

## **Interpublic Australia Holdings Pty Ltd: Modern Slavery Statement**

This Modern Slavery Statement is made by Interpublic Australia Holdings Pty Ltd and covers all the activities of the Australian agencies within the Interpublic Group.

The Interpublic Group (“**IPG**”) is one of the world’s largest organisations of advertising and marketing services companies. IPG is committed to excellent corporate governance and lawful and ethical behaviour is of paramount importance and critical to its continued success. The IPG Code of Conduct and the IPG Supplier Code of Conduct require all IPG entities and employees to operate with integrity and transparency in all interactions with clients and other partners and places similar obligations upon its suppliers. Furthermore, IPG’s Human Rights Policy requires all IPG agencies to commit to the use of voluntary labour and prohibits any form of modern slavery.

IPG is fully supportive of the laws introduced in Australia through the *Modern Slavery Act 2018* to combat all forms of modern slavery<sup>1</sup>.

This statement made by Interpublic Australia Holdings Pty Ltd is in respect of the financial year ending 31 December 2023. This statement is made in accordance with Section 13 of the *Modern Slavery Act 2018* and outlines the steps that Interpublic Australia Holdings Pty Ltd and the entities named below (and the entities they own or control) and IPG more broadly have taken and intend to take to protect their businesses against all forms of modern slavery.

### **Structure, Operations and Supply Chains**

IPG’s ultimate parent company, The Interpublic Group of Companies, Inc., is listed on the New York Stock Exchange.

Interpublic Australia Holdings Pty Ltd is an indirect subsidiary of The Interpublic Group of Companies Inc. Interpublic Australia Holdings Pty Ltd is the holding company for a number of Australian advertising and marketing agencies, including these principal ones that were owned by Interpublic Australia Holdings Pty Ltd during the 2023 financial year:

- FCB Six Australia Pty Ltd
- Identity Communication Pty Ltd
- Initiative Media Australia Pty Ltd
- IPG Acxiom Pty Ltd
- IPG DXTRA (Australia) Pty Ltd
- IPG Rufus Pty Ltd
- Kinesso Pty Ltd
- Mediabrands Australia Pty Ltd
- Mediahub Worldwide Asia Pacific Pty Ltd
- Orion Trading Australia Pty Ltd
- R/GA Media Group Pty Ltd

This list only includes our principal operating agencies in Australia: there are some additional dormant and/or non-trading companies with the group.

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<sup>1</sup> "Modern slavery" refers to situations in which coercion, threats or deception have been used to exploit victims and undermine their freedom. This term is more specifically defined in the *Modern Slavery Act 2018* by reference to a range of other laws in a way which includes slavery, servitude, forced labour, debt bondage, trafficked labour, forced marriage, deceptive recruitment and the worst forms of child labour.

All of these entities named above are wholly owned by Interpublic Australia Holdings Pty Ltd, except Mediahub Worldwide Asia Pacific Pty Ltd in respect of which Interpublic Australia Holdings Pty Ltd is the majority shareholder.

All these entities are companies that carry out advertising and marketing services within Australia. They provide a wide remit of advertising and marketing services including, but not limited to, traditional creative content, digital, media buying and planning, event, activation and PR services to clients.

As a global organisation, IPG's suppliers worldwide include, without limitation, production and design companies, IT and communications services including cloud, software and hardware suppliers, advertising platforms, social media platforms, print services, property, office cleaning, office supplies and equipment and facilities management services, including energy suppliers, waste management services, couriers, transportation services, such as road transportation, airlines and train companies, merchandise suppliers, and hospitality service suppliers including hotel conference or venue providers, catering suppliers, professional services such as auditors, actuaries, tax advisors, legal advisors, insurers, banks and talent and recruitment agencies.

The material suppliers (determined by value of expenditure) of Interpublic Australia Holdings Pty Ltd and its Australian subsidiaries are predominantly based in Australia, the USA and, to a lesser extent, the UK. None of our tier 1 suppliers operate in any jurisdictions that are rated high risk for prevalence of modern slavery.

### **Risks of Modern Slavery Practices**

Given the nature of IPG's business and the geographical location of its business and suppliers, IPG does not consider that there is a significant risk of modern slavery within its supply chains or its own businesses. The principal suppliers in our advertising business supply chain are predominantly reputable Australian companies providing ancillary services to our advertising services for clients, such as media owners, production companies, design companies, editing and animation studios, record companies, musicians, photographers, and also professional suppliers such as legal advisors, insurers and talent agencies.

We also use suppliers of professional services for the running of our businesses including auditors, actuaries, tax advisors, legal advisors, insurers, banks and recruitment agencies. Again, these are predominantly, if not entirely, Australian companies and firms.

We acknowledge that there are greater risks with some of the services we use including office cleaning and catering services, and with the sourcing of office equipment and supplies, including information technology and telecommunications, but we endeavour to ensure that these suppliers are compliant with the modern slavery laws as we explain later in this statement.

Our staff, and the employees of our material suppliers, are predominantly skilled professionals working in Australia. Our employees do not hold roles or positions that are at high risk or vulnerable to slavery or human trafficking. Our HR and Talent teams have systems and processes in place to ensure that all employees are over the age of 18, have the appropriate rights to work in Australia and are paid a reasonable living wage for the work that they do.

No instances of modern slavery or human trafficking have been identified by IPG in its operations or its suppliers.

## **Relevant Policies**

Doing business in an ethical and responsible manner is enshrined within IPG's global policies and procedures (which apply to all IPG-owned entities) and, in particular, those referred to below which have been designed to help to ensure that modern slavery does not occur within any of IPG entity's operations or any of their supply chains. These policies are available on IPG's public website <https://www.interpublic.com/about/corporate-governance/>.

- IPG Code of Conduct
- IPG Supplier Code of Conduct
- IPG Supplier Management Principles
- IPG Human Rights Policy
- IPG Anti-Corruption Policies
- IPG Environmental Sustainability Policy
- Interpublic AlertLine

IPG requires all its suppliers, employees, agents and subcontractors to adhere to the IPG Code of Conduct or the IPG Supplier Code of Conduct as appropriate, while doing business with or on behalf of any entity within IPG. The IPG Supplier Code of Conduct specifically requires use of voluntary labour and prohibits slavery, servitude or the use of forced or compulsory labour and human or labour trafficking and requires all suppliers to comply with applicable laws. IPG communicates this Code and its requirements to employees and suppliers worldwide.

Furthermore, IPG is also a participant in the UN Global Compact whose Labour principles include:

- [Principle 3](#): businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- [Principle 4](#): the elimination of all forms of forced and compulsory labour;
- [Principle 5](#): the effective abolition of child labour; and
- [Principle 6](#): the elimination of discrimination in respect of employment and occupation

## **Other Actions Taken to Address Modern Slavery Risks**

IPG sources its suppliers in a responsible manner under its Global Sourcing and Procurement and Third-Party Supplier Due Diligence Guidelines and fully expects and requires its suppliers to operate in full compliance with all applicable laws. Our standard terms of business which are attached to our Purchase Orders, and our supplier contract templates, include warranties that the suppliers will comply with applicable laws, including modern slavery laws. Under these terms, a failure by a supplier to comply with applicable laws (including as they relate to modern slavery) is a justifiable reason for such a relationship to be terminated.

When engaging suppliers, we ask them to complete a supplier questionnaire to confirm their structure, shareholdings and their agreement that they comply with our policies and Supplier Code of Conduct. In Australia, we have to date also required all vendors to complete a Modern Slavery questionnaire, which outlines our business commitment towards ending modern

slavery alongside ensuring that the respective supplier meets all of our requirements, and return the completed response as a mandatory part of our onboarding process.

Our agencies also share where to access IPG's policies, including IPG's Supplier Code of Conduct and IPG's Human Rights Policy which outlines our policies as they relate to modern slavery. Our agencies also share details of our whistleblower AlertLine (see further comments below) which can be used by employees and suppliers to notify IPG (anonymously if so desired) to any actions which may breach modern slavery laws and policies.

Risk control and assessment is a high priority for IPG and IPG carries out continuous reviews to improve its effectiveness. Over the course of the last couple of years, IPG has started operating a new vendor on-boarding platform which includes a modern slavery assessment for all vendors in the US, UK and Canada. In 2024, this platform will be rolled out for use for all suppliers in Australia, India, the Philippines and Singapore. The initial vendor request on this platform includes a specific question on whether the supplier supplies services in Australia. If the recipient responds yes to that request, they are asked further basic questions about modern slavery compliance, their own risk analysis of their supply chain, and whether or not the vendor has issued a modern slavery statement.

As part of our robust compliance program to ensure we are conducting business with reputable suppliers and service providers, we have also established a global third-party screening solution using the Truth Technologies Sentinel Database. The screening is conducted on all clients and vendors/suppliers when permissible by law. IPG also uses Bureau Van Dijk Orbis for enhanced screening. Ongoing screening is conducted on new contractors and suppliers as part of the onboarding procedures. The screening is conducted against the following criteria:

- Named on an International or National Sanctions or Embargo List or Site, including OFAC, UN, EU, UKHMT, SECO and DFAT (Global Sanctions Lists).
- Listed on a Regulatory and/or Government Authority site, e.g. FINRA, USDOJ, SEC, FBI, HKMA, RBI and INTERPOL (Global Enforcement and Warning Lists).
- Politically Exposed Person (PEP) and direct family member or close business associate of PEP (Global PEP Lists).
- State Owned Entity, Enterprise or Company (SOE) and Members of the Board, Chairman, Senior Executives (Global SOE Lists).
- Reported in the reputable media as accused, questioned, investigated, arrested, charged or convicted for crime (Global Negative Media Lists).

Due to what we perceive to be a low risk of modern slavery within our industry, and due to our rigorous on-boarding processes described above, we do not consider it necessary at this stage to audit our suppliers (or indeed their suppliers) to ensure that they are compliant with modern slavery laws. However, we are prepared to do so should the need arise.

Compliance within the business is supported by a robust Internal Audit function which regularly conducts audits of our agencies in all their areas of business and works closely with the internal Legal Department to ensure compliance with all applicable laws and regulations. Most key agencies are audited once every three years. However, where we believe there may be an issue or concern in an agency, or where we consider an agency is operating in a high-risk jurisdiction, or where an issue has been raised either formally or through the Interpublic AlertLine, then that agency will be subject to an enhanced audit or investigation, if necessary with third party auditors, external law firms or tax investigators.

The Interpublic AlertLine allows our employees or other concerned parties, including suppliers, to raise concerns about any business conduct without fear of reprisal or retribution. The AlertLine number is included on posters in all our agencies across the world, especially those in higher-risk countries. It is also available on our IPG website, is brought to the attention of our employees in our compliance training and details of the Alert Line are included in our Supplier Code of Conduct. The AlertLine allows for any concerns to be raised anonymously and every complaint or claim made on the AlertLine is investigated.

IPG continues to build upon its robust compliance culture and seeks to maintain its high standards. As part of its ongoing efforts to ensure there is no Slavery or Human Trafficking in its supply chains IPG continues to review its supplier engagement policies, contractual approaches and due diligence processes to continually monitor the risk of modern slavery, including in supply chains beyond our tier 1 suppliers. In the past year IPG has updated its Supplier Code of Conduct with expanded statements on governance, sustainability, business diversity and reporting.

### **Training**

IPG's new hire Code of Conduct training is provided to all new employees globally and IPG conducts general compliance and Code of Conduct training on a regular basis for all employees. The risks of Modern Slavery are set out in the Code of Conduct.

Our senior management teams in our Australian agencies have also been made aware of the risks of modern slavery and the need for them to carry out appropriate due diligence on their suppliers and their tier 2 suppliers.

On the basis that it remains our opinion that the risks of finding occurrences of modern slavery is relatively low risk in our supply chain, we have not yet carried out additional specific modern slavery training for any of our agencies but this will be reviewed on an ongoing basis.

### **Remediation**

If any instances of modern slavery were identified, through an audit or otherwise, we would immediately investigate and if we found failings with the relevant supplier, we would terminate the contract/s with that supplier, ensure that none of our businesses used that supplier in the future and, where necessary, report the supplier to the appropriate authorities. As noted above, no instances of modern slavery have yet been found in our supply chains.

### **Assessing the Effectiveness of Actions Taken**

We continue to review our own policies and processes regularly to ensure they remain up to date and effective. The effectiveness of these processes will also be tested as part of our Internal Audit function, which extends to all our agencies.

We will also continue to review the responses to our Supplier Questionnaires and to the responses we will receive from the new supplier onboarding tools. Where these might give rise to concerns, these situations will be investigated.

### **Consultation**

In preparing this report, Interpublic Australia Holdings Pty Ltd has consulted with all its Australian trading subsidiaries, as listed on page 1. All the subsidiaries have approved this Statement.

## Other information

IPG is committed to its work around environmental, social and governance (ESG) initiatives, and to supporting the communities where our employees live and work. It also strongly supports a policy of diversity and inclusion and was the first advertising holding company to release the race and gender composition of its U.S. leadership teams. In 2023, IPG was again named on the Bloomberg Gender Equality Index. IPG has also been named on the Human Rights Campaign Foundation's Equality Index for 14 consecutive years. In 2023 IPG was recognised on "Best Places to Work for Disability Inclusion" by the Disability Equality Index. IPG fosters its approach to diversity and inclusion throughout all its agencies across the world, including in Australia, and does not tolerate discrimination of any kind.

IPG itself makes regular charitable contributions to organisations that align with our values and encourages our agencies to do likewise and our principals on donations are set out in the IPG Global Contributions Strategy and Policy.

IPG has been listed on the Dow Jones Sustainability Index in North America for four years and is included in the FTSE4Good Index. Since 2015, IPG has published sustainability reports utilising the GRI framework, and was the first U.S.-based holding company to do so. IPG was also the first in its sector globally to report using the Sustainability Accounting Standards Board framework in 2020 and the first US-based advertising holding company to disclose in accordance with the Task Force for Climate-related Financial Disclosures.

IPG also responds to the Carbon Disclosure Project and the Corporate Sustainability Assessment and publishes an annual communication on progress for the United Nations Global Compact referred to above. IPG maps its work to the United Nations Sustainable Development Goals, and has adopted SDG 6, access to water and sanitation. IPG has set three major climate goals with a science-based target, working toward net zero by 2040, and achieving one hundred percent renewable electricity by 2030.

## Approval

This statement was approved by the Board of Directors of Interpublic Australia Holdings Pty Ltd on 24<sup>th</sup> May 2024.

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by Hilda Anderson  
Date: 2024.05.24  
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Signature of authorised director signatory

Hilda Anderson

Director

Dated 24<sup>th</sup> May 2024