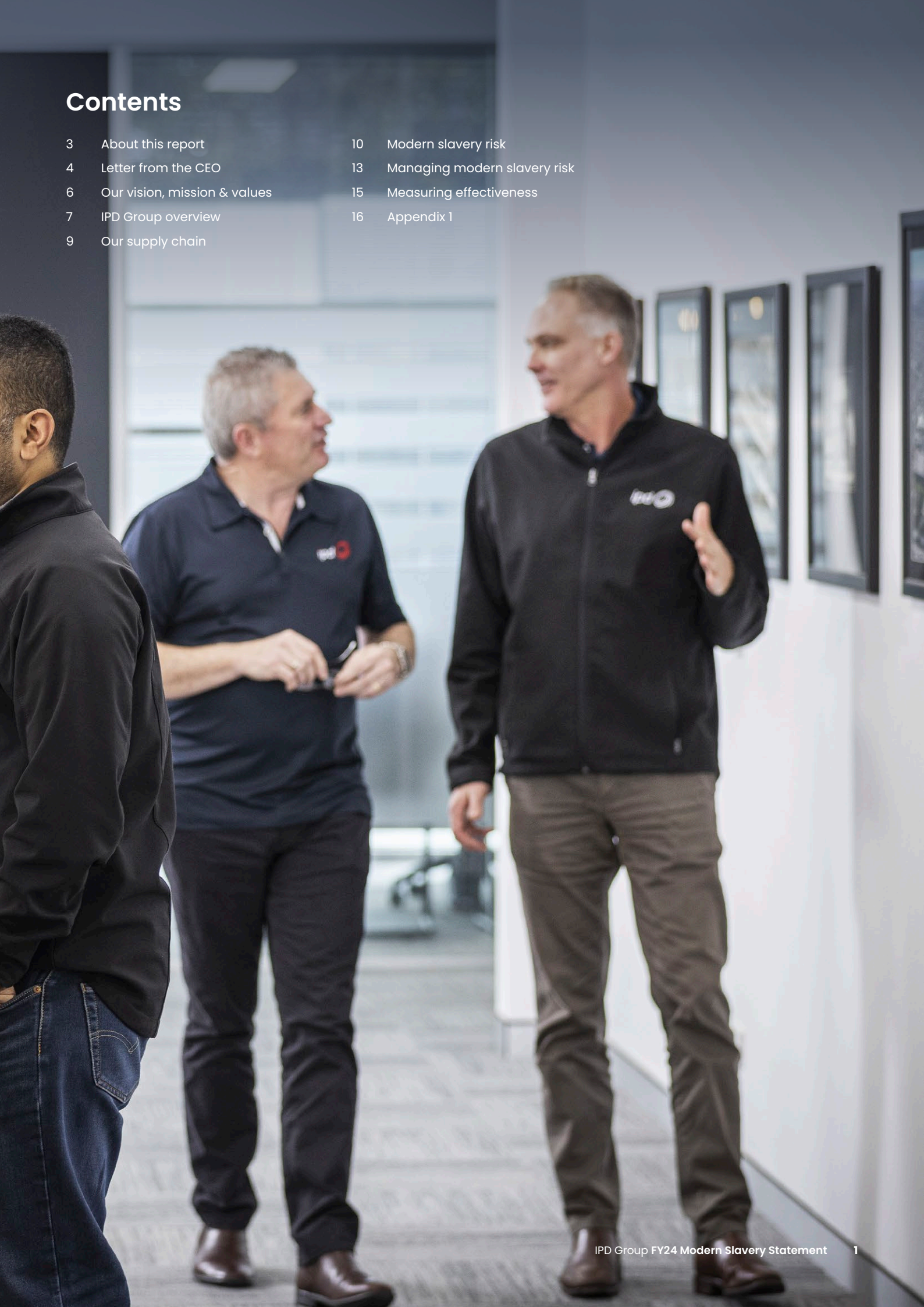






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About this report

This statement, issued by IPD Group Limited in accordance with the Australian Modern Slavery Act 2018, covers the period from 1 July 2023 to 30 June 2024. It outlines the actions taken by IPD Group to identify, assess, mitigate, and address modern slavery risks within their operations and supply chains during the fiscal year ending 30 June 2024. Approved by the IPD Group Limited Board, this statement forms part of our 2024 reporting suite, which also includes our Corporate Governance Statement and Annual Report, and is intended to be read in conjunction with these documents.

Letter from the CEO



At IPD, ethical business practices are at the heart of our operations, including our efforts to address modern slavery. Guided by our core values, we are committed to fostering responsible, long-term partnerships with suppliers. Over time, we have refined our processes to ensure integrity across our supply chain. While we are proud of our progress, we acknowledge that continuous improvement is essential. Moving forward, we will work closely with our partners to promote a safe and fair working environment for everyone involved in our operations and supply network.

A handwritten signature in black ink that reads "M. Sainsbury".

Michael Sainsbury



Ethical practices and safe workplaces are at the heart of everything we do—building a responsible future together.





Our vision, mission & values



Our Vision

To help build a future where sustainable electrical infrastructure creates a better life for all.



Our mission

To enhance every aspect of infrastructure through energy efficiency, automation and secure connectivity while prioritising the safety and wellbeing of people.



People first

We respect every individual, valuing their unique perspectives and contributions.

Courage to evolve

We embrace new opportunities, challenge norms, and evolve together in the pursuit of a sustainable tomorrow.



Earn customers for life

Striving for lifelong customers, one interaction at a time.



Stronger together

With collaboration, we can overcome any challenge together.



Own it

We take responsibility for our actions to drive positive change.



Knowledge is our key

Knowledge is our greatest tool in helping customers thrive and succeed.



IPD Group overview

Our structure

IPD Group is a leading Australian provider of electrical solutions, specialising in power distribution, energy management, motor control, automation, and communications. IPD Group serves as the parent organisation for several subsidiaries, including Addelec, CMI Electrical, Ex Engineering, and IPD.



12 111 178 351

 <p>ABN: 12 111 178 351</p> <p>Power distribution, energy, management and automation product distribution with complimentary custom assembly services.</p>	 <p>ABN: 95 118 144 399</p> <p>Complete electrical engineering services for high and low voltage projects with EV charging infrastructure specialisation.</p>	 <p>ABN: 74 139 629 593</p> <p>Specialists in the supply, modification, repair and design of hazardous area electrical equipment.</p>	 <p>ABN: 87 088 279 270</p> <p>Manufacturer and distribution of electrical cables and specialty plugs.</p>
			

Industry coverage



Utilities	Resources	Infrastructure	Construction	Manufacturing
<ul style="list-style-type: none"> Power and Energy Water Wastewater Renewables 	<ul style="list-style-type: none"> Iron Ore Precious and Rare Earth Metals Gold and Nickel Oil and Gas 	<ul style="list-style-type: none"> Roads Rail Tunnel EV Charging 	<ul style="list-style-type: none"> Data Centres Commercial Buildings Educational Centres Airports Hospital Retail Housing 	<ul style="list-style-type: none"> Food and Beverage Packaging Pharmaceuticals Cement, Plaster and Concrete Petroleum and Chemicals Wood, Timber and Glass Pulp and Paper

IPD Group overview continued

Our customers

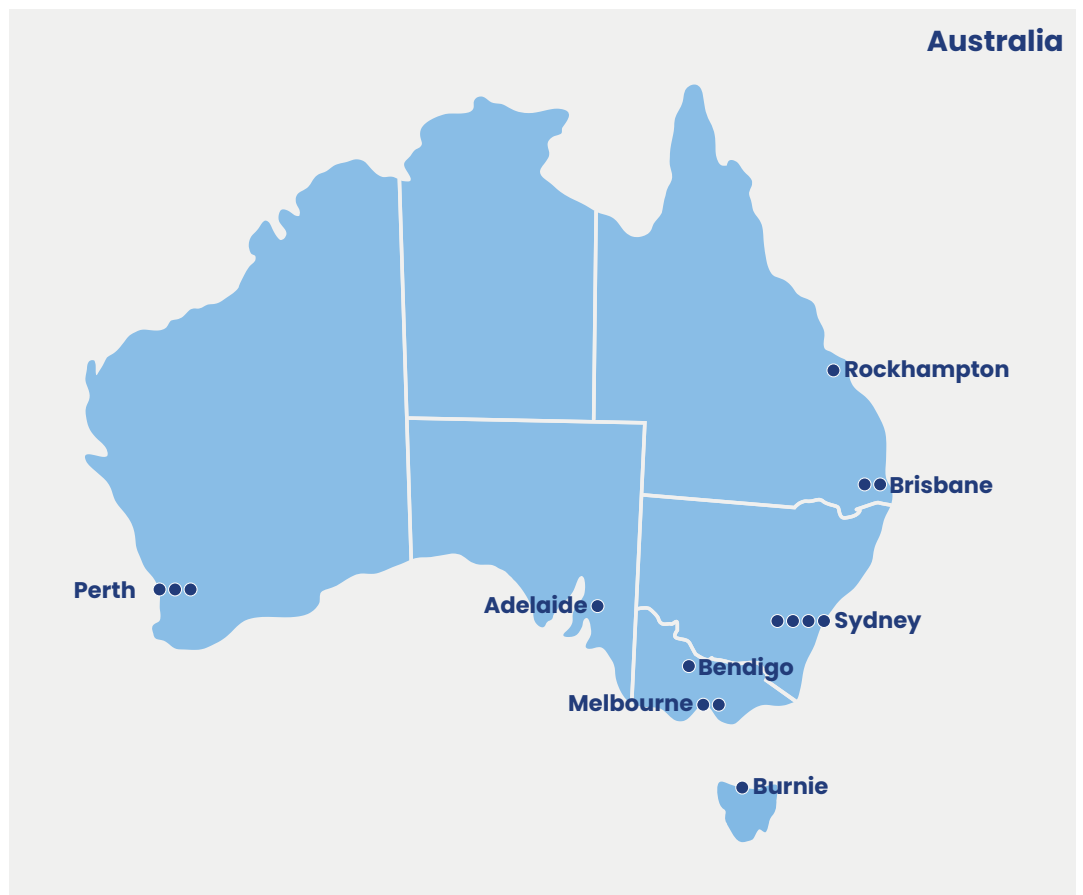
IPD serves a diverse customer base of more than 8,000 accounts, including:

- Switchboard manufacturers
- Electrical contractors
- Equipment manufacturers
- System integrators
- End users
- Electrical wholesalers

Our locations

15 office locations
Australia-wide

plus our support teams in Sri Lanka and the Philippines



Our supply chain

IPD operates within a complex and diverse supply chain. Procurement and supplier approvals are managed by our operations teams, who also oversee sourcing from both local and global markets. While much of our supplier manufacturing occurs internationally, we maintain strong, long-standing partnerships to foster collaboration and address modern slavery risks effectively.

Supply Partners

(Local and International Equipment Manufacturers)

Customers

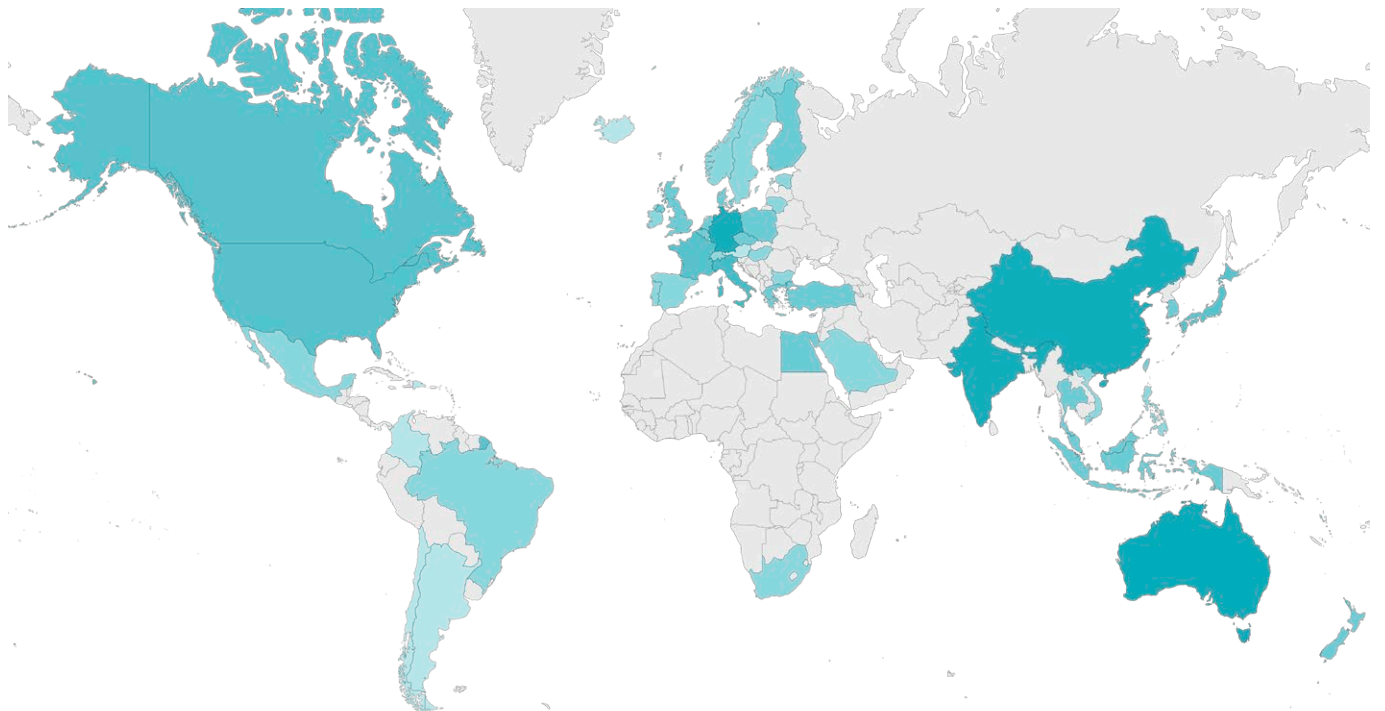
(Switchboard Manufacturers, Electrical Wholesalers, Electrical Contractors, End Users)

End Markets

(Construction, Infrastructure, Data Centres, Healthcare/Hospitals, Mining)

Our suppliers operate in many locations across the world, including:

- Argentina
- Australia
- Austria
- Belgium
- Brazil
- Bulgaria
- Canada
- Chile
- China
- Colombia
- Cyprus
- Czech Republic
- Denmark
- Dominican Republic
- Egypt
- Estonia
- Finland
- France
- Germany
- Greece
- Hong Kong
- Hungary
- Iceland
- India
- Indonesia
- Ireland
- Italy
- Japan
- Liechtenstein
- Lithuania
- Malaysia
- Maldives
- Mexico
- Netherlands
- New Zealand
- Norway
- Philippines
- Poland
- Portugal
- Republic of Korea (South Korea)
- Saudi Arabia
- Singapore
- South Africa
- Spain
- Sweden
- Switzerland
- Taiwan
- Thailand
- Turkey
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Vanuatu
- Vietnam



Modern slavery risk

Modern slavery includes practices such as forced labor, debt bondage, human trafficking, forced marriage, and child labor, affecting over 50 million people globally (ILO). Governments are increasingly prioritising supply chain transparency to combat these issues.

As a global electrical distribution and services company, IPD recognises its exposure to human rights risks. To address these, we have implemented the following measures:

- **Monitoring Regional Risks:** Assess geopolitical and environmental factors that increase risks.
- **Regulatory Compliance:** Stay informed about relevant regulations, such as the US Uyghur Forced Labor Prevention Act, the Australian Modern Slavery Act, and others.
- **Supplier Vetting:** Thoroughly evaluate new suppliers before partnerships.
- **Ongoing Assessments:** Regularly review supplier risks through desktop analyses.
- **Supplier Audits:** Conduct audits to ensure ethical compliance.
- **Analysing Disclosures:** Review suppliers' modern slavery statements and industry reports.
- **Expert Consultation:** Engage consultants for guidance on complex issues.

Through these initiatives, we aim to uphold ethical practices and mitigate risks in our supply chain.

Risks in our supply chain

The map below illustrates our suppliers' countries or regions of operation, overlaid with the trafficking in persons report tiers. The number shown next to each country or region above represents the number of suppliers with operations in that location.

- **Tier 1** Countries and regions whose governments fully meet the Trafficking Victims Protection Act's (TVPA) minimum standards.
- **Tier 2** Countries and regions whose governments do not fully meet the TVPA's minimum standards, but are making significant efforts to meet those standards.
- **Tier 2WL** Countries and regions whose governments do not fully meet the TVPA's minimum standards, and as the (increasing) number of victims is significant without proportional action, and/or no evidence of increased efforts to combat trafficking has been provided.
- **Tier 3** Countries and regions whose governments do not, at the date of this assessment, fully meet the minimum standards and are not yet making significant efforts to do so.

Some products and services in our supply chain inherently carry higher risks due to their reliance on low-skilled labor or operations in regions prone to exploitation. These categories include:

- Electrical components and hardware
- Electronic devices and systems
- Wiring and cabling solutions
- Lighting and power outlet fixtures
- Automation and control systems.

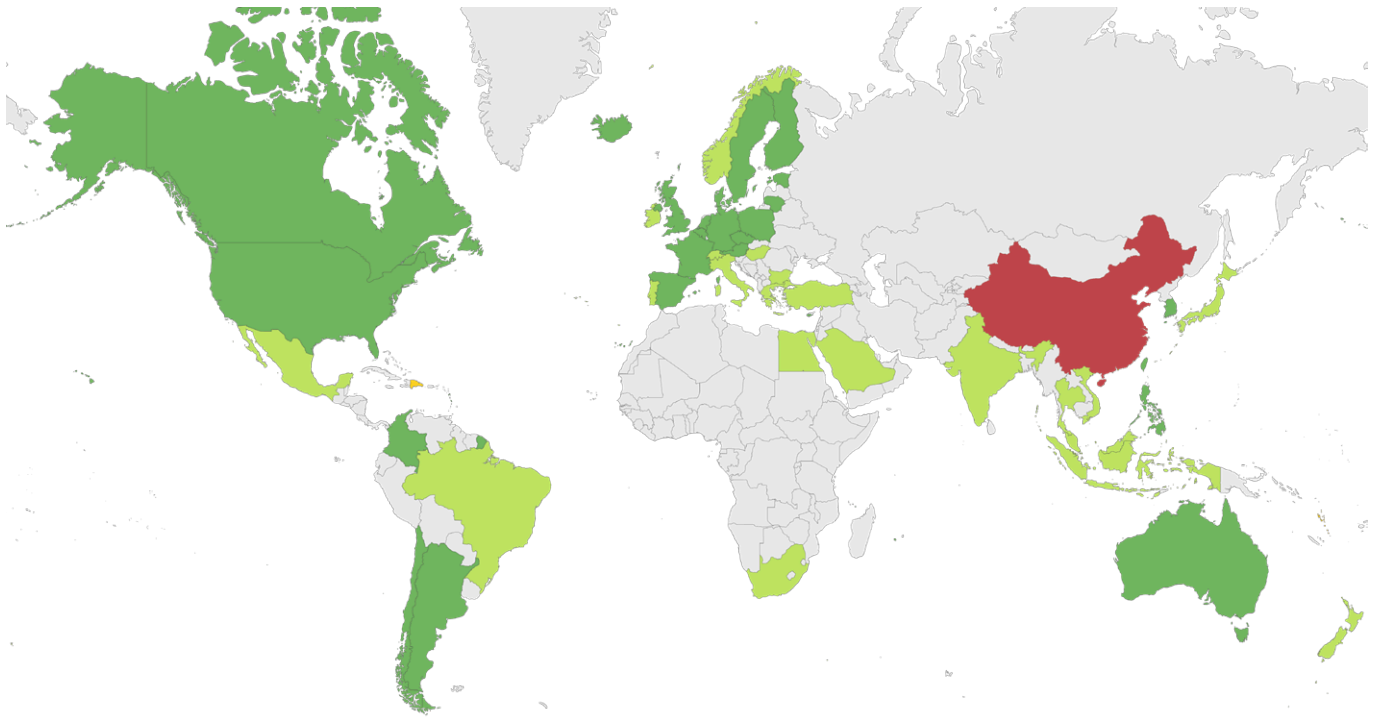
In FY24, 40% of our supply chain was categorised as Tier 1, 46% as Tier 2, 7% as Tier 2 2WL, and 7% as Tier 3. While no incidents or significant risks of modern slavery have been detected in our supply chain, we take our responsibilities seriously

IPD Group is dedicated to building long-term, trustworthy relationships with suppliers who uphold strong ethical and responsible business practices. A review of our supply chain has identified potential risks of modern slavery, particularly in high-risk regions.

To address this, we continuously strengthen our supply chain policies, enhance staff training in risk management, and conduct an annual Supplier Assurance of Ethical Sourcing of Labour audit based on supplier risk profiles.

In September 2020, we introduced a Modern Slavery Policy to educate suppliers, business partners, contractors, consultants, and employees about our commitment to preventing modern slavery in our operations and supply chain.

We expect full compliance with this policy from all employees and supply chain partners. While our direct suppliers primarily handle product assembly and finalisation, we acknowledge a higher risk at the early stages of our supply chain, particularly in raw material extraction and basic manufacturing.



- | | | |
|--------------------|--|--------------------------------|
| ■ Argentina (1) | ■ Australia (9) | ■ Austria (1) |
| ■ Belgium (3) | ■ Brazil (2) | ■ Bulgaria (2) |
| ■ Canada (4) | ■ Chile (1) | ■ China (8) |
| ■ Colombia (1) | ■ Cyprus (1) | ■ Czech Republic (3) |
| ■ Denmark (3) | ■ Dominican Republic (1) | ■ Egypt (3) |
| ■ Estonia (2) | ■ Finland (3) | ■ France (4) |
| ■ Germany (8) | ■ Greece (3) | ■ Hong Kong (2) |
| ■ Hungary (2) | ■ Iceland (1) | ■ India (8) |
| ■ Indonesia (3) | ■ Ireland (2) | ■ Italy (5) |
| ■ Japan (4) | ■ Korea, South (3) | ■ Liechtenstein (1) |
| ■ Lithuania (2) | ■ Malaysia (3) | ■ Maldives (1) |
| ■ Mexico (2) | ■ Netherlands (3) | ■ New Zealand (3) |
| ■ Norway (2) | ■ Philippines (2) | ■ Poland (3) |
| ■ Portugal (2) | ■ Saudi Arabia (2) | ■ Singapore (3) |
| ■ South Africa (2) | ■ Spain (2) | ■ Sweden (2) |
| ■ Switzerland (2) | ■ Taiwan (3) | ■ Thailand (3) |
| ■ Turkey (3) | ■ United Kingdom of Great Britain and Northern Ireland (3) | ■ United States of America (4) |
| ■ Vanuatu (2) | | ■ Vietnam (2) |



While completely eliminating the risk of modern slavery is beyond our capability, our most effective protection comes from fostering long-term, collaborative partnerships with our suppliers.”

Ras Jayawickrama | Executive General Manager of Operations



Risks in our operation

Most of IPD’s workforce is directly employed, ensuring compliance with employment laws. In Australia, employees are covered by Federal Awards, the National Employment Standards, and the Fair Work Act. In Sri Lanka, they are protected under the Shop and Office Employees Act. Contractors in the Philippines undergo strict oversight to mitigate risks.

For strategic acquisitions, we conduct due diligence, including operational reviews and site visits. Integrated entities are aligned with IPD’s ethical standards, reinforcing our commitment to responsible practices.



Managing modern slavery risk

In FY24, IPD identified key focus areas to maximise our impact in reducing modern slavery risks through prevention, risk assessment, measurement, and mitigation.

Prevent

We're committed to minimising modern slavery risk within our business. We empower our team to spot risks, especially before partnering with new suppliers. Plus, we implement strict systems and protocols to prevent modern slavery in our operations.

Our FY24 Modern Slavery Policy guides suppliers, contractors, and employees in understanding their roles in preventing modern slavery. We emphasise risks at the start of our supply chain, such as raw material extraction, and work to ensure compliance through ongoing assessments and supplier engagement.

Assess

IPD utilises the iPRO Modern Slavery Assessment Tool (MSAT) to evaluate risks within our supply chain. All risks identified in the previous section were determined using this tool. During the reporting period, we engaged iPRO to conduct a bulk assessment of our suppliers, and we plan to make this an annual process to maintain a current understanding of our supply chain risks.

Participating suppliers completed an online self-assessment questionnaire. Based on their responses, each supplier was assigned one of the following risk categories:

		Inherent risk		
		Very high	High to Moderate	Low risk
Risk control	Adequate	High-risk (High levels of inherent risk)	Low-risk (Adequate risk control)	Low-risk (Low levels of inherent risk)
	Partial		Medium-risk (Partial risk control)	
	Inadequate		High-risk (Inadequate risk control)	

Suppliers' risk levels were determined by two key scores:

- Inherent Risk Score:** This measures the intrinsic risks within a supplier's operations, production, and sourcing. Factors such as geographic location, industry type, workforce characteristics, and the nature of goods were considered.
- Unmitigated Risk Score:** This assesses the residual risks after accounting for the supplier's policies, processes, and controls designed to address modern slavery.

Aggregated Inherent Risk Score and Aggregated Unmitigated Risk Score—were calculated for the overall supply chain, providing a high-level view of risks and informing our mitigation strategies.

In FY24, 27% of our suppliers were categorised as low risk, 46% as medium risk, and 27% as high risk.

Managing modern slavery risk continued

Mitigate

Our current approach to mitigation centres on raising awareness among suppliers and enhancing our team's capabilities. In FY24, we remained focused on increasing awareness of modern slavery risks and IPD Group's expectations across our supply chain. Key mitigation efforts include:

- Engaging with suppliers to update them on our evolving modern slavery expectations and collecting information on their compliance efforts.
- Developing a rating system for strategic local suppliers to assess their implementation of modern slavery practices.
- Following up with strategic suppliers to discuss proposed actions or responses to identified issues.
- Reviewing actions/responses of strategic suppliers and providing recommendations for implementation in FY24.

As our understanding of modern slavery grows, we'll continuously review our supplier expectations guide to ensure it encourages positive action.

Consultation

IPD Group is committed to collaborating with its subsidiaries and suppliers to enhance standards regarding modern slavery. We expect all current or potential business partners to familiarize themselves with this statement. IPD Group will exclusively engage with compliant organisations or those actively pursuing compliance. Additionally, all subsidiaries of IPD Group are subject to the same control measures, risk assessments, policies, and audits.

Review

The Board of IPD Group will annually review and update this Statement along with its supporting policies and procedures.

Address

Suppliers received tailored action items based on their assessment results. These actions, when implemented, aim to reduce unmitigated risks. Aggregated action items also guide IPD's strategic focus, allowing us to target the most impactful interventions across the supply chain.

To further address risks, we have initiated a supplier follow-up programme that focuses on:

- Ensuring suppliers adopt appropriate policies and procedures.
- Supporting suppliers in mitigating inherent risks.
- Strengthening collaboration to foster long-term improvements.

Measuring effectiveness

We utilise the benchmarking and KPI's in the iPRO Modern Slavery Assessment Tool to assess the effectiveness of our actions. The main KPI's we are using to benchmark our efforts are the risk scores that are generated as part of the assessment process.

Each organisation who completed the assessment questionnaire was assessed and given 2 risk scores.

- Inherent Risk Score
- Unmitigated Risk Score

The Inherent Risk Score measures modern slavery risks that are intrinsic/built-in to the operations of an organisation. This is determined by asking which countries, regions, sectors, and high-risk goods are part of their operations, production, or supply chain.

The Unmitigated Risk Score measures the organisations risk that is still present (remains) after accounting for modern slavery risk controls that have been implemented. This is determined by asking suppliers about the policies, processes, and procedures in place to reduce modern slavery risks.

IPD Group is provided an aggregated risk score of all the assessed suppliers, and we use this aggregated score to measure the risk on an overall supply chain level. We aim to continuously improve on these KPI's.

As we take actions within our organisation, and with our suppliers, we will be able to assess the effectiveness of our modern slavery action plan to reduce the Unmitigated Risk Score by introducing relevant policies and procedures.

We also measure the effectiveness of our engagement with suppliers and will continue to encourage participation in our assessment programme to better identify and mitigate modern slavery risks in our supply chain.

Aggregated Supply Chain Risk Scores		Supplier Assessment Completions	
Inherent Risk Score	65.45 / 100	Completions	22 / 30
Unmitigated Risk Score	35.76 / 100	Completion Rate	73.3%

Focus area	Outcome	FY24 outcomes
Governance	Modern slavery risks are monitored across all levels of the business, with proactive measures taken to address and reduce them.	Standing agenda item at Audit and Risk reviews.
Risk assessment	IPD Group integrates supply chain risks into our business risk management framework. We actively monitor operational and supply chain risks associated with key strategic suppliers.	We consistently review and update our supplier risk framework, which serves as a key tool for assessing potential new suppliers.
Risk prevention	Our team is educated on modern slavery risks and empowered to respond effectively.	Our modern slavery policy is a required part of onboarding for all new employees, ensuring they understand our commitment and their responsibilities in preventing modern slavery across our business and supply chain.
Risk mitigation	We ensure our suppliers are aware of their obligations to identify, address, and report risks related to modern slavery.	All new suppliers introduced during the reporting period are required to comply with updated modern slavery provisions. An independent organisation conducts an annual survey to assess all our suppliers.
Remediation	We provide accessible grievance mechanisms for individuals within our operations and supply chain. Any concerns or suspicions of modern slavery are thoroughly investigated, with appropriate actions taken as necessary.	Grievance mechanisms are established and operational. No reports of modern slavery were received in FY24.

Appendix 1

Policies supporting modern slavery

Policy name	Intention
Code of Conduct	Outlined are our expectations for all employees to perpetuate our culture of upholding the IPD Group values.
Anti-Bribery and Corruption	Outlines our expectation for employees to refrain from and report bribery or corruption in all its forms.
Whistleblower policy	Outlines how we will effectively identify, investigate, and eliminate illegal, unethical, or policy-inconsistent conduct. This policy encourages team members and others to disclose suspected misconduct without fear of reprisal.
Modern Slavery Policy	Our Modern Slavery Policy outlines the responsibilities of suppliers, contractors, and employees in preventing modern slavery, with a focus on supply chain risks like raw material extraction. We ensure compliance through ongoing assessments and supplier engagement.

