



# 2020 Modern Slavery Statement

December 2020

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# 2020 Modern Slavery Statement

## INTRODUCTION

### Introduction

IPH Limited (ABN 49 169 015 838) (IPH) is committed to maintaining the highest ethical standards in the conduct of its business activities. IPH has a long history of acting with professionalism, integrity and honesty, which dates back to the establishment of the Spruson & Ferguson business more than 125 years ago. The reputation of IPH and its businesses as responsible and ethical organisations is important to their ongoing success.

IPH and its businesses oppose slavery in all its forms.

This Modern Slavery Statement (**Statement**) is made in accordance with the *Modern Slavery Act 2018* (Cth) (**Act**). It describes the actions we have taken to assess and address modern slavery risk exposures in our business operations and supply chains during the financial year ended 30 June 2020 (**FY20**).

This Statement is submitted as a joint statement on behalf of all reporting entities within the IPH Group, being IPH Limited and its wholly owned subsidiaries Spruson & Ferguson Pty Limited (ABN 55 601 269 050) and Xenith IP Group Pty Ltd (ABN 88 607 873 209).

### Responding to the COVID-19 global pandemic

In FY20, like all businesses, IPH has had to manage the COVID-19 global pandemic. In this Statement, we have referred to some of the actions we have taken to respond to the COVID-19 pandemic in the context of assessing and addressing modern slavery risks in our operations and our supply chains. Please refer to our FY20 Sustainability Report for more information regarding our response to COVID-19.



# 2020 Modern Slavery Statement

## IPH'S STRUCTURE, OPERATIONS AND SUPPLY CHAINS

### IPH's structure, operations and supply chains

#### Overview

IPH is the leading intellectual property services group in the Asia-Pacific region.

IPH operates a number of professional services businesses providing intellectual property services, including the leading IP firms AJ Park, Griffith Hack, Shelston IP, Spruson & Ferguson and Pizzeys. In FY20 it also operated in areas which support its IP services businesses, through Glasshouse Advisory (now ceased operations) and the WiseTime business, an autonomous time-keeping software application. In this Statement, each IPH business is referred to as a **Group Business** and collectively IPH and its Group Businesses are referred to as the **IPH Group**.

IPH Group Businesses operate from 20 offices across eight IP jurisdictions, being Australia, New Zealand, Singapore, Malaysia, China, Indonesia, Thailand and Hong Kong. Globally, IPH Group Businesses employ more than 900 people.

During FY20, the principal activities of the IPH Group Businesses consisted of:

- » IP services related to the provision of filing, prosecution, enforcement and management of patents, designs, trade marks and other IP in Australia, New Zealand, Asia and other countries, provided by the IP firms AJ Park, Griffith Hack, Shelston IP, Spruson & Ferguson and Pizzeys;
- » the development of autonomous timekeeping software under a subscription licence model whereby the software is licensed and paid for on a recurring basis, provided by the WiseTime business; and
- » the provision of R&D taxation and other government incentives advice, which was provided by the Glasshouse Advisory business. This service line was transferred to Grant Thornton in May 2020.

#### Governance

The IPH Board has ultimate responsibility for overseeing the IPH Group's response to modern slavery risks. IPH Board's Risk Committee oversees the review of emerging risks, including any modern slavery risks, and the management of potential risks by applying risk management policies and processes to relevant facets of the IPH Group.



IPH has established a Modern Slavery Taskforce which coordinates activities taken across the IPH Group with respect to modern slavery.

As set out further below, IPH has implemented a number of policies and processes across the IPH Group which are intended to assist IPH Group Businesses to identify and manage material risks, including modern slavery risks, relevant to their businesses.

#### Suppliers

The principal supply chains within the IPH Group can be broadly categorised as follows:

- » supply chains comprising other **IPH Group Businesses**; and
- » supply chains comprising **external suppliers**.

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## IPH'S STRUCTURE, OPERATIONS AND SUPPLY CHAINS



Both types of supply chains support the business operations of the IPH Group.

In relation to the first category of suppliers, IPH Group Businesses often subcontract elements of their operations to other IPH Group Businesses. For example, Spruson & Ferguson Australia may engage Spruson & Ferguson Asia to provide patent and trade mark filing services across Asia on behalf of clients of Spruson & Ferguson Australia.

In relation to the second category of suppliers, IPH Group Businesses engage external suppliers to supply goods and services across a number of different industries, including:

- » **professional services** including foreign patent and trade mark filing and agency services, recruitment services, external training and education services, external marketing services, external consultants and contractors and legal support services;
- » **real estate** including utility services and other services related to the offices from which IPH Group Businesses work;
- » **technology** including IT hardware, software and print services required for the operations of IPH Group Businesses;
- » **business products and services** including the products that IPH Group Businesses purchase for their offices, for example, furniture, stationery and marketing items as well as the services that are used in IPH Group Businesses' offices such as catering, security and cleaning; and
- » **travel services** including travel and accommodation booking providers for IPH Group Businesses.

Some of our IPH Group Businesses and external suppliers are based outside of Australia, including across the Asia-Pacific region.



# 2020 Modern Slavery Statement

## RISKS OF MODERN SLAVERY PRACTICES IN IPH'S OPERATIONS AND SUPPLY CHAINS

### Risks of modern slavery practices in IPH's operations and supply chains

#### Due diligence process and risk identification

During the course of FY20, IPH conducted due diligence to assess the modern slavery risks that exist across the IPH Group, including in the operations and supply chains of all Group Businesses.

We worked with our Group Businesses to obtain details of the external suppliers used by each business. We then conducted a risk assessment of each Group Business' external suppliers to identify those suppliers which may have a higher potential exposure to modern slavery risk. This risk assessment was based on guidance provided by the Australian Government's Border Force Department. We used the following risk factors to inform our risk analysis:

- » **sector and industry of supplier:** for example, some Group Businesses procure cleaning and catering services, which are industries that may have higher modern slavery risks.
- » **resources used in goods supplied:** for example, some Group Businesses procure branded products and merchandise that may be sourced from locations which may have higher modern slavery risks.
- » **country of operation of supplier:** many of the external suppliers used by Group Businesses are based in Australia. However, some external suppliers operate in countries associated with a higher risk of modern slavery practices.

#### Risks of modern slavery in the IPH Group's own operations

After undertaking the risk analysis set out above, IPH has identified the residual risk of modern slavery in the operations of the IPH Group as low.

We have reached this assessment based on factors including those set out below.

All IPH Group Businesses have strong corporate governance frameworks, which involve monitoring and addressing human rights issues under IPH Group corporate policies. These frameworks involve effective practices and procedures within each Group Business which encourage ethical behaviour and professionalism. The IPH Group has a strong, embedded value of integrity, which is important to ensure that we retain the trust of our people, clients and customers.



We have a number of policies in place that ensure our values are maintained, including our:

- » **Statement of Values**, which sets out the values that IPH expects its employees and partners to commit to, available at <https://www.iphltd.com.au/investor-information/>;
- » **Code of Ethics and Professional Conduct**, which reflects and reinforces the values which underpin the operation of the IPH Group, available at <https://www.iphltd.com.au/investor-information/>;
- » **Anti-Bribery Policy**, which provides information and guidance on the IPH Group's position on bribery and corruption in the jurisdictions in which we operate, available at <https://www.iphltd.com.au/investor-information/>;
- » **Sanctions Policy**, which sets out what IPH requires certain individuals to do to assist it to comply with relevant sanctions laws, available at <https://www.iphltd.com.au/investor-information/>; and

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## RISKS OF MODERN SLAVERY PRACTICES IN IPH'S OPERATIONS AND SUPPLY CHAINS



» **Whistleblower Policy**, which is a practical tool for helping IPH and Group Businesses identify non-compliant conduct that may not be uncovered unless there is a confidential and secure means for disclosing such conduct, available at <https://www.iphltd.com.au/investor-information/>.

In addition, all professional staff are governed by codes of professional conduct for the practice of patent and trade mark attorneys and/or legal practitioners.

We also have human resources teams across the IPH Group who look after our employees. IPH Group Businesses prefer to engage employees on a direct basis and to limit agency staff wherever possible. All employees are paid fairly for work performed and are subject to identity checks. In addition, employee assistance programs are offered to all IPH Group employees and all staff have access to the IPH Group Whistleblower Policy and the procedures set out in that Policy.

### Risks of modern slavery in the IPH Group's supply chains

Following the risk analysis set out above, IPH has identified the residual risk of modern slavery in the supply chains of the IPH Group as low.

We have reached this assessment based on factors including those set out below.

Many of the external suppliers engaged by IPH Group Businesses are established reputable corporate entities or other professionally regulated organisations. IPH considers these to be low risk in relation to slavery and human trafficking issues.

In addition, IPH Group Businesses have direct relationships with many external suppliers that are not normally associated with the engagement of slave labour. In many instances, the relationships that Group Businesses have with external suppliers, particularly foreign patent and trade mark filing and agency services, are trusted, direct, long-term relationships. This enables Group Businesses to help work with these suppliers to safeguard human rights.

Further, only certain professional staff and senior business support staff of Group Businesses are entitled to agree supplier terms of engagement and do so after appropriate assessment has been carried out on the supplier.

# 2020 Modern Slavery Statement

## ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS



### Actions taken to assess and address modern slavery risks

Even though we consider the risk of modern slavery practices in the IPH Group's operations and supply chains to be low, IPH has put into place appropriate systems and controls to continue to identify and assess our modern slavery risks and manage those risks effectively.

In FY20, the actions we have taken to address modern slavery risks include:

- » **Establishment of taskforce:** IPH has established a Modern Slavery Taskforce which has responsibility for coordinating the IPH Group's response to modern slavery risks. The Taskforce is headed by the IPH Group General Counsel and Company Secretary. It monitors the progress of actions related to modern slavery taken across the IPH Group on a regular basis.
- » **Mapping and due diligence of IPH Group supply chains:** As noted above, during FY20, IPH mapped supply chains across the IPH Group and conducted due diligence of external suppliers used by Group Businesses. We will continue to undertake due diligence over time, including for existing and new external suppliers.
- » **Commitments sought from suppliers:** Following the due diligence process, IPH conducted a risk assessment to identify Group Business external suppliers which may have a higher potential exposure to modern slavery. External suppliers with a higher risk of modern slavery were contacted by each Group Business and provided with information about IPH's modern slavery related expectations and asked to give details of the steps they are taking to combat modern slavery. The Modern Slavery Taskforce and Group

Businesses continue to monitor supplier responses and will continue to work with suppliers to ensure any human rights and modern slavery risks are managed.

- » **Monitoring and reporting:** IPH continues to monitor and report on its response to modern slavery risks to external stakeholders. This includes reporting transparently through our annual Modern Slavery Statement. We have also made a number of disclosures to clients and customers who have approached us for information about our modern slavery response as part of their own due diligence. These communications are coordinated by the Modern Slavery Taskforce.
- » **Grievance mechanisms:** During FY20, IPH introduced its Whistleblower Policy. The Whistleblower Policy applies to all Group Businesses and also to suppliers, contractors, consultants and service providers to Group Businesses. It provides an additional protected avenue for individuals to raise concerns, which may include concerns related to modern slavery risks.
- » **Training:** IPH is in the process of developing an internal training program to educate IPH Group staff further on the impacts and risks of modern slavery. This training will be rolled out during FY21.

### Working with our suppliers during the coronavirus (COVID-19) pandemic

We recognise that our suppliers may face commercial uncertainties as a result of the COVID-19 pandemic. We continue to work with our suppliers in the manner outlined in this Statement, including to maintain transparent supply relationships and ensure modern slavery risks in our supply chains are monitored and addressed.



# 2020 Modern Slavery Statement

## ASSESSMENT OF THE EFFECTIVENESS OF OUR ACTIONS



### Assessment of the effectiveness of our actions

IPH is currently developing specific processes and checklists to assess the effectiveness of the actions it has taken, and will continue to take, to address modern slavery risks.

The IPH Modern Slavery Taskforce will continue to coordinate the approach taken across the IPH Group to managing modern slavery risks. This includes assessing the effectiveness of the actions taken by IPH to date by, for example, continuing to track responses received from suppliers and the actions such suppliers have taken to combat modern slavery.

### Looking ahead

In the next financial year ending 30 June 2021, the IPH Group aims to:

- » continue to assess and monitor modern slavery risks across the IPH Group's operations and supply chains using our systems and tools;
- » review our services agreements and procurement-related policies and update where appropriate to reflect the latest developments and laws relating to modern slavery; and
- » roll out modern slavery awareness training to identified individuals and teams across the IPH Group.

# 2020 Modern Slavery Statement

## CONSULTATION AND APPROVAL PROCESS

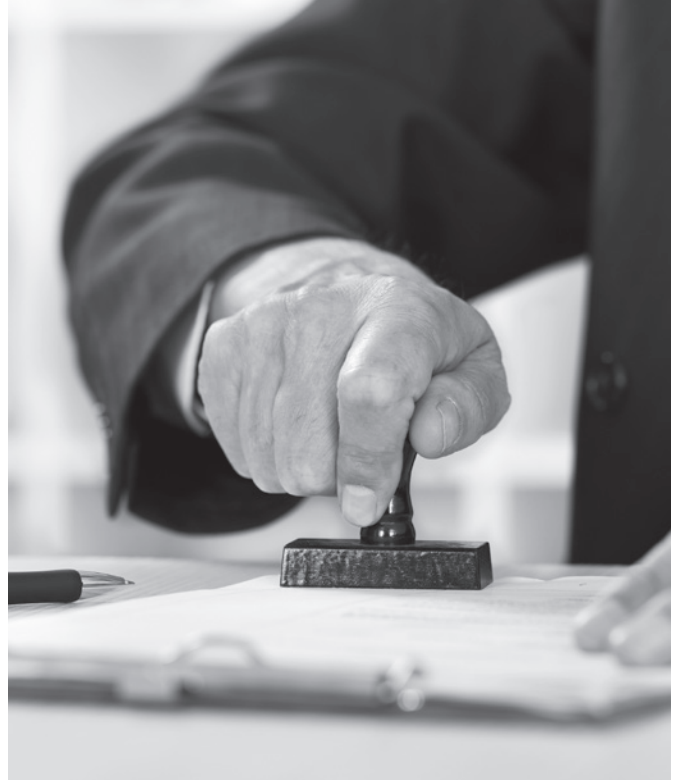
### Consultation and approval process

IPH has communicated with Group Businesses to explain our commitments and our approach to tackling modern slavery risks. In performing the actions described throughout this Statement, consultation included engagement with:

- » the leaders of all Group Businesses as well as various levels of management within Group Businesses to discuss IPH's supply chain due diligence and risk assessment activities and seek assistance to take action to address modern slavery risks;
- » IPH's Modern Slavery Taskforce, which is responsible for coordinating IPH's response to modern slavery risks; and
- » the IPH Board of Directors.

As noted above, the IPH Board has ultimate responsibility for overseeing the IPH Group's response to modern slavery risks. IPH's Risk Committee will continue to provide oversight of all risks across the IPH Group, including any modern slavery risks, and will manage potential risks by applying the risk management framework in place across the IPH Group.

This Statement was approved by the Board and is signed by the Chief Executive Officer and Managing Director of IPH, Dr Andrew Blattman.



IPH is committed to eliminating modern slavery in all its forms across the IPH Group. I am proud of the work IPH has done and continues to do to address modern slavery and I am pleased to publish IPH Limited's first Modern Slavery Statement.

**Andrew Blattman**  
CEO and Managing Director  
December 2020





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