, office cleaning, security and catering. Some services, such as IT services, promotional consultants, and travel agency may be offshored. Offshore workers may be located in areas where the national laws to protect them are inadequate or poorly enforced.

**Medium** - The risk in the aluminium plate supply category is driven by the extraction and manufacturing of aluminium products. Similarly the risk office stationery, office supplies; and flag suppliers, respectively is driven by plastic products and textiles. Fibre-based products remain one of the main drivers of risk for medium risk categories such as envelopes, and pallets. The extraction of raw materials and the manufacturing of plastics and metals drive the risk for electrical spend. The risk in forklift, equipment hire, general hardware, consumables / parts / maintenance and IT infrastructure is driven by the manufacturing of electronic equipment and machinery, and the raw extraction of the materials required in their production.

**Low high risk** - The low risk is mainly driven by professional services and skilled labour services, as well as utilities, insurance and fuel.

As a result of the data analysis IVE has been able to identify the categories of supply as being the focus areas for Modern Slavery risk assessment and the focus of IVE's supplier engagement processes as follows -

- (a) **Raw materials production and supply** — paper products used in the print production process both onshore and offshore (web and sheet fed paper, labels, cardboard, envelopes), packaging products, used in storage and distribution, ink products, solvents, machinery and equipment used in manufacturing, storage and distribution.
- (b) **Labour** – outsourced supply of casual / temporary labour hire as required, recruitment and engagement of independent contractors and the walker network.
- (c) **Transport / Freight and logistics** - outsourced supply of casual / temporary labour hire as required, recruitment and engagement of independent contractors.
- (d) **Offshore services and products procurement** – offshore supply chain for print and machinery related products, offshore supply chain for premiums and merchandise, personal protective equipment (PPE) and permanent retail display products manufactured and imported by IVE.
- (e) **Services procurement for business operations** – supply of services - electricity, gas, cleaning, security, freight, post, telecommunications, IT /software, hardware.
- (f) **Onshore services and products procurement** - local supply of print and machinery related products, finished goods, services supplies and business services.

#### 4 ACTIONS TAKEN TO ADDRESS RISK OF MODERN SLAVERY

This statement describes the actions that have been taken by IVE during FY2021/22 address the risk of Modern Slavery occurring within IVE's business. We believe in identifying and supporting suppliers that share our commitment to the prevention of Modern Slavery within our business and supply chain and have implemented a number of baseline requirements to be met before suppliers are able to participate in our supply chain.

During the reporting period IVE has continued to apply the following actions to address risk of modern slavery -

- (a) **Supplier Code of Conduct** - All suppliers must agree compliance with IVEs Code of Conduct (amongst other things):
  - the principles of the United Nations Global Compact (“UNGC”);
  - the UN Universal Declaration of Human Rights
  - the 1998 International Labour Organization Declaration on Fundamental Principles and Rights at Work.
- (b) **Standardised Supplier terms of trade** - All existing suppliers must agree basic obligations and warranties including compliance with law, compliance with the Modern Slavery Act, compliance with the IVE Code of Conduct and the ability for IVE to audit its supply chain for such compliance. The risk heat map allows for a targeted approach to the roll out of supplier terms with a focus on the very high risk category first.
- (c) **SEDEX (Supplier Ethical Data Exchange)** active membership and participation in SEDEX, which allows IVE to collect data, audit, assess and remove risk relating to labour standards, health and safety, environmental impact and business ethics in IVE’s offshore services and products supply chain.
- (d) **Whistle-blower Policy** encourages employees and external stakeholders including Suppliers to report or raise issues of legitimate concern, including any unacceptable behaviours, unacceptable business practices, without fear of victimisation, detriment or other retribution. This includes any potential or actual modern slavery related concerns or breaches of the Code of Supplier Conduct.
- (e) **Standardised Supplier on boarding process for new suppliers** – continued development and rollout of the formal Supplier On-boarding, Monitoring and Evaluation Procedure focusing on the areas identified in the risk heat map. This is under review and approval by senior management. The procedure will ensure that 3rd Party vendors and suppliers are formally approved, on boarded and annually re-evaluated based on their risk profile and in a standardised, targeted manner. It covers selection, evaluation, approval, monitoring of performance, and re-evaluation of risk.
- (f) **Supplier engagement information pack** - Development of a supplier engagement information pack to clearly communicate IVE’s approach to supplier engagement, policies, procedures, reporting and auditing.
- (g) **Supplier Desktop Assessment** – The monitoring procedure requires suppliers to participate in an annual supplier desktop assessment. This will aim to ensure a better understanding of IVEs supplier risk profile and to ensure that IVEs suppliers better understand and are able to identify their supply chain for modern slavery risk. For the offshore premiums and merchandising supply chain IVE engages third party auditors to carry out supply chain monitoring and compliance audits.
- (h) **Risk register** – Incorporated Modern Slavery in the IVE risk register to ensure visibility at board level. IVE has no appetite to risk associated with non-compliant and fraudulent suppliers and has developed the above controls to ensure suppliers are measured by ongoing monitoring and assessment.
- (i) **Human Resources** - IVE’s Human Resources and payroll teams have standardised policies and procedures in place that support our day-to-day operations to ensure all staff and labour hire services meet legal requirements and IVE’s core values. This includes obligations on labour suppliers to confirm Fit to Work and Right to Work checks as part of employee and contractor on-boarding, agreement with standard IVE supplier terms, confirmation of award compliance and standardised policies and procedures.



- (j) **Training** - Modern Slavery risk and awareness training to be conducted for relevant staff including the Senior Leadership team

FY22/23 will see further development, resourcing of and roll out of the above formal Supplier On-boarding, Monitoring and Evaluation Procedure. This will assist in ensuring that Modern Slavery risk is readily identified and, if identified as present or risk of being present, remediated accordingly.

## 5 GRIEVANCE PROCESS

IVE Employees, Suppliers and their workers and contractors are encouraged to report actual or suspected breaches of the supplier code of conduct or this policy via email to [whistleblower@ivegroup.com.au](mailto:whistleblower@ivegroup.com.au). All reports submitted are treated confidentially. In 2023 IVE will also implement an independently operated hotline accessible by phone, post and online portal that can be used for reporting of grievances and concerns in relation to unethical or illegal behaviour, including modern slavery and human trafficking.

## 6 ASSESSING THE EFFECTIVENESS OF IVE' s ACTIONS

IVE's Board, ARC and senior management recognise that IVE must continue in its efforts identify and implement actions to effectively reduce the risk of modern slavery in the organisation. This includes measuring the effectiveness of IVEs actions. IVE will continue to work with EDGE Consulting to develop further detailed actions to address the risk of modern slavery as well as to develop tools to assist with measuring the effectiveness of IVEs actions.

This statement has been approved by the IVE Group Ltd Board on the 19<sup>th</sup> December 2022.



Matt Aiken  
Chief Executive Officer