



# MODERN SLAVERY STATEMENT 2023

IPD GROUP LIMITED  
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# ABOUT THIS REPORT

This statement, issued by IPD Group Limited in compliance with the Australian Modern Slavery Act 2018, encompasses the period from 1 July 2022 to 30 June 2023. It details the measures undertaken by IPD Group and its subsidiaries to detect, evaluate, mitigate, and address modern slavery risks within their operations and supply chains for the fiscal year ending on 30 June 2023. This document received approval from the IPD Group Limited Board and is part of our comprehensive 2023 reporting suite, which includes our Corporate Governance Statement and Annual Report, and should be read alongside these documents.



## LETTER FROM THE CEO

IPD is committed to ethical business practices, a stance that extends to our approach to combating modern slavery. This commitment is rooted in our fundamental values and the desire to maintain enduring partnerships with our suppliers. Through the years, we have been enhancing and streamlining our procedures to ensure an ethical supply chain. Recognising the achievements thus far, we also acknowledge the need for ongoing efforts and improvement. Looking ahead, we pledge to work in close cooperation with our partners, aiming to secure a safe working environment for all individuals associated with our direct operations and wider network.



Michael Sainsbury



**“We remain committed to collaborating with our partners to minimise the risk of modern slavery.”**

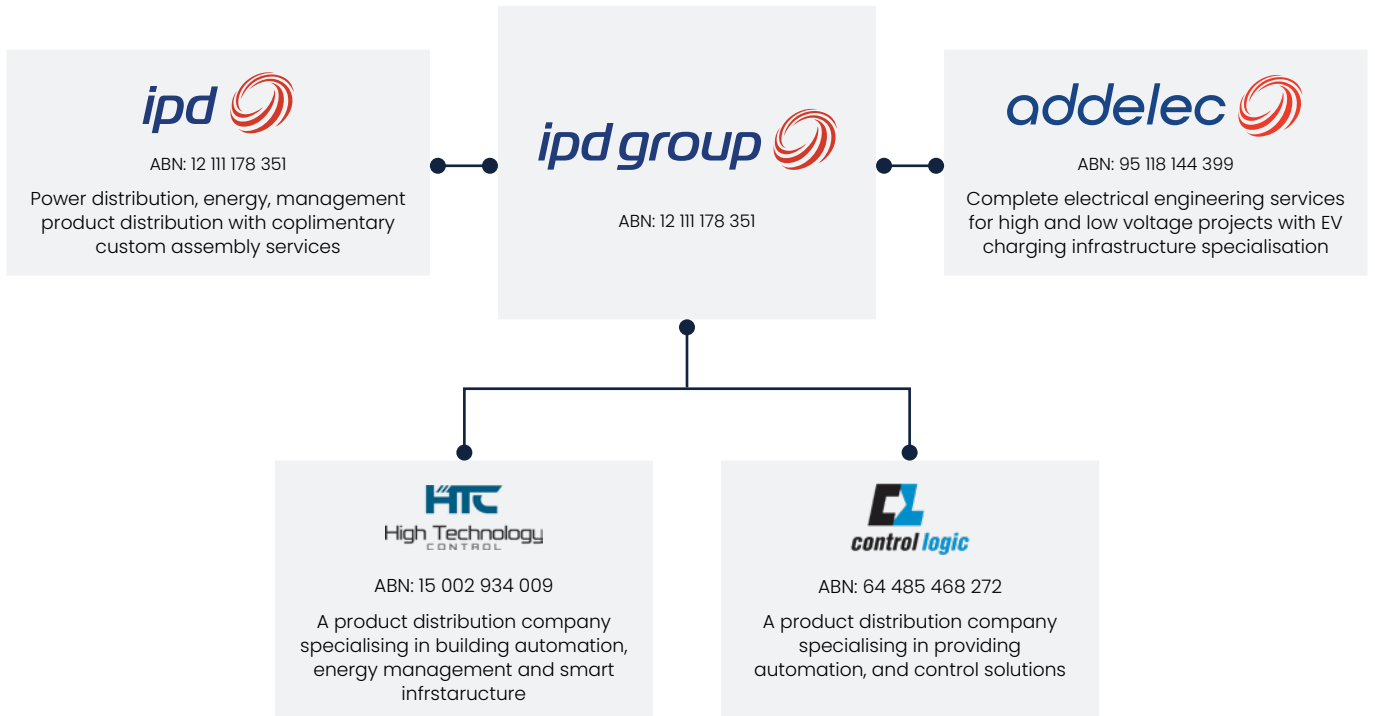


# IPD GROUP OVERVIEW






## Our structure

IPD Group owns and controls entities such as IPD, Addelec, High Technology Controls, and Controls Logic.



## Industry coverage

				
<b>Utilities</b>	<b>Resources</b>	<b>Infrastructure</b>	<b>Construction</b>	<b>Manufacturing</b>
Power and Energy' Water Wastewater Renewables	Iron Ore Precious and Rare Earth Metals Gold and Nickel Oil and Gas	Roads Rail Tunnel EV Charging	Data Centres Commercial Buildings Educational Centres Airports Hospital Retail Housing	Food and Beverage Packaging Pharmaceuticals Cement, Plaster and Concrete Petroleum and Chemicals Wood, Timber and Glass Pulp and Paper

## Our customers


We IPD have a diverse customer base of more than 8,000 account customers

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

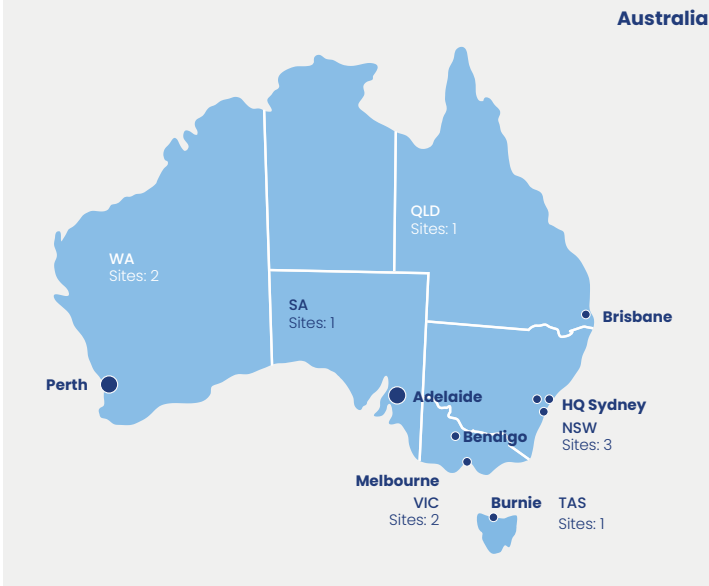
## Our locations

**Ten offices in six Australian states**


plus our support teams in Sri Lanka and the Philippines ensure market leading customer service




**Australia**



**Sri Lanka**







**Philippines**



# IPD Group overview continued

## Our vision, mission and values

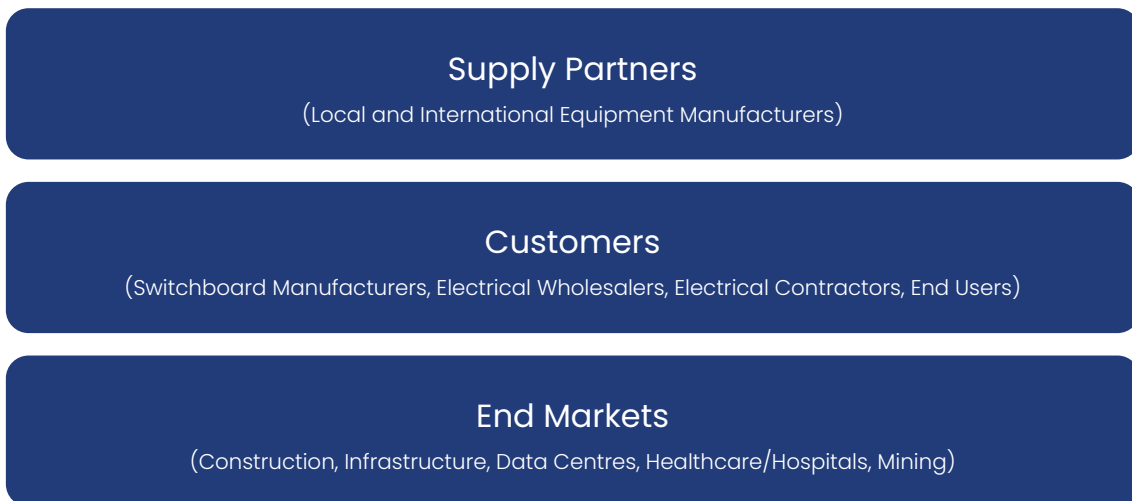
	<h3>Our Vision</h3> <p>To enhance every aspect of infrastructure through energy efficiency, automation and secure connectivity while prioritising the safety and wellbeing of people.</p>	 <h3>Our Mission</h3> <p>To enhance every aspect of infrastructure through energy efficiency, automation and secure connectivity while prioritising the safety and wellbeing of people.</p>
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<h2>Our Values</h2>	 <h3>People first</h3> <p>We respect every individual, valuing their unique perspectives and contributions.</p>	<h3>Courage to evolve</h3> <p>We embrace new opportunities, challenge norms, and evolve together in the pursuit of a sustainable tomorrow.</p> 	<h3>Earn customers for life</h3> <p>Striving for lifelong customers, one interaction at a time.</p> 
	<h3>Stronger together</h3> <p>With collaboration, we can overcome any challenge together.</p> 	 <h3>Own it</h3> <p>We take responsibility for our actions to drive positive change.</p>	<h3>Knowledge is our key</h3> <p>Knowledge is our greatest tool in helping customers thrive and succeed.</p> 



# OUR SUPPLY CHAIN

IPD Group and its subsidiaries have a vast and complex supply chain. The responsibility for sourcing goods and services and selecting approved suppliers rests with our operations teams, though they may also directly engage in procurement activities. We source both domestically and internationally, with a significant portion of our suppliers' manufacturing occurring overseas. Our company's foundation is built on strong, enduring relationships with suppliers, fostering a collaborative approach that enhances our understanding of potential modern slavery risks.



## Supply chain countries of operation

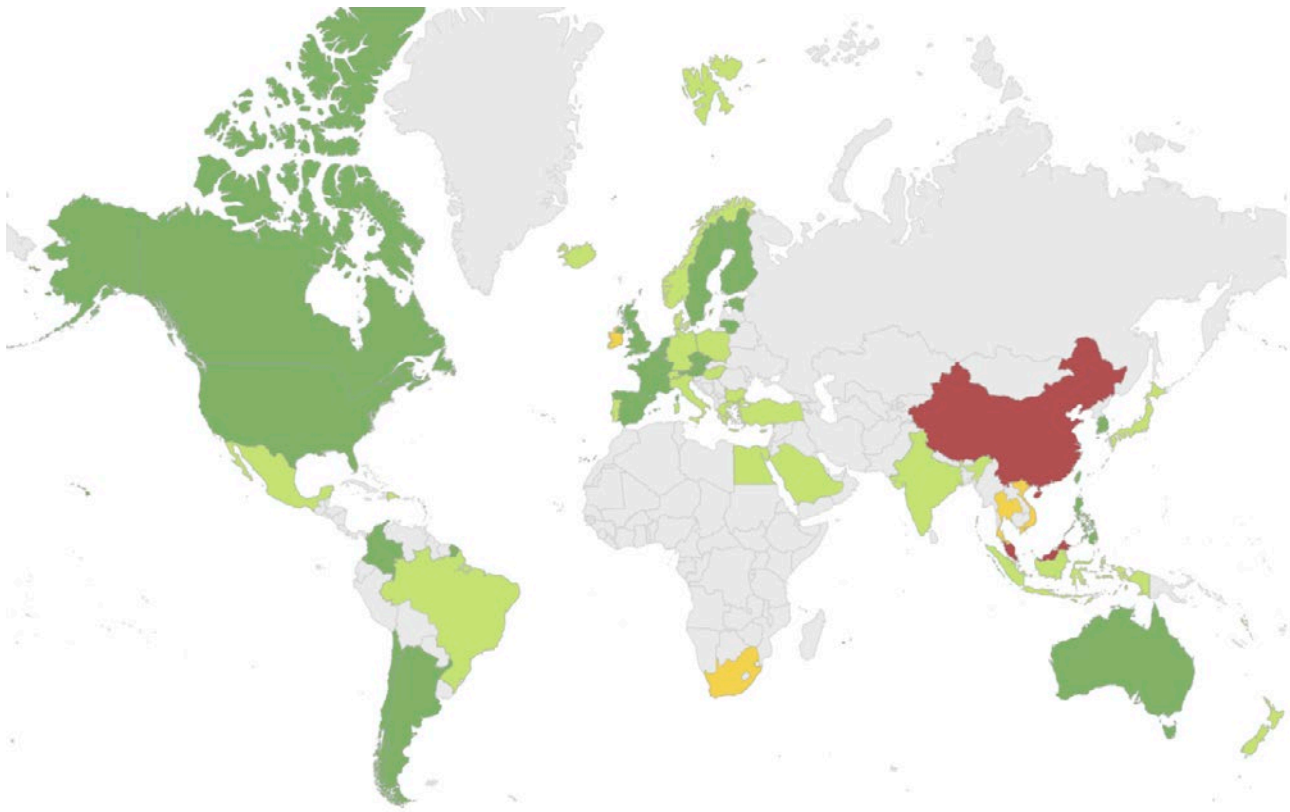
The map below illustrates our suppliers' countries or regions of operation, overlaid with the trafficking in persons report tiers.

- **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.
- **Uncategorised** Insufficient information is available about these countries or regions and a tier has not been assigned.

In 2023, 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.

## Our supply chain continued



- |                    |  |                                |
|--------------------|--|--------------------------------|
| ■ 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)                  |

The number shown next to each country or region above represents the number of suppliers with operations in that location.



# MODERN SLAVERY RISK

Operating as an electrical distribution and services company with global suppliers, we acknowledge our exposure to human rights risks.

To enhance our understanding and tracking of human rights risks, we employ the following strategies:

- Monitor external influences, including geopolitical tensions and extreme weather, that heighten risks in specific regions.
- Stay informed about changes in international regulations, such as the US Uyghur Forced Labor Prevention Act, the EU's proposed Forced Labour Ban, the Australian Modern Slavery Act 2018, and the California Transparency in Supply Chains Act 2015.
- Vet new suppliers before establishing partnerships.
- Perform continuous desktop evaluations of our suppliers for potential risks.
- Carry out audits on suppliers.
- Analyse modern slavery statements and public reports from both peers and suppliers.
- Seek advice from expert consultants on a case-by-case basis.





## Modern Slavery Risk continued

Although eliminating modern slavery risk entirely is beyond our reach, our strongest safeguard lies in our long-term collaborative relationships with suppliers.

### Risks in our operation

The majority of our workforce is directly employed by IPD, ensuring job security in compliance with local laws. We take employment compliance seriously and have robust policies to adhere to legislation and industrial standards. In Australia, our staff are covered by Federal Awards, the National Employment Standards, and the Fair Work Act; in Sri Lanka, by the Shop and Office Employees (Regulation of Employment and Remuneration) Act. Our support teams in the Philippines mainly consist of contractors. Periodic audits ensure compliance, supported by regularly reviewed company policies. All staff receive training on these policies.

We acknowledge the potential for higher human rights risks among contractors, particularly in certain regions, and thus maintain stringent oversight. In strategic acquisitions, we conduct thorough due diligence, including operational practices and site visits. Following acquisition, we integrate the new entity into IPD's operational standards and supply chain expectations, emphasising our commitment to ethical practices.

### Risks in our supply chain

Some products and services in our supply chain carry inherent risks due to their association with sectors employing large numbers of low-skilled or outsourced labour, or those prone to unsafe conditions, exploitation, or human rights violations.

These categories typically include:

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

IPD Group is committed to sustaining long-term, trustworthy relationships with suppliers known for their strong ethics and dependable practices. An initial analysis of our supply chain has highlighted the potential for modern slavery, especially in certain high-risk regions.

IPD Group is dedicated to continuously enhancing our supply chain policies and processes, improving staff risk management training, and conducting our annual Supplier Assurance of Ethical Sourcing of Labour audit based on suppliers' risk profiles. In September 2020, IPD Group introduced a Modern Slavery Policy to educate our suppliers, business partners, contractors, consultants, and other third-party representatives, as well as our employees, about our stance and their responsibilities in preventing modern slavery in our operations and supply chain.

We expect full adherence to this policy from all employees and Supply Chain Partners. While our main suppliers are involved in assembling or finalising products with purchased raw materials, we recognise a greater risk at the beginning of our supply chain, particularly in the extraction of raw materials and basic manufacturing.

# MANAGING MODERN SLAVERY RISK

In FY23, we defined our focus areas to ensure we could have the greatest impact on reducing our modern slavery risk through prevention, risk assessment, measurement, and mitigation actions.

## 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.

## Assessing our supply chain

Understanding our modern slavery risks is based on an annual comprehensive questionnaire sent to all our suppliers.

In 2023, 22 suppliers completed a self-assessment questionnaire online. After submission, their responses are evaluated to determine their modern slavery risk scores and associated risk category:

- High-risk (high levels of inherent risk)
- High-risk (inadequate risk control)
- Medium-risk (partial risk control)
- Low-risk (adequate risk control)
- Low-risk (low levels of inherent risk)

Aggregated risk scores are calculated for the overall supply chain. Post-assessment, suppliers receive action items based on their responses to mitigate uncovered risks. These aggregated action items offer a focused view of impactful actions across the supply chain.

		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)	

## Mitigate

Our current approach to mitigation centres on raising awareness among suppliers and enhancing our team's capabilities. In FY23, 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.

# ASSESSING OUR ACTIONS

Focus area	Outcome	2023 outcomes
<b>Governance</b>	All business levels have clear oversight of modern slavery risks and take action to mitigate them.	Standing agenda item at Audit and Risk reviews
<b>Risk assessment</b>	IPD Group incorporates supply chain risks into our business risk framework. We maintain oversight of operational and supply chain risks for strategic suppliers.*	We regularly maintain and assess our supplier risk framework. The framework guides our evaluation of potential new suppliers.
<b>Risk prevention</b>	Our staff are informed about modern slavery risks and equipped to address them promptly.	Our modern slavery policy is mandatory for all new employees during onboarding to ensure they comprehend our approach and their obligations in preventing modern slavery within our business and supply chain.
<b>Risk mitigation</b>	Our suppliers understand their responsibilities to identify, mitigate, and report modern slavery risks.	New suppliers added during the reporting period include updated modern slavery provisions. An independent body conducts an annual survey assessment on all our suppliers.
<b>Remediation</b>	Grievance mechanisms are accessible to individuals in our operations and supply chain. Any suspicions of modern slavery undergo thorough investigation and appropriate action.	Grievance mechanisms in place. No instance of modern slavery raised in 2023.

\* Strategic supplier = Key supplier assessed via spend.



# 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.

