

IPH Group
Modern Slavery Statement
December 2022

IPH Limited ACN 169 015 838



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Introduction

IPH Limited (ABN 49 169 015 838) (**IPH**) is committed to supporting and respecting human rights across all our business activities. IPH has a long history of acting with professionalism, integrity and honesty. The reputation of IPH and its businesses (together the **IPH Group**) as responsible and ethical organisations is important to our ongoing success.

IPH acknowledges the risks of modern slavery globally and we are committed to identifying and preventing instances of modern slavery in all its forms.

This Modern Slavery Statement (**Statement**) is IPH's third statement made in accordance with the *Modern Slavery Act 2018* (Cth) (**Act**). During the financial year ended 30 June 2022 (**FY22**), IPH continued its efforts to assess and address modern slavery risk exposures in our business operations and supply chains and this Statement provides an overview of those actions.

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 subsidiary Spruson & Ferguson Pty Limited (ABN 55 601 269 050).

Responding to the COVID-19 global pandemic

In FY22, like all businesses, IPH continued to respond to the COVID-19 global pandemic. In this Statement, we have referred to some of the actions we have taken to respond to and manage the COVID-19 pandemic in FY22 in the context of assessing and addressing modern slavery risks in our operations and our supply chains. Please refer to the **IPH FY22 Sustainability Report** for more information regarding our response to COVID-19.

The IPH Group's structure, operations and supply chains

Overview

IPH is the holding company for an international network of intellectual property (**IP**) professional services and adjacent businesses which operate under different brands in a range of jurisdictions.

IPH operates a number of professional services businesses providing IP services, including the leading IP firms AJ Park, Griffith Hack, Pizeys, Smart & Biggar and Spruson & Ferguson, as well as online IP services provider Applied Marks. In this Statement, each of these businesses is referred to as a '**Group Business**'.

During FY22, a number of changes happened within the IPH Group, including the integration of Shelston IP with Spruson & Ferguson to create a combined offering and the divestment of the autonomous timekeeping software business, WiseTime, to Anaqua Inc. In October 2022, Canada's leading IP agency firm, Smart & Biggar, joined the IPH Group. As this acquisition occurred in FY23, this Statement does not address modern slavery activities undertaken by Smart & Biggar, which will be reported on in our FY23 Modern Slavery Statement.

The IPH Group employs more than 1,200 people across nine IP jurisdictions, being Australia, Canada, China, Hong Kong SAR, Indonesia, Malaysia, New Zealand, Singapore and Thailand.



During FY22, Group Businesses were principally involved in providing IP services to clients, including the filing, prosecution, enforcement and management of patents, designs, trade marks and other IP. These services were provided by our Group Businesses from offices located in the nine IP jurisdictions referred to above.

Governance

The IPH Board has ultimate responsibility for overseeing the IPH Group's response to modern slavery risks. The 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's Modern Slavery Working Group continues to coordinate activities taken across the IPH Group with respect to modern slavery.

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

Suppliers

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

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

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

In relation to the first category of suppliers, Group Businesses often subcontract elements of their operations to other 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, 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 Group Businesses work;
- technology including IT hardware, software and print services required for the operations of Group Businesses;
- business products and services, including the products that Group Businesses purchase for their offices, for example, furniture, stationery and marketing items as well as the services that are used in Group Businesses' offices such as catering, security and cleaning; and
- travel services including travel and accommodation booking providers for Group Businesses.



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

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

Due diligence process and risk identification

During 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.

This due diligence process involved working with our Group Businesses to obtain details of the external suppliers used by each business and then conducting a risk assessment of each Group Business' external suppliers to identify those suppliers which may have a higher potential exposure to modern slavery risk. The risk assessment was based on guidance provided by the Australian Government's Border Force Department.

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

As a result of the risk analysis referred to above, IPH identified the residual risk of modern slavery in the operations of the IPH Group as low. During FY22, we revisited this risk assessment and concluded that it had not materially changed, such that IPH still considers that there is a low residual risk of modern slavery in the operations of the IPH Group.

In FY22, this conclusion was reached by considering a number of specific factors, as set out below.

All 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 in the IPH Group's own operations, 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 how the IPH Group complies with relevant sanctions laws, available at <https://www.iphltd.com.au/investor-information/>; and



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- **Whistleblower Policy**, which is a practical tool for helping IPH and its 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/>.

During FY21, IPH rolled out online training courses covering key corporate governance policies to all officers and employees across the IPH Group. During FY22, all new employees of the IPH Group received these same online training courses. The policies covered by the online training courses included:

- Statement of Values;
- Code of Ethics and Professional Conduct;
- Share Trading Policy;
- Whistleblower Policy;
- Anti-Bribery Policy; and
- Sanctions Policy.

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. 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.

In addition, IPH recently adopted an updated risk management framework, which has been implemented across the IPH Group. This updated risk management system aims to identify and manage potential risks, including modern slavery risks, in a continuous, proactive and systematic way through high quality risk management policies and processes across the IPH Group. IPH's updated risk management framework recognises risk as a business process that is owned by all management, which assists in further encouraging ethical behaviour and professionalism across the IPH Group.

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

As a result of the risk analysis referred to above, IPH identified the residual risk of modern slavery in the supply chains of the IPH Group as low. During FY22, we revisited this risk assessment and concluded that it had not materially changed, such that IPH still considers that there is a low residual risk of modern slavery in the supply chains of the IPH Group.

In FY22, this conclusion was reached by considering a number of specific factors, as set out below.

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



In addition, 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.

Further, the IPH Group Supplier Code of Conduct helps to reduce the risk of modern slavery in the IPH Group's supply chains. The Supplier Code of Conduct applies to IPH and its Group Businesses and can be found on the IPH website at <https://www.iphltd.com.au/investor-information/> and on each of our Group Businesses' websites. The Supplier Code of Conduct outlines the standards and behaviour IPH and its Group Businesses expect from their suppliers when conducting business with the IPH Group. The Supplier Code of Conduct is an important element in the IPH Group's commitment to ethical and socially responsible procurement. Each Group Business is currently taking steps to distribute the Supplier Code of Conduct to new and existing suppliers to their business, which will assist in further reducing modern slavery risks across the IPH Group.

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.

During FY22, we continued to address modern slavery risks, including by taking the following actions:

- **Maintenance of working group:** IPH continues to maintain a Modern Slavery Working Group which has responsibility for coordinating the IPH Group's response to modern slavery risks. The Working Group 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.
- **IPH Group Supplier Code of Conduct:** The Modern Slavery Working Group oversees the Supplier Code of Conduct and assists in remediating modern slavery risks within the IPH Group's supply chains through engagement with suppliers as and when needed.
- **Revised risk management framework:** IPH has implemented an updated risk management framework across the IPH Group. This revised framework assists in identifying and managing potential modern slavery risks in a continuous, proactive and systematic way.
- **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 Working Group.



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- **Grievance mechanisms:** The IPH Whistleblower Policy continues to apply 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 continues to progress the development of an internal training program to educate IPH Group staff further on the impacts and risks of modern slavery.

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

We recognise that our suppliers may continue to 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.

Assessment of the effectiveness of our actions

The IPH Modern Slavery Working Group continues 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 conduct due diligence of suppliers' willingness and commitment to combat modern slavery, including suppliers' compliance with the IPH Group Supplier Code of Conduct.

IPH also continues to develop specific processes and checklists to assess the effectiveness of the actions it has taken, and will continue to take, to address modern slavery risks.

Looking ahead

In the next financial year ending 30 June 2023, 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;
- continue the distribution of the IPH Group Supplier Code of Conduct to all IPH Group suppliers and work to verify that suppliers are complying with the Supplier Code of Conduct; and
- roll out modern slavery awareness training to identified individuals and teams across the IPH Group.

Consultation and approval process

IPH has communicated with Group Businesses to explain our commitments and our approach to tackling modern slavery risks during FY22. In performing the actions described throughout this Statement, consultation included engagement with:

- IPH's Modern Slavery Working Group;
- the leaders of all Group Businesses as well as various levels of management within Group Businesses to discuss IPH's risk assessment activities, including those related to modern slavery risks;



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- IPH's Executive Risk Committee, to discuss the identification and management of risks generally across the IPH Group; 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 updated 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.

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IPH is committed to identifying and preventing instances of modern slavery in all its forms across the IPH Group. I am proud of the work IPH continues to do to address modern slavery and I am pleased to publish IPH Limited's third Modern Slavery Statement.



Dr Andrew Blattman

CEO and Managing Director
IPH Limited

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