



2019 Sustainability Report

November 2019

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Message from the Chairman



Message from the Chairman

Welcome to IPH Limited's inaugural sustainability report.

IPH has a significant history of building a sustainable and longstanding business while supporting innovation both in Australia and internationally. Although the IPH business has only been incorporated since 2014, the history of our group businesses stretches back to 1859 in Australia, 1891 in New Zealand and 1997 in Singapore.

Over the past five years, IPH has experienced rapid growth and change. We recognise the need to provide more information to our shareholders, investors, current and future employees and other stakeholders, about our company's approach to sustainability.

For IPH to be sustainable, we must create a safe, rewarding and diverse environment for our people while operating in an environmentally and socially responsible manner.

This report outlines our approach to sustainability, across four key areas:

- » good governance;
- » our people;
- » supporting our communities; and
- » minimising our environmental impact.

We are at the beginning of our sustainability journey and this report represents an important first step. In time, we anticipate releasing a broader sustainability report, which references relevant standards and disclosures.

In the meantime, we hope this report provides a snapshot of our operations across the Asia-Pacific region and how we manage sustainability throughout our business.

A handwritten signature in black ink, appearing to read 'Richard Grellman'.

Richard Grellman, AM

Chairman

2019 Sustainability Report

About this report

- » Unless otherwise stated this report covers the IPH group's operations in the Asia-Pacific region in the following IP jurisdictions: Australia, New Zealand, China, Hong Kong, Indonesia, Malaysia, Singapore and Thailand.
- » Unless otherwise stated the information in this report covers the FY19 financial year: 1 July 2018 to 30 June 2019. Metrics do not include the newly acquired businesses of Xenith IP Group unless otherwise stated.
- » This report references the Global Reporting Initiative and the UN Sustainability Goals but at this stage has not formally adopted the Global Reporting Initiative framework.
- » For future reports, IPH intends to continue to consider opportunities for appropriate sustainability metrics. This may include opportunities for referencing the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals where they are relevant to our business.



About IPH Limited

About IPH¹

IPH Limited (IPH) is the leading intellectual property (IP) services group in the Asia-Pacific region.

IPH was the first IP services group to list on the Australian Securities Exchange (ASX) in November 2014 with IP firm Spruson & Ferguson as the founding company.

IPH companies now operate from 27 offices across eight IP jurisdictions, employing a multidisciplinary team of more than 1000 people.

IP services

IPH's intellectual property businesses comprise leading IP firms AJ Park, Griffith Hack, Shelston IP, Spruson & Ferguson, Pizeys and Watermark, which provide services for the protection, commercialisation, enforcement and management of all forms of intellectual property including patents, trade marks and designs.

We also operate in areas which support our IP business, such as Glasshouse Advisory and the Practice Insight software business. Collectively, these businesses are known as our 'group'.

Our purpose

Protecting and supporting innovation including inventions, research and design, can benefit society in multiple ways. Our IP services to industries including pharmaceutical, engineering, aerospace, healthcare, food and beverage, life sciences, agriculture, biotechnology, ICT and fintech enables them to protect their inventions, discoveries and research, and invest in further commercial development. Our clients within these industries are diverse, as shown below.

1 While the information in this report is based on the FY19 financial year, the About IPH information references the newly expanded group, following the acquisition of Xenith IP group by IPH on 15 August 2019.

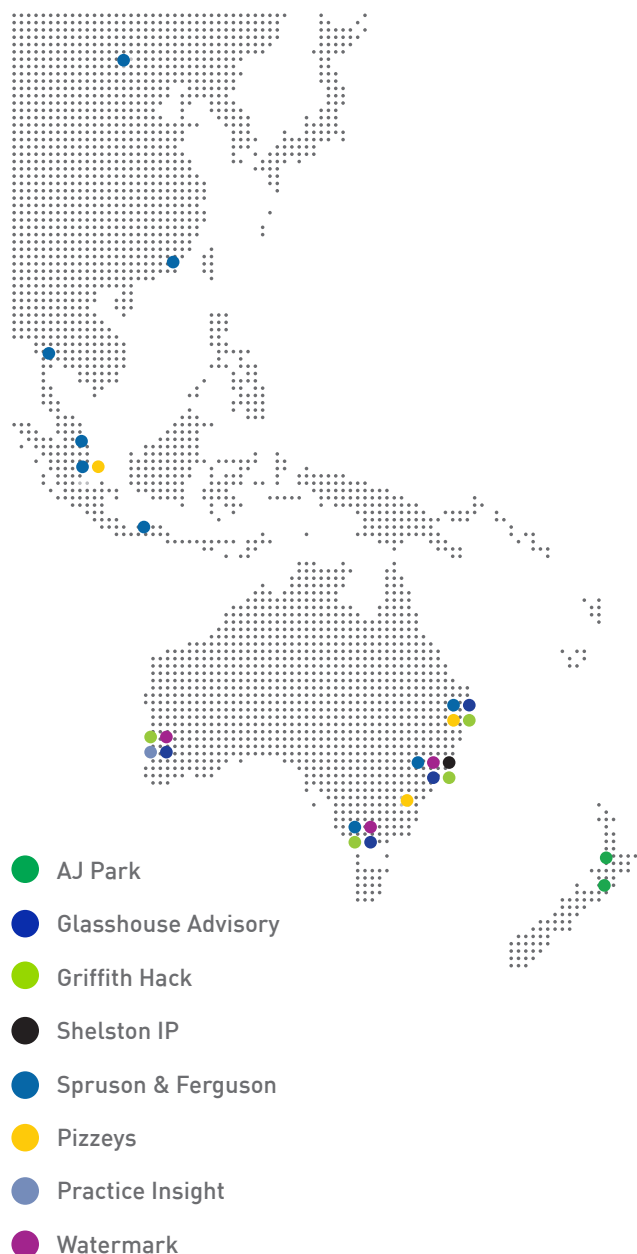


8
IP Jurisdictions

27
Offices²

1000+
Employees³

- 2. Refers to number of primary offices of IPH group businesses in the Asia-Pacific region
- 3. Approximate employee numbers as at 15 August 2019
- 4. Clients of the IPH group businesses



Our group

As at 30 June 2019, IPH included three IP professional service businesses within the Asia-Pacific region, and a specialist IP software services firm. IPH has successfully acquired the Xenith IP Group and its four subsidiary businesses on 15 August 2019. These eight businesses make up our group. Each of the businesses within the IPH group has its own culture which is aligned with the broader IPH vision.

AJ Park

Est. 1891

AJ Park, established in 1891, is the premier New Zealand IP firm operating from offices in Auckland and Wellington. AJ Park is a full-service IP firm with a substantial local client base ranging from large multinational corporations and universities to start-up companies and entrepreneurs.

Griffith Hack

Est. 1904

Griffith Hack is a multi-award-winning IP firm with a heritage stretching back more than 100 years. The firm is one of Australia's largest filers of patents and trade marks and provides a comprehensive range of domestic and international services relating to the protection, management, commercialisation and enforcement of IP rights.

Pizzeys

Est. 1981

Pizzeys Patent and Trade Mark Attorneys was established in 1981 and has offices in Brisbane, Canberra and Singapore. Pizzeys' business is predominantly focused on in-bound work into Australia and Singapore from overseas IP associates and direct corporate clients.

Shelston IP

Est. 1859

Shelston IP is one of the oldest and most respected specialist intellectual property firms in Australia. The firm's trade mark attorneys, patent attorneys and IP lawyers provide services and advice relating to the protection, management, commercialisation and enforcement of intellectual property – locally and internationally.

About IPH Limited



Spruson & Ferguson

Est. 1887

Spruson & Ferguson is one of the leading IP firms operating throughout the Asia-Pacific region, offering a variety of services for the protection, commercialisation, enforcement and management of IP. Spruson & Ferguson has more than 400 employees working from offices across Australia, Singapore, Thailand, Malaysia, Indonesia, China and Hong Kong.

Watermark

Est. 1859

Watermark provides expert advice on IP protection and intellectual asset management to deliver greater value for clients from their intellectual assets. The firm was founded in 1859 by Edward Waters, widely acknowledged as the father of the IP profession in Australia. Watermark has offices in Melbourne, Sydney and Perth.

Glasshouse Advisory

Est. 2017

Glasshouse is a specialist advisory service focused on enhancing the value of clients' IP through a range of complementary services including IP strategy development, IP economics, monetisation and valuation, IP analytics including IP searching and landscape mapping, and innovation incentives including research and development tax rebates and export market development grants.

Practice Insight

Est. 2010

Practice Insight is a specialist provider of software applications for IP and other professional services firms under recurring license arrangements. The company is currently focused on autonomous time recording software known as WiseTime.

Our Executive Leadership Team

The IPH Executive Leadership Team (ELT) consists of CEO and Managing Director, Dr Andrew Blattman, the Group General Counsel and Company Secretary, Chief Financial Officer, Chief Marketing Officer, Chief Information Officer, and Chief Operating Officer.

The ELT is responsible for developing and delivering group strategy, and works with the leaders of the group businesses to ensure their businesses are operating efficiently and effectively.

About Intellectual Property

What is Intellectual Property?

Intellectual Property (IP) is an output of intellectual creativity that may be reflected in various forms including inventions, trade marks, designs and artistic works.

Certain types of IP may be protected with registrable monopoly rights, granted by statute, in relation to use of the IP for a period of time. The most common forms of registrable IP rights are:

Patents

A patent is a temporary monopoly right which allows the patent owner to exclude others from exploiting an invention (which may be a device, substance, method or process) that is new, inventive and useful.

Trade marks

A trade mark is a 'sign' used to distinguish the goods and services of one person from those provided by another person in the course of trade. A sign can include any stylised letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent or a combination of these things. Registration of a trade mark provides the owner with the right to exclude others from using, licensing or selling the mark in relation to goods and services for which it is registered.

Designs

A design is the overall appearance of a product resulting from one or more visual features of shape, configuration, pattern or ornamentation of the product. Registration of a design provides exclusive rights to the overall appearance of the product.

Other IP rights

The other IP right that can be protected under a statutory registration system is plant breeder's rights. Other forms of IP which are protected under statute, but for which there is no statutory registration system include copyright, circuit layouts, confidential information and business 'know how' or trade secrets.



Our stakeholders



Our stakeholders

IPH has a range of important stakeholders who are vital to both IPH and our group businesses. These stakeholders include:

Our people

As a professional services business, our people are critical to our success. At the time of writing, the IPH group employs more than 1000 employees, who are largely based within the IPH group businesses, including the recently acquired Xenith IP Group businesses. Our employees comprise multidisciplinary teams consisting of staff with a broad range of technical and management expertise. Our people include some of the most highly regarded IP professionals in the Asia-Pacific region.

Our clients

Throughout our group businesses we have a diverse client base of Fortune 500 companies and other multinationals, public sector research organisations, universities, small and medium-sized enterprises, start-ups, foreign associates and individuals. We assist our clients by helping to protect their intellectual property, including research, patents, inventions, trade marks, brands, designs and other IP.

Our communities

IPH's businesses operate in eight IP jurisdictions and we recognise our responsibility to act appropriately within the communities in which we operate. We do this by supporting community and charitable initiatives within our geographic communities and professional development within the global IP industry.

Our shareholders

IPH communication with investors is guided by our Continuous Disclosure and Investor Relations Policy. IPH communicates information on the group's activities to shareholders and the public via a number of forums including announcements to the ASX, investor presentations, releases to the media and the release of financial and other reports. Announcements are also placed on the IPH website.

Regulatory and government bodies

IPH operates in a highly regulated environment. Our IP professional staff are governed by codes of conduct and professional conduct rules for patent and trade mark attorneys and legal practitioners. IPH and its group businesses are committed to maintaining the highest standards in our activities. To ensure we monitor and comply with regulatory and professional obligations, we engage directly with relevant regulatory and government bodies as required.



Sustainability at IPH

IPH is an ASX listed professional services business and as such is aware of the need for strong governance, supporting our people and working within our local communities. As our business continues to evolve and develop, we will identify further opportunities to increase our reporting on environmental and community sustainability initiatives.

Good governance

Supporting our communities

Our people

Minimising our
environmental impact

Good governance

IPH corporate governance

IPH Corporate Governance Framework

The Board of Directors (the Board) and management of IPH Limited (the Company) are committed to high standards of corporate governance to ensure that as a business we effectively manage risk, maintain appropriate transparency of our operations and implement a strategy to support a sustainable business.

The IPH Corporate Governance Statement discloses the extent to which IPH has followed the ASX Corporate Governance Council's Principles and Recommendations 3rd Edition and is available on the [IPH website](#).

The IPH Board

The IPH Board brings relevant experience and skills including professional services, financial management, legal services and corporate governance, and retains ultimate accountability to IPH shareholders in discharging its duties.

The Board is responsible for setting the strategic direction of the Company and monitoring the implementation of that strategy by IPH management.

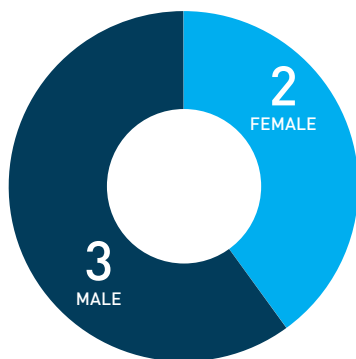
The Board requires each Director to demonstrate ethical behaviour, independence of mind, sound judgement, high levels of engagement, and highly developed interpersonal skills. In addition, the Company seeks to have a diverse Board which collectively has a range of skills appropriate to the operations and strategic objectives of the Company. The Board has identified a range of skills and experience of particular importance as set out on the right.

Board skills

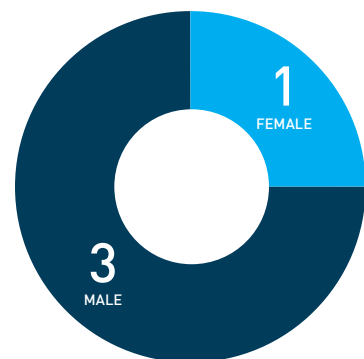
- » Knowledge of corporate governance and compliance in listed entities
- » Intellectual property knowledge and experience
- » Experience in professional services businesses
- » Strategic capabilities and commercial acumen
- » Experience in businesses conducted offshore, particularly Asia
- » Experience on the boards of other significant listed entities
- » Experience in human resource management, including workplace culture, management development and succession, health and safety, diversity, and remuneration
- » Experience in incorporating digital into business models, and information technology as an enabler in a professional services business
- » Risk management understanding and experience
- » Experience in executive leadership
- » Financial management capability, including accounting or related financial management qualifications.

In FY19 the skills, experience and diversity of the Board were further strengthened with the appointment of Ms Jingmin Qian as a Director of the Company. The Board is satisfied that it collectively possesses a range of skills appropriate to the operations and strategic objectives of the Company, and that each Director meets the fundamental requirements necessary to govern an ASX listed company with the strategic intent to be the leading intellectual property group in secondary IP markets.

**IPH Board
Membership
FY19**



**IPH Board
Membership
FY18**



Sustainability at IPH

Good governance

Board committees

The IPH Board has established an **Audit Committee**, a **Nominations and Remuneration Committee** and a **Risk Committee** to assist in the discharge of its responsibilities. The members of these committees are outlined in the IPH Directors' Report and the full charters for each committee are available on the IPH website.

Audit Committee

The Audit Committee assists the Board in fulfilling its corporate governance responsibilities in regard to financial reporting and audit management, including: compliance with legal and regulatory obligations; the integrity of the financial reporting for the Company and its related entities; oversight of the independence of the external and internal auditors; the effectiveness of the group's enterprise-wide financial management and internal control framework.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee assists the Board in fulfilling its corporate governance responsibilities in regard to remuneration matters, including: the remuneration and incentive framework; nomination matters, Board appointments, re-elections and performance; Directors' induction programs and continuing development; committee membership; endorsement of senior executive appointments; and diversity obligations.

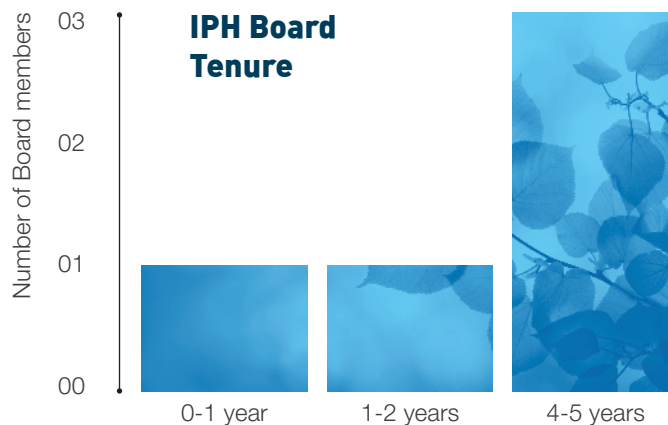
Risk Committee

The Risk Committee assists the Board in fulfilling its corporate governance responsibilities in regard to risk management for the Company and its related entities including: risk appetite and risk management framework; risk policies, systems, processes and controls; and the effectiveness of the group's risk management framework.

Governance policies

IPH is committed to maintaining the highest standards of governance in the conduct of our activities.

IPH has a number of corporate policies which form part of our governance framework, as set out on the right, which are available on the IPH website:



- » Code of Ethics and Professional Conduct
- » Continuous Disclosure and Investor Relations Policy
- » Share Trading Policy
- » Diversity Policy
- » Hedging and Margin Loan Policy
- » Privacy Policy
- » Risk Management Policy
- » Whistleblower Policy.

Risk management

We recognise that a sound risk management framework is critical for the effective management of our business. An effective risk management system identifies and manages potential risks in a continuous, proactive and systematic way through the integrated application of high quality risk management policies and processes to all facets of our business by all levels of management.

IPH's **Risk Management Policy** is also available on our website. Our Risk Committee comprises at least three independent Non-executive Directors, and is chaired by a Director who is not Chairman of the Company. The Committee's Charter is also available on the IPH website.

Sustainability at IPH

Good governance



Our risk management framework is being progressively implemented, and:

- » recognises risk management as a business process that is owned by all management;
- » requires integration into key business processes, including risk-based decisions in strategy, business planning and investment setting; and
- » incorporates a process for ongoing review and improvement.

The risk management framework incorporates relevant regulations and guidelines including the ASX Principles and the Australian / New Zealand standard AS/NZS ISO 31000:2009 *Risk management - Principles and guidelines*.

In addition to receiving regular reports on financial, operational and compliance risks, the Board reviews IPH's risk management framework annually, and undertook a review of the framework in FY19.

Key risks

The Company's material economic, environmental and social sustainability risks were disclosed in the Operating and Financial Review (OFR) section of the Directors Report issued on 20 August 2019. This can be found in the Directors' Report on the IPH website.

Privacy and data protection

IPH recognises that the protection of data and information is of critical importance. The group provides a large volume of services to a significant number of clients and interacts with a range of external contractors, suppliers and private and public-sector companies. We therefore take IT security extremely seriously by conducting appropriate reviews of our information technology systems, our operations and human resourcing, our management of cyber risk, and by educating our staff on awareness of data protection and cyber security. IPH continually invests in system enhancements and engages quality third-party suppliers to assist with our systems development and maintenance.

Privacy

Our approach to privacy and how we collect, use, manage, and disclose personal information is outlined in our [Privacy Policy](#), available on the [IPH website](#). We also have an established internal data breach policy and procedure across the group.

Our people

IPH recognises that people are critical to our success. We are focused on our employees and making IPH businesses great places to work. As well as providing a safe work environment for our people, our employee initiatives include an employee incentive plan (EIP) for eligible staff and promotion opportunities. We also provide opportunities for learning and development, and to attend and present at conferences and events, to ensure we attract, motivate and retain high quality team members and provide our people with rewarding career paths.

At the time of publishing, the IPH group has expanded to include more than 1000 employees, following the acquisition of Xenith IP Group.

Our workforce in 2019

The workforce information in this report is aligned with the 2019 financial year. At 30 June 2019, IPH employed 664 people across our group businesses, working within 15 offices across eight IP jurisdictions. The following tables show our workforce by contract type, employment type and gender across the business by region.

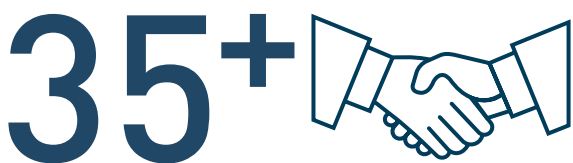
Total number of employees by contract

Contract Type	Total	Percentage
Permanent	632	95%
Casual	13	2%
Contract	19	3%
Total	664	100%

Total number of permanent employees

Employment Type	Total	Percentage
Full time	581	91%
Part time	56	9%
Total	637*	100%

* Includes five fixed-term contract staff at AJ Park.



More than 35 promotions to Principal since 2014

Total workforce by region and gender

Location	Female	Male	Total	Percentage
Australia	137	93	230	34.6%
New Zealand	118	56	174	26.2%
Singapore	88	35	123	18.5%
Thailand	8	3	11	1.6%
Indonesia	9	3	12	1.8%
China	26	9	35	5.3%
Hong Kong	22	14	36	5.4%
Malaysia	20	7	27	4.1%
Other*	4	12	16	2.4%
Total	432	232	664	100%#
Percentage	(65%)	(35%)	(100%)	

* Practice Insight staff, including contractors, are located in a number of countries.

May not add up to 100 due to rounding.

Our values and culture

IPH focuses on rewarding performance and providing career growth opportunities for our people to better serve our clients. Each business within the IPH group has its own distinct culture which is aligned to the group's vision and greatly contributes to its success.

IPH's core values and key drivers are:

- Excellence** in service delivery to our clients
- Innovation** in value creation
- Integrity** in business practices
- Efficiency and effectiveness** in operations
- Empowerment and engagement** of our people.

Diversity and equal opportunity

Embracing diversity broadens our opportunities to recruit the right people from a diverse pool of talented individuals; create an inclusive workplace culture that embraces diversity and promotes creativity and innovation; and better represents the diversity of our stakeholders. While our initial target is to improve gender diversity, we recognise other aspects of a diverse workplace are also important.

To strengthen gender diversity in FY19, the Board adopted a target of 30 per cent representation from women across both the Board and senior executive and Principal roles. Current representation in FY19 stands at 40 per cent for the Board and 27 per cent for senior executive and Principal roles respectively. Our diversity policy is available on the [IPH website](#).

Sustainability at IPH

Our people

Attracting, motivating and retaining key talent

Promotions and incentives

Since listing on the ASX, IPH has awarded more than 35 promotions to Principal positions across the group – including eight in FY19, along with numerous other promotions within our businesses.

In 2019, approximately 120 staff also participated in our performance-based incentive program for eligible* employees, focused on business growth, and aligned to sustainable shareholder value creation. IPH has developed and fine-tuned its Employee Incentive Plan (EIP) over time and we work with each business to set key performance indicators which are aligned with their business and role. This enables employees receiving awards on the plan to become shareholders in the company and share in its success.

With our Asia-Pacific reach, we offer our employees rewarding international work opportunities to gain experience and exposure to a variety of IP jurisdictions and work with colleagues across the region.

* Most Principals (including Vendor Principals), Senior Associates, Associates and select senior management, are eligible to participate in the EIP.

Providing a safe and flexible work environment

At IPH we are committed to providing a safe work environment and flexible work options for our employees across all group businesses. This includes physical, mental, cultural and gender-based safety. Where required, and in accordance with the legislative requirements of the country in which we operate, our businesses have the following policies (or similar) in place for the safety and protection of our employees:

- » Injury management and worker's compensation (ACC in New Zealand)
- » Workplace Health and Safety
- » Equal Employment Opportunity
- » Workplace behaviour covering drug & alcohol use, discrimination, harassment, bullying and victimisation
- » Flexible work / work from home
- » Code of ethics and professional conduct.

Career progression at IPH

Lynell Tuffery Huria

Principal, AJ Park



Lynell Tuffery Huria, lawyer and trade mark attorney at AJ Park, was promoted to Principal in July 2018. At AJ Park since 1990, Lynell discovered her passion for law while undertaking a Bachelor of Laws and training as an IP attorney. Lynell is not only an expert in trade mark law, but also in indigenous cultural IP law and works with Māori organisations, including the *Patea Māori Club* and the *Parihaka Papakainga Trust*, to help them secure IP protection for their cultural assets.

Her love for IP cultural rights has seen Lynell recently help organise the *Ngā Taonga Tuku Iho* Conference with experts speaking on indigenous cultural IP, and she regularly educates community groups including AJ Park employees, on Māori culture, language and heritage. "It's my aim to get legislative recognition for cultural property," she says. Lynell says she is fortunate to see the issues from a dual standpoint of understanding the IP system while also having an indigenous cultural perspective. "I think there's a need for people like me and I'm keen to build our expertise in this space."

In the 2019 financial year, IPH and its group businesses offered employees a range of services and initiatives as appropriate to each business, to assist in providing a safe and flexible work environment. These include:

- » Employee Assistance Program (EAP)
- » Annual medical cover
- » Annual flu vaccinations
- » Weekly fruit and nut deliveries
- » Corporate wellness programs including mental wellbeing and fitness initiatives
- » Regular staff social activities, morning teas, EOFY and Christmas social events
- » Flexible start and finish times and opportunities to work from home
- » Employee induction and work health and safety training.

Sustainability at IPH

Our people

Professional development opportunities

Our two largest businesses, Spruson & Ferguson and AJ Park, offer support for professional qualifications and ongoing training programs for patent and trade mark attorneys and support staff, plus additional training for corporate services employees.

In FY19, Spruson & Ferguson supported 10 trainee patent and trade mark attorneys to undertake their professional qualifying exams and / or undertake the Master of Intellectual Property, and promoted five senior attorneys to Principal as part of 10 promotions across the business. AJ Park also supported seven trainees to undertake the Master of Intellectual Property or their qualifying exams, and promoted three senior attorneys to Principal in the 2019 financial year.

Networking and conferences

Team members from our group businesses regularly attend and present at local and international conferences, exhibitions and trade shows.

During the 2019 financial year, more than 130 staff attended national and international conferences across all group businesses, including more than 20 staff who presented or exhibited.

Examples of conferences include, but are not limited to:

- » Asian Patent Attorneys Association (APAA) 18th General Assembly and 68th & 69th Council Meetings, in New Delhi, India – 17 to 21 November 2018. Providing workshops and sessions on patents, copyright, anti-counterfeiting, designs, emerging IP rights, and trade marks.
- » BIO 2019 in Philadelphia – 3 to 6 June 2019. A gathering of more than 16,000 biotech and pharmaceutical professionals from 67 countries. BIO 2019 provided 500 education sessions across four days.
- » INTA International Trademark Association Annual Meeting 2019 in Boston – 18 to 22 May 2019, a conference attracting more than 11,000 IP professionals internationally.
- » Innovfest Unbound in Singapore – June 2019. The festival welcomed more than 15,000 entrepreneurs, brands, corporates, investors and tech start-ups from more than 100 countries.

These conferences provided our staff with the opportunity for continuous learning, to present their expertise and share knowledge with IP professionals, and to network with peers in other IP jurisdictions.

Supporting the future of IP

Dr. Kate Baumann

Trainee Patent Attorney, Spruson & Ferguson



Kate Baumann is a trainee patent attorney with Spruson & Ferguson Brisbane. Commencing in January 2019, Kate is supported by Spruson & Ferguson, via course payment and paid study leave, to undertake a Master of Intellectual Property at the

University of Technology Sydney. “I like learning and what attracted me to the role was that I’d have the opportunity to do another degree,” she says.

As a science trainee in Brisbane, she is well supported by the Chemical/Life Sciences Team “The team is great. My supervisors spend a lot of time explaining everything clearly and our Principals provide ongoing education.”

With a PhD in molecular biology, Kate understands the importance of protecting research and ensuring that her clients get the best IP protection possible. “It can take decades for an invention to become a useful product. It’s important to protect the research because so much time, energy, money, and people’s lives have gone into it.”



Serene Ong, Le Hong Minh and Coral Toh represent Spruson & Ferguson at IPBC Southeast Asia – February 2019

Sustainability at IPH

Our people

Industry recognition

In the 2019 financial year, more than 40 individuals from our group businesses received industry awards or recognition for their expertise in intellectual property. Just a few examples across our group businesses include:

- » Spruson & Ferguson – recognised as a Top Tier Firm for Patent Prosecution (Australia & Singapore) and Trade Mark Prosecution (Australia)
- » 13 AJ Park attorneys – selected for inclusion in *The Best Lawyers in New Zealand 2020* in the field of intellectual property law
- » Four AJ Park Principals – ranked among the world's top IP strategists in the *2019 IAM Strategy 300*
- » Nine Spruson & Ferguson and eight AJ Park team members in Australia, New Zealand and Asia – listed as leading patent professionals in the *2019 IAM Patent 1000*
- » Six AJ Park Principals – recognised as the world's best and brightest IP practitioners in World Intellectual Property Review's *WIPR Leaders 2019* handbook.
- » Seven Spruson & Ferguson attorneys and seven AJ Park Principals recognised as Managing Intellectual Property (MIP) *2019 IP STARS*.

40+ 

More than 40 IP professionals from our group businesses received IP industry awards or recognition in FY19.

Paying it forward

Jonathan Loh

Principal – Patents: Engineering & ICT
Spruson & Ferguson Singapore



Commencing his career as an electrical engineer, Jonathan was most interested in law, and took the opportunity to start with Spruson & Ferguson Singapore as a trainee patent attorney after undertaking a short course on intellectual property at

university. "I knew a bit about patents and it was a good balance between engineering, law and business," says Jonathan. "Patents are inherently technical in nature and Spruson & Ferguson place a big emphasis on our patent professionals being technically qualified."

Jonathan drafts and prosecutes a broad spectrum of local and overseas patent applications which often involve cutting-edge technology in the electrical and electronics field and says he enjoys seeing those inventions launched to the public. Promoted to Principal in January 2018, and recognised as an MIP Rising Star in the 2018 Managing IP Awards, Jonathan also enjoys passing on his IP knowledge to local start-ups and to new trainee patent attorneys.

"I hope to continue training junior professionals. I think it's important to not only impart patent-related skills, but also other skills such as client interaction and relationship management," he says.

130+ 

More than 130 employees attended, exhibited or presented at national and international conferences across all group businesses in FY19.

17 

17 trainee patent and trade mark attorneys supported in FY19.

Supporting our communities

IPH through its group businesses is proud to support the communities in which we operate. We support both the geographic communities in which we have a presence, and the professional communities of which we are a part.

Community support

During the 2019 financial year, the IPH group businesses supported several charities through a range of initiatives. These include:

- » Breast Cancer Foundation of New Zealand
- » Smith Family Christmas Appeal
- » Leukaemia and Blood Cancer New Zealand
- » First Foundation
- » Kids Foundation
- » Burn Support Group Charitable Trust
- » Blind Foundation Red Puppy Appeal
- » Good Samaritans
- » Material Rescue Program of REmida Perth.

Knowledge sharing

Our professional teams regularly contribute to the development of the IP profession through knowledge sharing events and guest lecturing. IP attorneys from our group businesses presented, trained, or spoke at more than 25 conferences, university seminars and key industry events across our jurisdictions during FY19.

Members of the IPH group also hold positions on professional associations, including the New Zealand Institute of Patent Attorneys and the Institute of Patent and Trade Mark Attorneys of Australia.

Sponsorships and hosting of industry and community events


IPH group businesses were proud to sponsor or host approximately 30 industry and community events and conferences throughout the 2019 financial year.

Examples of conference sponsorship include:

- » Innovfest Unbound (Singapore), June 2019
- » IPBC Southeast Asia (Singapore), February 2019 and Australasia (Melbourne), October 2018
- » Ngā Taonga Tuku Iho (Māori Intellectual Property Rights) Nelson, New Zealand, September 2018
- » New Horizons Conference, Sydney, November 2018.

Examples of industry and community event hosting, scholarships and university prizes include:

- » Queensland Small Business Week breakfast seminar on Exports, IP & Grants, May 2019
- » Export Council of Australia's breakfast seminar on Intangible Assets, April 2019
- » Vietnamese American Bar Association's 2019 Gala
- » AusBiotech's NSW Women in Life Sciences Luncheon, Sydney, March 2019
- » RACI NSW Global Breakfast Women in Chemistry, Sydney, February 2019
- » New Zealand Fashion Week's innovation award
- » Massey University scholarship prize
- » University of Auckland and Victoria University AJ Park Intellectual Property prize.

75+ 

75+ industry and community events and conferences supported in FY19*.

* This includes sponsorship, hosting and professional IP support.

235+ 

The largest of our group businesses undertook more than 235 hours of pro bono work in FY19.

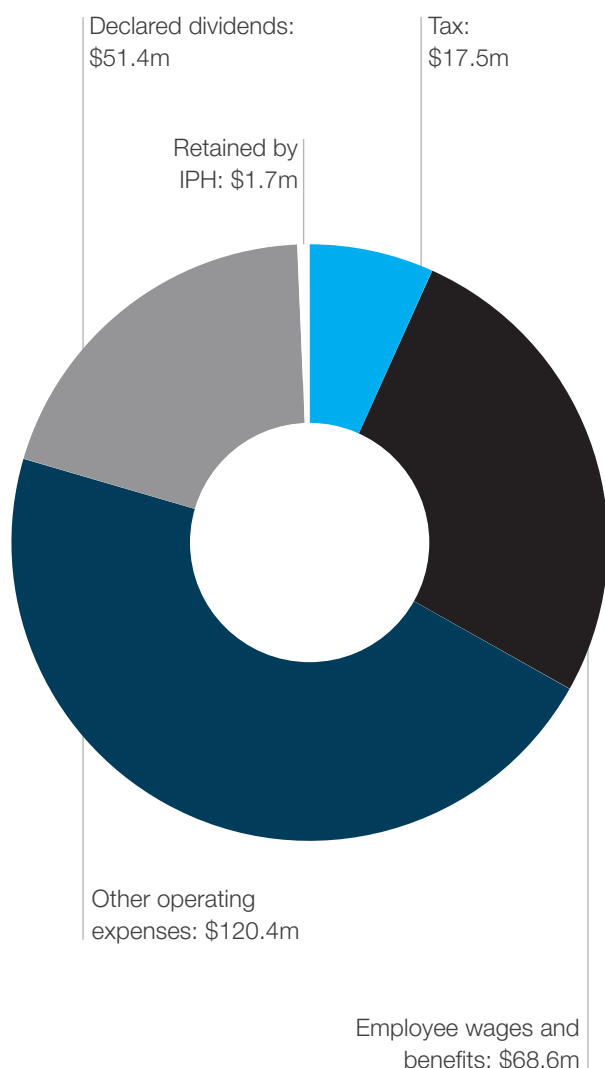
Sustainability at IPH

Supporting our communities

Our financial contribution in FY19

IPH and its group businesses also contribute to the wider community by paying wages and salaries, income and payroll tax, and local suppliers, from a total operating income in FY19 of \$259.6m.

Our financial contribution in FY19



AJ Park gives back to the community

During FY19, AJ Park and its employees consistently contributed to the community in a volunteer capacity; participating in beach clean-ups in Mission Bay, Auckland and Wellington, tree planting, packing baby clothes, and collecting donations for the *Blind Foundation Red Puppy Appeal*.

In April 2019, members of the AJ Park team volunteered their time to help on *Motuihe Island* in support of the Motuihe Trust, which is working to preserve and protect indigenous flora and fauna, and significant Maori and historic sites of Motuihe Island.

AJ Park's catering for Auckland and Wellington office functions and meetings also supports the community. Provided by a company called *Eat My Lunch*, for every \$14 spent, the company donates lunch to a school child in need. In 2019, AJ Park was responsible for providing approximately 790 school lunches for children in need.

All AJ Park employees also receive one paid leave day per year to undertake volunteer work and AJ Park undertook more than \$10,000 worth of additional community work for social good in FY19.

Minimising our environmental impact

As a professional services business we have minimal carbon or energy-intensive business activities. However, we are working on several initiatives which are reducing our impact on the environment.

As IPH's sustainability reporting continues to evolve, we will continue to consult with key stakeholders to assist in identifying sustainability metrics as they relate to our business. This includes referencing the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals where they are relevant.

Reducing waste

In 2019, our Practice Insight business replaced all office lighting in Perth with LED lights and decommissioned roughly 60 per cent of unused server machines. This resulted in a 40 per cent reduction in energy consumption. The Perth office was also sound-proofed to reduce noise pollution and is located in a building that is transitioning to green waste disposal.

We continued work to reduce our use of paper. IPH's largest group business, Spruson & Ferguson, has transitioned to a paper-lite business in its biggest offices in Singapore and Sydney, which largely removes the need for physical paper files. In FY19, further work was undertaken to transition the new Spruson & Ferguson Brisbane office to paper-lite work practices.

Our Spruson & Ferguson offices across Australia and Asia also use PEFC certified sustainable paper stock and the Australian offices provide paper, glass and plastic recycling. The Sydney office is in a NABERS 5.5-star energy-rated building which supports best practice waste management.

IPH continues to encourage our shareholders to receive material electronically. Almost 70 per cent of our shareholders receive IPH communication via email or online.

Offsetting carbon emissions

The IPH Limited corporate team offset their domestic and international flights in FY19 by making an equivalent donation towards sustainability projects through myclimate.org. This equated to an offset of more than 51 metric tonnes* of CO₂ emissions.

* Calculated with the ICAO carbon emissions calculator on the [ICAO website](#).



IPH group businesses reduce their office footprint across Australia

In FY18 and 19, we consolidated office space in our businesses in both Sydney and Brisbane. This has substantially reduced the office footprint in these locations.

In Sydney, Spruson & Ferguson reduced its office footprint by more than 18 per cent, while providing a modern, collaborative working environment in a NABERS 5.5-star energy-rated building designed to reduce energy and water consumption. The new office space provides a positive work environment for employees and access to sustainable transport options.

In Brisbane, the consolidation of two offices into one, due to the merger of three IPH businesses, has reduced our office footprint by more than 1,000m² in this location in FY19.

Reducing energy consumption

IPH data servers are 92 per cent virtualised. This means that we have avoided adding approximately 1,200* metric tonnes of CO₂ emissions into the environment in FY19 by not using physical servers requiring power and cooling.

* Based on an average energy consumption of 7,446 kWh of power per server per year, using the [zdn.net](#) server power usage toolkit and the greenhouse gas equivalencies calculator at [www.epa.gov](#).

Looking ahead to FY20

IPH is a growing and evolving business. Since listing on the ASX in November 2014, we have completed eight acquisitions and continue to expand our business offering throughout the Asia-Pacific region.

As an ASX200 company, our corporate governance measures are well established and our Board is fully committed to high standards of corporate governance, providing the skills and experience to govern IPH in accordance with the ASX Principles.

As our company evolves, we will continue to look at new ways of supporting and developing all of our employees, including incentive programs, promotions, opportunities for travel and knowledge sharing, support for trainee attorneys and ongoing learning and development.

We will explore new opportunities to support the communities in which we operate, including our IP community, and we are committed to enabling our vast group of IP experts to continue to share their knowledge and experience.

Finally, we will continue to investigate the ways in which we can reduce our impact on the environment and contribute in a positive way to environmental and community initiatives.

We are pleased to present this first IPH sustainability report and the insights it provides on our approach to sustainability across our business. In 2020 we will continue to build our sustainability reporting across the group and engage more deeply with our internal and external stakeholders throughout the year, to ensure we can continue to communicate in a meaningful way about sustainability at IPH.



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