

The background of the image is a close-up, low-angle shot of a curved wooden structure, possibly a ceiling or a large-scale architectural detail. The wood is light-colored and features a series of closely spaced, curved slats that create a rhythmic, flowing pattern. Overlaid on this background are two rectangular shapes: a large red rectangle on the left and a smaller black rectangle on the right. The text is positioned within these rectangles.

MinterEllison.

Creating
sustainable
value

Annual Report 2022



< Introduction

Creating sustainable
value with >

Creating sustainable
value through >

Message from our Chair

In my first year as Chair of MinterEllison, I am impressed by the enduring resilience of our people, our clients and our communities.

During the past two years, our firm experienced strong growth and success in a time of unprecedented disruption, while embracing new and more flexible ways of working and connecting. We face further challenges that come with economic uncertainty, but I am confident that our firm and our clients will continue to adapt and work together to create opportunities and success.

Diversity is powerful and continues to be a focus of the Board and our Executive Leadership Team. Diversity in all its forms will remain a cornerstone of our firm's strategy.

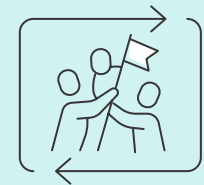
The values of our people and our firm are shown in our longstanding commitment to delivering pro bono legal and other support to help vulnerable people in our communities. There is synergy between the growth of our community support and the success of our firm, and we grow this important work each year. Increasingly, this involves collaboration with clients and community partners who share our values. Our capacity to contribute to the community is central to our own culture and prosperity.

In 2023 and beyond, we look forward to deeper and wider connections with our clients as we continue our investment in expertise in their key industries. Increasingly, our client solutions involve multi-disciplinary teams who collaborate to bring the full breadth of our legal and consulting services.

As Australia's leading law firm, we are committed to values of curiosity, collaboration and excellence, and to making a positive contribution to business excellence and success in all the markets in which we operate.



Andrew Rentoul
Chair



// Diversity is powerful and continues to be a focus of the Board and our Executive Leadership Team. Diversity in all its forms will remain a cornerstone of our firm's strategy."

Message from our CEO and Managing Partner

When I reflect on 2022, three key things come to mind – change, opportunity and culture.

Our clients and community partners are constantly anticipating and adapting to change at an ever-increasing pace – whether it is new markets, emerging industries, continuing digital transformation or changing economic conditions. Sustainability, in its broadest sense, is key.

We have maintained our focus on our clients, our communities and our people. Through the commitment of everyone at MinterEllison, we have further strengthened our firm in readiness for the years ahead.

We continue to focus on growing in the areas our clients most need, and on living our purpose and values – excellence, curiosity and collaboration – for sustainable value to our clients, people and communities.

I am delighted that in 2022, more clients experienced and benefited from our multi-disciplinary legal and consulting teams working to solve their most complex issues. Clients also benefited from the deep market and industry knowledge and expertise brought together with our teams' legal and consulting skills.

This report showcases some of our industry-led and cross-functional legal and consulting work, including being lead advisers to one of the world's most watched defamation cases, acting on three royal commissions, consulting on digital transformation, and strategic M&A activity that positions our clients for competitive advantage, growth and future sustainability.

Our success is grounded in our unique MinterEllison culture, which supports diversity in all its forms. Encouraging curiosity and enabling excellence drives

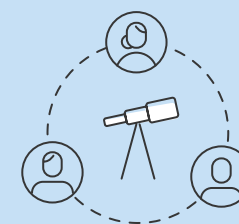
our people to achieve excellent outcomes for our clients. A highlight was the promotion of 113 partners and senior lawyers – 60% of whom were female.

I am very proud of our community investment and pro bono work featured in this report. It is market leading and done in partnership with our clients.

As I look ahead, I am optimistic. Our firm has a clear purpose, values and ambition. The strength and expertise of the MinterEllison team will continue to deliver excellence to our clients and communities as they seize the opportunities that lie ahead.



Virginia Briggs
CEO and Managing Partner



//

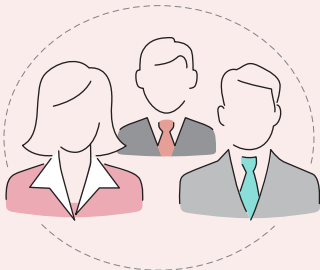
We now live in a world of constant change, and it's a privilege for us to partner with our clients and communities to help them seize the opportunities that come from this change."

Key performance achievements

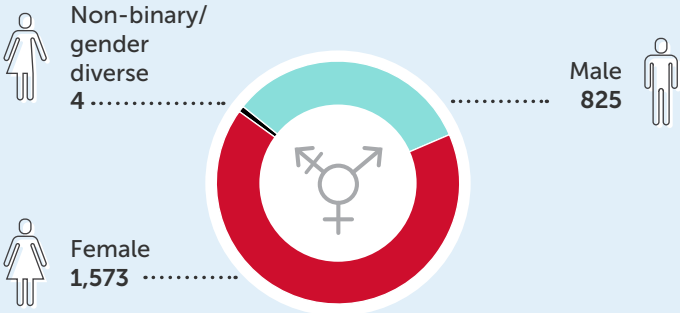
PEOPLE as at 31 December 2022

2,402

Total number of partners, consultants and staff



Gender breakdown



Role breakdown



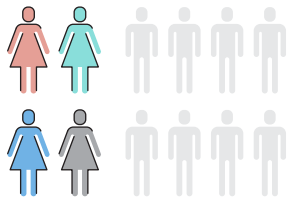
1,362
Legal staff



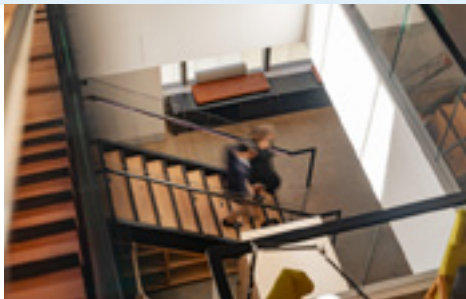
97
Consultants



248
Partners



33%
Female partners



Key performance achievements

COMMUNITY as at 30 June 2022

Pro Bono

\$22 million
of pro bono advice

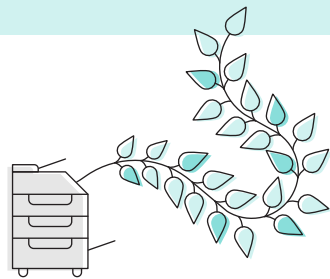


60,000 hours

51%
of lawyers
(graduates to special counsel)
provided pro bono support

Community Impact

\$360k
donated for community
relief initiatives



374
students/teachers reached
nationally through
ABCN mentoring programs



RAP Impact

4,500+ hours

\$1.8m
value

Sustainability

34%
decrease in total paper usage or
32% decrease per employee (kg)

9%
decrease in
electricity usage (kWh)

DIGITAL as at 31 December 2022

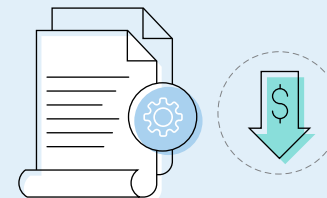
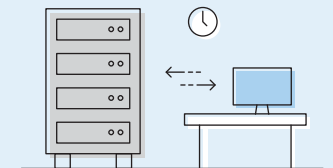
64,000 hours

saved due to process and automation

115 million
documents processed
using technology



84%
reduction in human time
spent processing documents



\$17.2m
savings to clients
due to use of automation

2022 Awards



Gold Employer



Employer of Choice for
Gender Equality

Best Lawyers® The Best Lawyers in Australia™ 2023

12 partners recognised as
Best Lawyers

3 lawyers recognised as
Ones to Watch

Construction/
Infrastructure law
Law Firm of the Year

Labour and
employment law
Law Firm of the Year

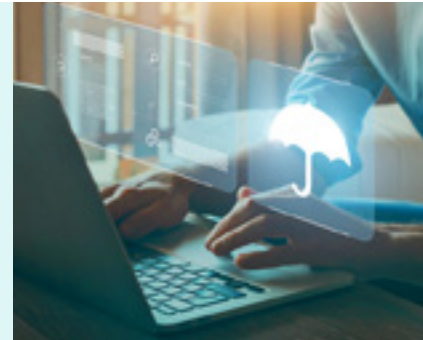


Insolvency &
Restructuring
Deal of the Year

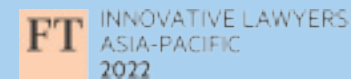
National Law firm
of the Year
in Australia



5-Star
Personal
Injury Lawyer



Professional
Services Firm
of the Year



People and Skills Award

Finalist, Most Innovative
Law Firm in Asia Pacific

Finalist, Innovation in
Digital Legal Practice



James Hutton
Key advisory to Deal of the Year,
Australian Investment Council
Growth Awards 2022

Mergermarket

ranked highly in 2021-22 for:

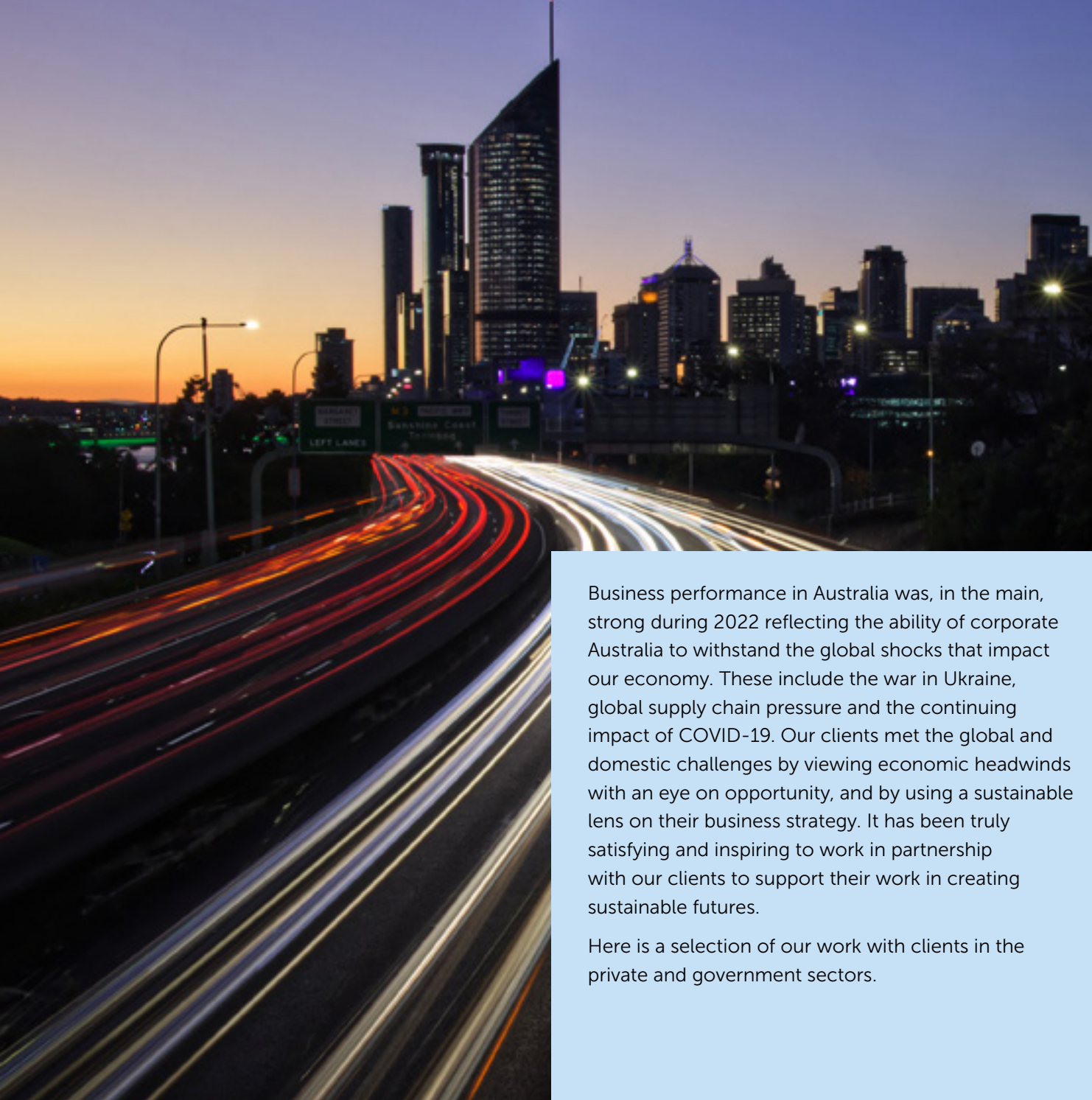
M&A practice
ranked 2nd in Australia
for the volume of deals

M&A practice
ranked 1st for deal volume
and value in mid-market

Private Equity practice
ranked 5th in Australasia

FINANCIAL REVIEW

Winner, Most Popular
Clerkship Employer,
Top 100, GradConnection



Creating sustainable value with our clients

Business performance in Australia was, in the main, strong during 2022 reflecting the ability of corporate Australia to withstand the global shocks that impact our economy. These include the war in Ukraine, global supply chain pressure and the continuing impact of COVID-19. Our clients met the global and domestic challenges by viewing economic headwinds with an eye on opportunity, and by using a sustainable lens on their business strategy. It has been truly satisfying and inspiring to work in partnership with our clients to support their work in creating sustainable futures.

Here is a selection of our work with clients in the private and government sectors.

Ben Roberts-Smith v Nine Entertainment

The so-called 'trial of the century' – the defamation trial between Ben Roberts-Smith and Fairfax Media (now Nine Entertainment) – will be remembered as one of the most significant defamation trials in Australian legal history. The year-long trial, which concluded in July 2022 and is awaiting judgement, saw Victoria Cross recipient and former SAS officer, Ben Roberts-Smith, sue Fairfax Media and two journalists, Chris Masters and Nick McKenzie, for defamation in their reporting into alleged war crimes committed in Afghanistan by Roberts-Smith.

MinterEllison's defamation partner, Peter Bartlett, acted for Nine Entertainment and led a team of 37 lawyers and staff from the firm. Nine and the journalists defended the case on the basis of the truth defence. This was not a case where the witnesses from both sides told similar stories; rather, witnesses from each side told diametrically opposed stories.

The case was challenging and had the added complexity of the Inspector-General of the Australian Defence Force, during proceedings, investigating potential breaches of the laws of armed conflict by Australian soldiers in Afghanistan.

A key challenge was managing witnesses and ensuring they attended the court to tell their stories. MinterEllison called 20 current and former SAS members, three Afghan villagers, the complainant's former bodyguard, former wife and former girlfriend to give evidence supporting the truth defence.

Other challenges included COVID-19 effects on movement, obtaining witness statements from Afghan soldiers, compliance with national security restrictions given there was the highest level of Defence clearance,

and a change in Senior Counsel two months before the trial.

The stakes are high for all parties and the consequences of the judgement for media organisations will be profound for, in many respects, investigative journalism was also on trial. The future sustainability of independent, fearless reporting will be affected by the outcome.



Managing cyber risk

It is clear that organisational, public and regulatory awareness of cyber risk significantly escalated in Australia during 2022, with some of our most high-profile brands suffering devastating data breaches affecting millions of customers.

Malicious cyber activity is ubiquitous. MinterEllison's 2022 *Perspectives on Cyber Risk* report found that a quarter of organisations have been subject to a cyber security incident that compromised their systems or data. At the same time, 90% of respondents had received an obvious phishing email or ransomware security threat.

Our report also noted that although many organisations consider cyber security a high risk, there are additional measures that organisations can and should take to address the risk. Notably, while 56% of organisations identified cyber as a top five risk, less than half said they had taken steps to assess their cyber security against an established framework. This gap between cyber risk awareness and action must be narrowed for organisations to manage their exposure properly.

MinterEllison works closely with our clients to assist them in preparing for and responding to cyber security incidents. This work involves advising on regulatory obligations (including the *Privacy Act* and *Security of Critical Infrastructure Act*), designing best practice risk-management programs, conducting risk assessments against standards (such as NIST and the ASD Essential Eight), advising on data breaches (including ransomware response), and assisting organisations in meeting their reporting and other obligations to regulators and law enforcement authorities.

Cyber risk has captured attention at the board level. We have advised boards about: class action risk arising from cyber incidents; their regulatory obligations and duties concerning cyber risk; their risk management plans and cyber security governance (including implementing organisation-wide cyber awareness capabilities).

Social engineering leads to fraud

Social engineering – the technique of deceiving a victim to gain control over a computer system – was used on a mid-size law firm to gain unauthorised access to their banking systems and commit financial fraud. The firm’s insurer engaged MinterEllison’s insurance practice and specialists from our Consulting business to address legal and operational risks.

The fraud involved coercing an account manager at the law firm to make four payments via the firm’s banking system. This was followed by a hoax call from the threat actor purporting to be from the bank resulting in the account manager who disclosed the firm’s banking login details and a 2nd-factor authentication code to assist in processing those transactions immediately.

The threat actor subsequently transferred over \$3 million to an account and the bank processed the payment, even though it was identified by the bank as a potential fraud.



Through the investigation of system and application logs, we were able to determine the methodology of the threat actor and instruct the impacted law firm partners on necessary next steps to reduce risk, remediate information security and financial standard operating procedures, and give expert advice on how best to notify the relevant parties.

Social engineering is one of the most common methods of financial fraud and is often deployed in a cyber-attack.



Medical clinic subject to ransomware attack

When a medical clinic was impacted by a ransomware attack that infected their servers and workstations, they acted quickly to cleanse their IT systems of the virus. Unfortunately, the backup files were also infected, and the rebuild subsequently re-infected the server and workstations. The clinic’s insurance provider then contacted MinterEllison to assist with their immediate incident response from a legal and operational perspective.

MinterEllison Consulting’s cyber security team were engaged and identified that the threat actor used a strain of ransomware called Trigona. Typically, Trigona ransomware encrypts all files and installs a file within the infected server or workstation, which links the victim to a Tor negotiation site that accepts ransom payments. However, that file was no longer available since the infected servers and workstations were wiped. Trigona threat actors sent the clinic a message informing them they had access to sensitive health, personal, and financial information and would release it if a payment was not made.

Our cyber security team identified that the threat actor used “double extortion” ransomware, a type of cyberattack in which threat actors exfiltrate a victim’s sensitive data and encrypt it, giving the criminal leverage to collect ransom payments. We provided advice on the quality of the response and the appropriate next steps to ensure that future breaches did not occur, and what to expect from the threat actor moving forward.

We supported the clinic, which engaged a new IT service provider that identified that the backups were infected and installed an endpoint agent to monitor both servers and workstations to ensure further infection did not occur.

Our cybersecurity consulting team was assisted by our legal teams, who offered expert advice on regulator and data owner disclosure legal obligations. The client appreciated the ability to deliver seamless advice across both legal and operational aspects of cyber incident response.

Royal commissions – the highest form of inquiry

Royal commissions and commissions of inquiry are the highest form of inquiry into matters of public importance. They expose participants to high scrutiny as well as potential litigation. They provide a platform for individuals and organisations to tell their stories, and support recommendations for reform to vital areas of Australian society.

MinterEllison has a long history of acting in Australia's most significant commissions including the Victorian Hotel Quarantine Inquiry and the Trade Union Governance and Corruption Royal Commission.

Currently, our team of leading experts is acting for state and Commonwealth governments in the following high-profile commissions being conducted in Australia:

- **Royal Commission into Robodebt Scheme** – examination of the establishment, design and implementation of the Robodebt scheme which was designed to recover alleged overpayments of social security benefits to recipients. Several key political figures, including a former prime minister, have given evidence before the royal commission which is seeking to make recommendations into what is described as a significant failure of public administration.
- **Royal Commission into Defence and Veteran Suicide** – investigation into issues contributing to serving and ex-serving defence member suicide. Hearings have taken place around the country in capital cities and regional towns. An interim report was handed down on 11 August 2022, with a final report due in June 2024.

- **Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability** – we have acted for the State of Victoria in all aspects of the royal commission since it commenced in 2019. There have been 31 substantive public hearings, with the final report due to be delivered in September 2023. The royal commission will make recommendations aimed at improving laws, policies and structures to ensure a more inclusive and just society.

Our work in relation to commissions includes helping clients manage their reputation and legal risk, strategic advice, preparing evidence and supporting witnesses, and formulating submissions on their behalf.



Liberty Hall Capital Partners acquires Ferra Holdings

MinterEllison advised Liberty Hall Capital Partners – a US-based private equity firm focused exclusively on investments in businesses serving the global aerospace and defence industry – on the acquisition by one of its portfolio companies (Accurus Aerospace Corporation) of 100% of UK-based Ferra Holdings Limited. Ferra Holdings is a leading global provider of highly engineered, complex and advanced components, sub-systems and assemblies for the military and commercial aerospace end-markets. It is also a strategic supplier to



several key original equipment manufacturers in the industry, including the Australian Department of Defence. The transaction value was reported as being US\$350 million.

The combination of Accurus and Ferra creates a more diversified and truly global, balanced business with broader capabilities to service customers across the globe in commercial aerospace, military aerospace or outer space.

MinterEllison's M&A and private equity teams drew from numerous practice areas to support the Australian and UK aspects of the transaction. Our full-service offering included a team from Australia and the UK with experience in due diligence, foreign investment and competition, tax, finance and W&I insurance. The transaction involved lengthy negotiations of the transaction documents.

Liberty Hall benefited from the seamless approach we could offer across multiple offices, which helped it successfully navigate the complexities of defence contracts and compliance that have historically led private equity investors to be cautious when approaching the aerospace and defence market.

Qantas takes majority stake in TripADeal

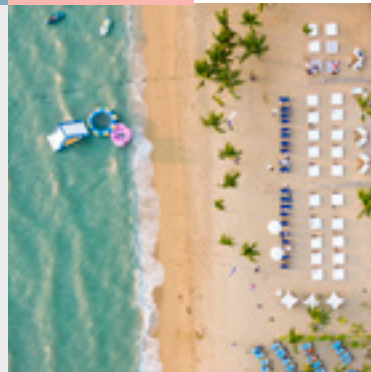
MinterEllison advised Qantas in its acquisition of a majority shareholding in the holding company of Byron Bay-based online travel booking website TripADeal.

Established in 2011 by co-founders Norm Black and Richard Johnston, TripADeal specialises in packaged holidays with set itineraries including flights, cruises, hotel accommodation and tours. Pre-COVID-19, TripADeal had an annual growth rate of more than 40%, and in the 12 months before the pandemic bookings exceeded \$200 million.

Under the all-cash agreement, Qantas acquired an initial 51% interest in TripADeal with the option for Qantas to acquire the remaining 49% of TripADeal in four years at an agreed multiple based on TripADeal's bookings at the time.

The complex deal included negotiations between a private equity firm and the owners, with MinterEllison's team of lawyers coming from many parts of the firm, including competition, disputes, employment, finance, intellectual property, tax and technology.

The deal allows Qantas's 14 million frequent flyers to use their points to book the huge range of ready-made holiday packages available on the TripADeal platform, regardless of which airline is part of the package. Further, Qantas frequent flyers will earn points for every dollar they spend with TripADeal.



Salter Brothers add more brands and beds to hotel portfolio

2022 was another successful year of growth for our longstanding client, Salter Brothers, which expanded its portfolio of hotel brands and properties, and diversified its funds to include luxury retreat assets.

The Australian-owned fund manager completed settlement on their \$620 million Travelodge hotel portfolio with properties in Sydney, Melbourne, Brisbane, Perth and Newcastle. The fund also finalised a management agreement with Accor to manage the Travelodge portfolio, and rebrand the Travelodge portfolio to various Accor brands – Ibis Styles, Mercure and Novotel. The management agreement is one of the largest hotel management deals in more than a decade.

MinterEllison's multi-disciplinary team from corporate, property, tax, finance, IP, construction, environment and planning, employment, litigation and foreign investment, together with our experts in the hotel sector, advised from inception to completion on the Travelodge acquisition and the negotiations with Mirvac and NRMA (as vendors) and Accor (as hotel manager).

The fund manager rounded out 2022 with the acquisition of the Spicers Retreats brand and six out of 10 of the resort-style properties located in regional New South Wales and Queensland. The MinterEllison team that advised on the Travelodge acquisition worked on the year-long negotiations with Spicers Retreats' owners Jude and Graham Turner and their advisers.

Salter Brothers' portfolio of hotel funds has been strategically built to appeal to both the domestic and international markets. As referenced by Managing Director, Paul Salter, the retreat fund, including the Spicers Retreats portfolio, is an exciting opportunity and a great fit for the Salter Brothers' strategy to acquire unrepeatable assets in amazing locations, targeting the luxury retreat market that continues to grow globally.

The completed acquisitions in 2022 are well timed to meet the surging occupancy rates in a post-lockdown, vaccinated world. Salter Brothers plans to continue its growth strategy by adding new properties in 2023.

A multi-disciplinary approach to VicRoads modernisation project

The Victorian Government's \$7.9 billion VicRoads Modernisation Project will deliver lasting benefits to Victorians – including modernising services and user-friendly registration and licensing. The government will also deliver benefits through a package that will reduce driver licensing and testing costs, and reward safe driver behaviour.

Following a competitive market process, a consortium of Aware Super, Australian Retirement Trust, and Macquarie Asset Management has entered into a 40-year joint venture with the State of Victoria to deliver the modernisation, and to operate the Registration and Licensing and Custom Plates business of the Department of Transport.

The business maintains registers of six million vehicle operators and five million driver licence holders. The government will maintain control over regulation and policy, data privacy protection and pricing of essential fees, with data to remain secure and stored in Australia.

It is the world's first project for modernising and operating a motor vehicle registry and licensing business.

MinterEllison advised the Victorian Government on all aspects of the successful project over 16 months. Our multi-disciplinary team working across four offices included lawyers in corporate, finance, industrial relations, information technology, intellectual property, competition, privacy, regulatory, M&A, and real estate property. We advised on the operating model and joint venture structure, concession deed and JV documents, consultation with stakeholders, service KPIs, privacy safeguards, the competitive bid process, negotiations and implementation.

The joint venture generated \$7.9 billion in upfront proceeds for the state, to be invested in the new Victorian Future Fund to manage pandemic debt.



Dexus to develop Atlassian market-leading HQ

Leading real estate company Dexus is developing Atlassian's new Australian headquarters in the NSW Government's technology and innovation hub, Tech Central.

MinterEllison has acted for longstanding client Dexus on the complex partial-acquisition, development, joint venture and financing deal.

Our diverse team of lawyers with expertise in construction, real estate, corporate, tax, and environment and planning advised Dexus on all aspects of the transaction to date, which has included navigating several novel issues associated with developing the world's tallest hybrid-timber building.

We worked collaboratively with Dexus's in-house legal and transaction teams, within tight timeframes, to address some unique challenges associated with this significant development, which will anchor Sydney's innovation and technology precinct.

The site is located at 8-10 Lee Street, Sydney and covers 3,487 square metres. The development, with around 75,000 square metres of gross floor area, will comprise a market-leading sustainable 39-level office tower, with retail amenities and new YHA accommodation space at its base and in the new public realm around Central Station.

Atlassian will occupy the office accommodation and will support the activation of the Tech Central precinct. The building is expected to be completed in 2026.

PNG royal commission into offshore loan

MinterEllison acted as technical assistants and international solicitors assisting a royal commission of inquiry in Papua New Guinea. The commission was established by the PNG Government to investigate the government's decisions in 2008 to enter into an A\$1.7 billion exchangeable bond transaction with International Petroleum Investment Company to fund the country's equity interest in the PNG LNG Project and, in 2014, to obtain a A\$1.3 billion loan from Union Bank of Switzerland to acquire a shareholding in Oil Search Limited.

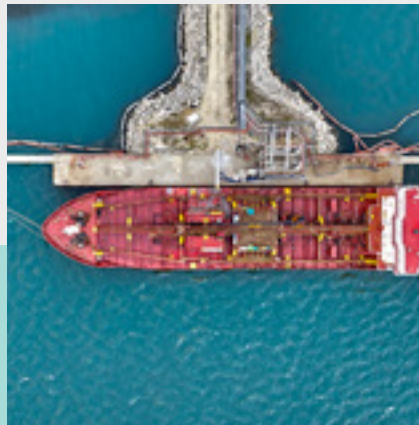
The commission considered whether there were breaches of laws and constitutional requirements, made findings on the loss suffered by the country, explored who could be held accountable, and provided recommendations for the future.

More than 30 lawyers from MinterEllison worked alongside our project management and legal technology teams, and experts we had engaged in finance and gas resource analysis. In total, more than 120 legal and business operations staff at MinterEllison worked on the matter.

The commission was conducted in the midst of COVID-19 restrictions and much of our work was conducted remotely. As technical assistants to the commission, we designed the IT infrastructure necessary for this, taking into account matters such as IT supply, floorplans, security risks and internet stability. We conducted 72 hearings electronically, all of which were streamed live on Facebook. Some of the hearings involved participants in nine different locations.

The commission generated significant media attention in PNG and abroad. The findings and policy recommendations could result in lasting change for the people of Papua New Guinea.

In presenting the report to the Prime Minister of PNG, the Commissioners thanked the international team of experts, including MinterEllison.



Fairness and efficiency for NSW Government community grants

A 2022 review of the NSW government grants administration conducted by the Productivity Commissioner recommended greater transparency, accountability and integrity relating to grants expenditure in NSW to increase public trust. A key recommendation was for NSW to implement a whole-of-government grants portal accessible to the public to enable greater accessibility, transparency, accountability and deliver efficiencies.

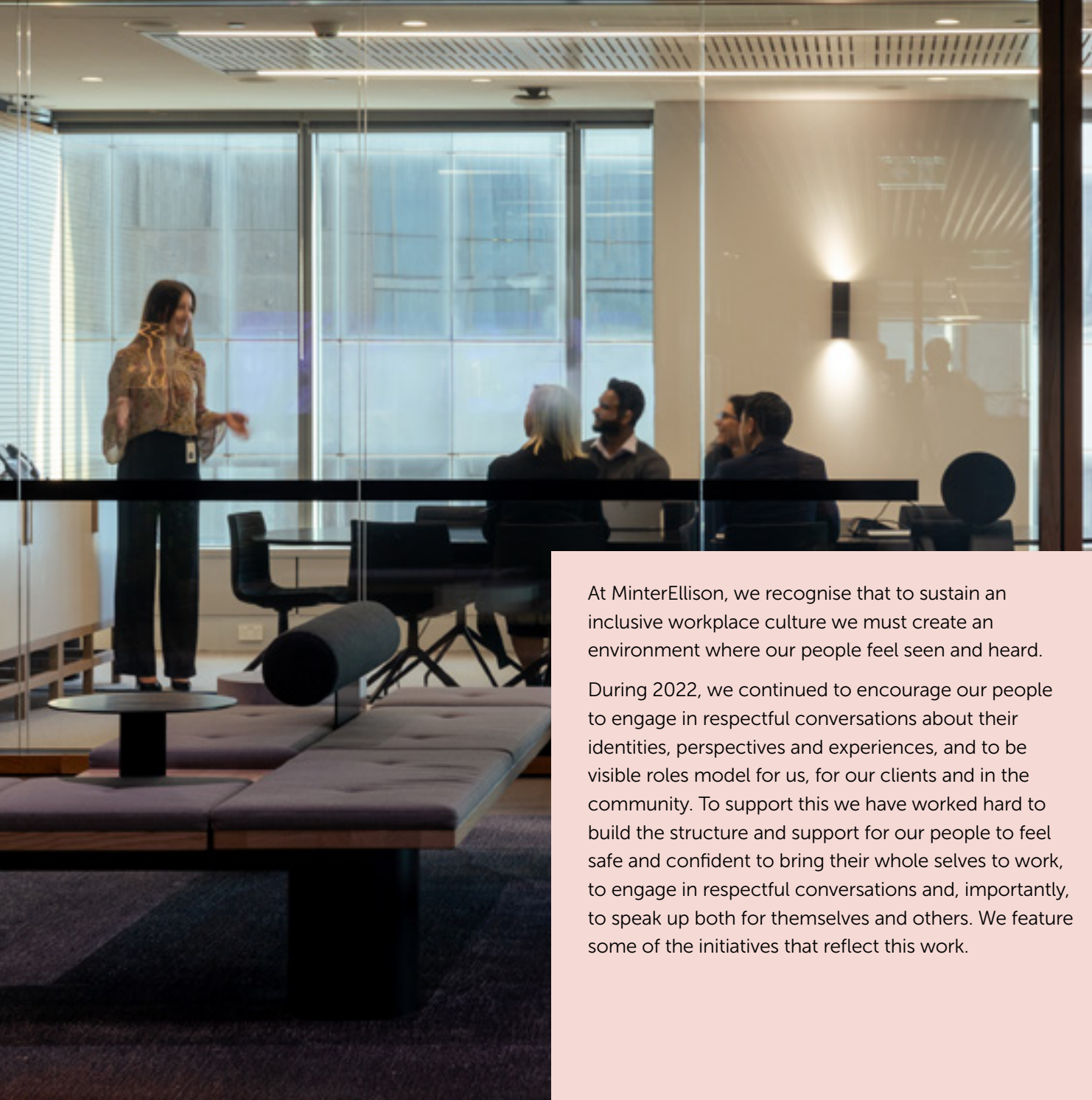
The Department of Regional NSW is leading the build and implementation of the grants solution which aims to provide a common platform that can be utilised by more than 45 grant administering agencies, providing an end-to-end integrated technology solution benefitting NSW communities.

The portal that will be implemented involves several IT software vendors combining to deliver the single grants management solution. The Department has engaged MinterEllison's legal and

consulting teams to advise on and coordinate the procurement process from start to finish resulting in the selection of the vendors, each requiring separate contracts, areas of responsibility and deliverables.

The MinterEllison teams combined to provide a seamless legal and consulting service and advice to the entire procurement process, from tender documentation, tender evaluation, contract drafting, and vendor negotiations. The project and procurement process was complex as it involved concurrent multi-vendor negotiations, issues of data sovereignty, off-shoring of some aspects of the project, and coordinating vendor responsibilities and deliverables whilst minimising contractual, budgetary and financial risk.

The grants portal is positioned as best practice and unique in Australia for being the first whole-of-government solution of its kind, as it will disclose all information about grants, be accessible to all departments, agencies and the public, and integrate with other government systems to provide a comprehensive end to end grants solution.



Creating sustainable value with our people

At MinterEllison, we recognise that to sustain an inclusive workplace culture we must create an environment where our people feel seen and heard.

During 2022, we continued to encourage our people to engage in respectful conversations about their identities, perspectives and experiences, and to be visible roles model for us, for our clients and in the community. To support this we have worked hard to build the structure and support for our people to feel safe and confident to bring their whole selves to work, to engage in respectful conversations and, importantly, to speak up both for themselves and others. We feature some of the initiatives that reflect this work.



Speaking up for a safe, respectful and inclusive workplace

At MinterEllison, we recognise that to sustain an inclusive workplace culture, we must create an environment where our people feel seen and heard.

We encourage our people to engage in respectful conversations about their identities, perspectives and experiences, and to be visible roles model for us, for our clients and in the community. To support this we have worked hard to build the structure and support for our people to feel safe and confident to bring their whole selves to work, to engage in respectful conversations and, importantly, to speak up both for themselves and others.

During the past year, within MinterEllison, we have taken great strides in building a framework to support our people that demonstrates the importance and value we place on enabling our people to excel and thrive.

We strongly focus on building a culture of respect and excellence which is strengthened through the work of our Diversity and Inclusion (D&I) Steering Committee and Working Group. Members of the D&I Steering Committee and Working Group include our CEO, a board member, partners and a diverse representation of people from all parts of the firm with various lived experiences that we can learn from. Their work has contributed to much of our progress, including:

- Expansion of the firm's 40:40:20 gender diversity target into senior leadership roles, resulting in more than 40% of female partners represented in office managing partner and practice group leader positions across the firm and on the board.

- Enhancements to the firm's Workplace Behaviour Policy that sets out standards to prevent unacceptable workplace behaviour (such as discrimination, bullying, harassment and sexual harassment) through a lens of prevention and cultural change, and includes bystander obligations that encourage people to act if they witness unacceptable workplace behaviour. The bystander obligations are supported by training, giving our people the language and approach to act and speak up safely.

- Updates to our Domestic and Family Violence Policy so that anyone experiencing domestic and family violence can have 10 days of paid leave. This is supported by training from our community partner, Challenge DV, in domestic and family violence awareness.
- Launch of a new initiative called Speak Up that enables employees to report (including anonymously) concerns about behaviours or activities they have seen or experienced that do not meet the firm's standards.





Outside MinterEllison, we have worked alongside clients and organisations where our combined strength and collaboration leads to better outcomes for stakeholders:

■ CEOs stepping up

MinterEllison CEO Virginia Briggs joined the Champions of Change Coalition's Step Up forum to discuss the work being done on preventing and responding to sexual harassment in the workplace. Virginia was joined by CEOs from Rio Tinto, CommBank, AirServices Australia, PwC and Australian National University, who shared their views on the importance of leaders in setting the tone for a culture where sexual harassment and other misconduct is not accepted.

More than 600 Champions of Change Coalition members attended the discussion. MinterEllison has long supported the aims of the Champions of Change Coalition and contributed to their 2020 report: *Disrupting the System – Preventing and Responding to Sexual Harassment in the Workplace*.

■ Respect@Work

MinterEllison's Workplace Partner, Amanda Watt, was invited by Australia's Sex Discrimination Commissioner Kate Jenkins to assist the Respect@Work Council (which operates under the auspices of the Attorney-General's Department) and its taskforce on the implementation of Recommendation 38 of the Respect@Work Report. Recommendation 38 is a guideline around best practice principles for non-disclosure agreements, and Amanda and Rosie Meyerowitz supported the Respect@Work Taskforce to develop best practice principles and resources for new form NDAs for organisations in Australia to use.

Recommendation 38 contributes to the principles and resources to ensure greater transparency in the management of sexual harassment claims, takes a complainant-centric approach and seeks to prevent systemic sexual harassment in Australian workplaces while balancing and protecting the privacy and confidentiality of the complainant. It also improves accountability, transparency and reporting, and prevents organisational reputational damage. Amanda Watt is also a recognised media commentator and advocate for 'positive duty' and the impact of non-traditional NDAs on how organisations manage harassment claims.

Accreditations



AWEI
Australian Workplace
Equity Index 2022
Gold Employer



WGEA
Employer of
Choice for Gender
Equality 2022



Gold member
Australian Network
on Disability



Creating sustainable value with our communities

Working together with communities is part of our DNA, and this year more people than ever were involved in delivering our pro bono and community programs. We strengthened relationships with long-term community partners and further explored ways of supporting new partners and helping improve community outcomes.

In 2022 we contributed some 60,000 hours of pro bono legal services to communities in need and supported our pro bono work with volunteering, fundraising and charitable giving. We focus on providing access to justice, addressing homelessness and building pathways for young Australians experiencing social disadvantage in some of our most marginalised communities.

Here are some snapshots of our work.



Pro bono support and community investment by focusing on areas of social challenge

First Nations empowerment

We launched our second reconciliation action plan, endorsed by Reconciliation Australia as our 'Stretch' Reconciliation Action Plan. We advised over 100 First Nations businesses and more than 50 individual First Nations clients during the year.

We recently invited 200 clients and partners to join us to celebrate First Nations culture with Adam Goodes, former Australian of the Year, an incredible leader and founder of Go Foundation, and enjoyed hearing the KARI Singers.



Adam Goodes shared his perspective on a broad range of issues important to First Nations people and all Australians, including constitutional reform and the significance of creating a First Nations Voice to Parliament. The evening's auction of Ngura Wiru (Good Country), by APYACC artist Rosalind Tjanyari raised money for the Go Foundation established by Adam Goodes and Michael O'Loughlin to empower First Nations young people through education and mentoring.



The X-files Project

MinterEllison's initial response to the crisis in Afghanistan included a combination of whole-of-firm charitable giving for the Red Cross Emergency Appeal and activating a number of longstanding community partnerships to support newly arrived Afghani people fleeing the crisis. Working with our long-term community partner RAILS (Refugee and Immigration Legal Service) in Brisbane, we established a specialist Afghan Advice Legal Clinic.

Since that initial response and through our community partnership with The Bread & Butter Project (a social enterprise committed to building employment pathways for refugees), the firm has become involved in an urgent project to bring 50 Afghan women at imminent risk of serious harm to Australia. The project is called the X-files Project. Our work included demonstrating that the new visa class that the refugee advocacy group, Talent Beyond Boundaries, negotiated with the Department of Home Affairs was suitable for a purpose-driven employee sponsor, such as MinterEllison, to bring at-risk women from Kabul to Australia and employ them as they transition into the Australian community.

Justice Connect

2022 has been a challenging year for many, and access to safe and secure housing has never been more critical. According to the Australian Bureau of Statistics 2016 census, more than 116,000 people are experiencing homelessness in Australia. We know that people without secure housing often experience many other legal issues that compound their existing financial pressures.

Through our work with Justice Connect's Homeless Law service, our lawyers provide pro bono legal advice and human rights-based advocacy for clients experiencing or at risk of homelessness. Supporting Justice Connect's integrated legal and social work team, we worked on 77 new matters and more than 100 tenancy and infringements matters. In our eviction prevention work this year, our lawyers helped clients avoid eviction into homelessness in 84% of cases. This work has a significant impact on the clients and their families while generating cost savings for the government and community in avoiding health, justice and social service costs.

Domestic and family violence

This is the major driver of homelessness for women and children. Of all people seeking homelessness services, 39% cite domestic and family violence as a reason for seeking assistance. It is also a major health, welfare and social issue that can have lifelong effects on people who have experienced or used violence.¹

At MinterEllison, we have focused on addressing the issue of domestic and family violence through our Pro Bono and Community Investment Program for decades. We recognise domestic and family violence is an issue affecting all workplaces, and we are committed to creating a work environment that supports our people experiencing its effects.

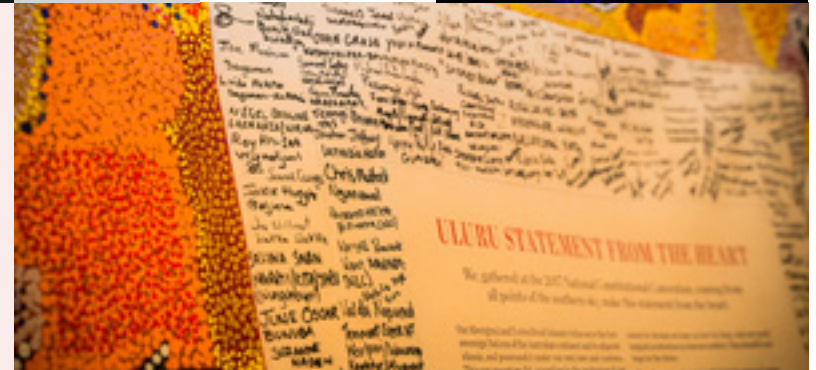
Conversations that Matter

In partnership with The Wheeler Centre, we hosted our Conversations that Matter series. The series brought together over 1,000 clients and alumni to hear from Australian thought leaders on issues as diverse as Privacy & Big Data (with Associate Prof. Ellen Broad), Climate & Country (with author Bruce Pasco), Future Cities (with Dr Davina Jackson) and MinterEllison specialists.



Sydney Peace Prize

More than 2,000 people celebrated the 2021 Sydney Peace Prize award to The Uluru Statement From the Heart at Carriageworks. MinterEllison sponsored the event. The powerful speakers, First Nations leaders Professor Megan Davis and Pat Anderson AO, whose work led to the Uluru Statement From the Heart, inspired everyone.



Sustainability strategy

Our sustainability strategy has been enhanced this year with a new Net Zero by 2030 climate policy for MinterEllison. Across the firm, people are working to ensure that in 2023 we will achieve carbon neutrality as a first step. Then we will work to establish science-based targets to ensure that in the years ahead, we reduce our greenhouse gas emissions each year on our journey to Net Zero 2030.



¹ <https://www.aihw.gov.au/reports-data/behaviours-risk-factors/domestic-violence/overview>



Creating sustainable value with innovation

Innovation fuels productivity. It is about being curious, thinking differently, fostering new ideas and introducing change. At MinterEllison we encourage our people to approach their work with an innovation mindset and to be aware of the potential in everything they do. We have a strong culture of innovation and curiosity, and everyone is empowered to challenge the status quo. Working in a high energy environment that encourages out-of-the-box thinking and supports new ways of working contributes to creating innovation.

Innovation drives transformation and efficiency for in-house legal teams

In-house legal teams continue to evolve from 'risk mitigators' to strategic partners within their organisations. This transition is not without challenges as the volume and complexity of the legal team's workload continues to grow, while the pressure on teams to do more with less increases. However, efficiency gains are being created, focusing on automation and the re-prioritisation of work. In this space, MinterEllison's Legal Optimisation consulting practice works with clients to achieve best practice in their legal teams.

We have worked with many in-house legal teams throughout the past year to bring an innovation mindset to their work. Most legal teams start by recognising they need an approach to reduce their lower value/lower risk workload. This approach can include developing criteria that assist the team in categorising their workload accurately. Low-risk/low-value work can often be done independently by the business, or only needs a light-touch approach from the legal team.

Self-service mechanisms (templates, FAQs, guides, etc.) can be valuable to support this shift. These prioritisation exercises allow the senior member of the legal team to step away from time-consuming business-as-usual matters and take a more strategic perspective.

Leveraging data to articulate the value of in-house legal services remains a challenge for many teams, often due to limitations in the team's technology stack and data processes. However, changes to data collection processes, improvements to how the team uses technology, and a more strategic approach to reporting can quickly have a positive impact.

We find that in-house legal team leaders are cognisant of innovation and make a real effort to stay abreast of industry trends, changes and new technology. There are plenty of great ideas and plans for change; the hurdle often comes with execution.

Leaders are often hamstrung by limited capacity, cost pressures or by the organisational constraints they work in, particularly concerning technology. Our work with clients over the past year gives us confidence that an evolution is in progress for in-house legal teams.



We have conducted holistic legal function reviews, developed AI-supported client solutions and assisted legal teams in large-scale transformations to elevate their service delivery. Many of our clients are adopting an innovation mindset, initiating exciting new projects, experimenting and piloting new approaches, testing new technology and changing working practices.



MinterEllison's Legal Optimisation consulting practice leverages the broad industry knowledge and technical expertise of over 65 experts in legal operations, legal project management, process transformation, automation and legal technology to support clients in optimising their in-house legal function. The practice works with clients to improve operational efficiency, develop high performing teams and provide strategic client service across six best practice domains: strategy, delivery, team, resources, technology and data.

Award winning client management program

An innovation mindset led to MinterEllison winning the 2022 Financial Times Innovative in People and Skills Award for our Client Team Connector (CTC) program. The program is a first for the legal industry and provides a new approach to training lawyers and consultants on the strategic and relationship components of client management.

The program is the result of collaboration between our markets and talent development teams, plus a group of lawyers and consultants who started with a vision of how we can better help our clients. Through insights, learnings, experience and feedback, the team developed what is now recognised as an innovative client-management program, incorporating both practical learning and formal development.

The CTC program plays an important role in building trusted relationships and growing business with our key clients by leading and supporting the Client Service Team. The program combines on-the-job client relationship building, service delivery, technical skills development, leadership, communication, client experience and management. The program is designed for 4-year-plus lawyers and consultants and offers 18 months of client-centric modules working alongside client relationship partners.

The program recognises that training for lawyers and consultants is traditionally focused on technical skills. There is less time spent on client engagement, rapport building, business and legal strategy, and client management. Our CTC program closes the gap with these much-needed skills to develop lawyers and consultants, from technicians to broader business advisers.

Clients are experiencing the program's positive effects as our CTC's lawyers and consultants work closely with client relationship partners to provide seamless service, and build authentic relationships in many parts of their business operations. They are developing their commercial mindsets in their approach to the problems and risks they are advising on to assist clients with a better solution.

A key element of an innovation mindset is to keep innovating and while CTC is innovative and market-leading, we continue to adapt and improve parts of the program. We do this through listening to feedback from our people and our clients as they are central to the ongoing evolution of our CTC program.



Reducing time and costs with innovative use of AI technology

The use of AI and its sub-set machine learning, is becoming more prevalent in how law firms deliver services. Machine learning enables time and cost savings in several aspects of legal services, the best known being the traditional space of document review. We are also seeing the technology being leveraged in other areas such as discovery and research.

MinterEllison's use of machine learning has increased over the past year, and we expect this to continue as the technology evolves, and the number of matters in which it can be applied increases. One example of how machine learning delivered time and cost savings was in a recent defamation matter where we acted for the defendant.

The plaintiff in the matter produced a regular podcast where they often referred to topics relating to the subject that they claimed our client had cited in a defamatory way.

The podcast contained 694 audio files, which converted to almost 23 days (548 hours), worth of audio that we needed to review for potentially relevant evidence. This would have been time consuming and prohibitively costly if not for the solution we developed, which leveraged a machine-learning-powered transcription service that automated the generation of time-stamped transcripts for each audio file.

Further time and cost savings to the matter were then delivered by leveraging a machine-learning-powered technology for document review, which performed conceptual searches across all of the transcripts concurrently and reviewed the results for relevance.

Our innovative approach enabled access to potentially relevant evidence that would otherwise not have been possible due to the large cost and time involved in performing these steps manually. We were able to transcribe the audio files in the matter of a few hours and at a fraction of the cost compared with a typical human-powered transcription, which would have likely taken over 100 hours.

Conceptual searching removes the need to build search strings containing specific related keywords or synonyms by understanding the meaning behind the words being searched. For example, searching for the word 'money' may also return hits for the words, 'cash' or 'funds' and so on.





Creating sustainable value through an industry lens

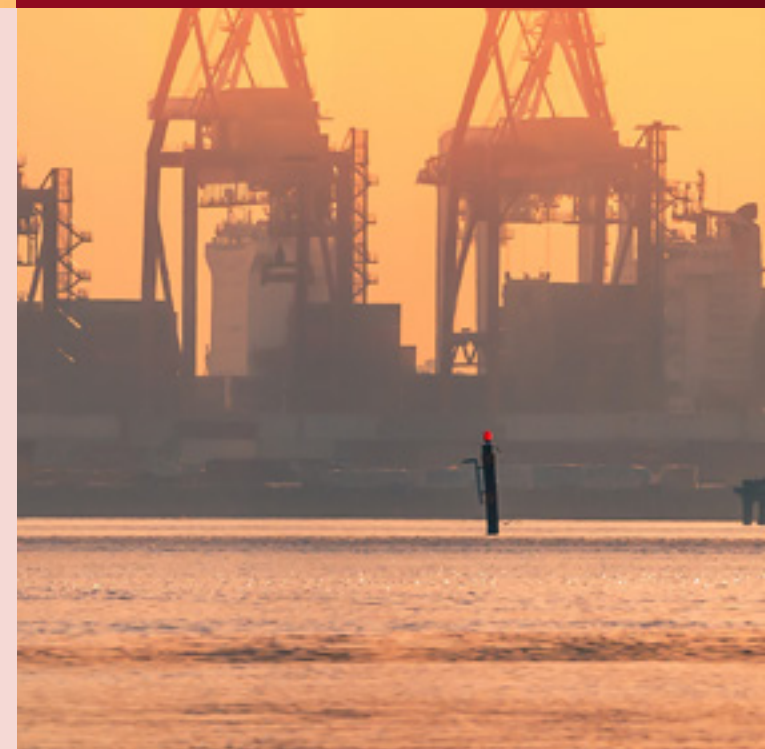
Our industry-led approach to supporting our clients enhances our delivery of legal and consulting services, and broadens as we evolve with client and market demands.

By approaching and analysing challenges and opportunities through an industry lens we can provide a multi-disciplinary approach, which combines the strength of our legal and consulting expertise. This allows us to quickly identify themes that occur across more than one industry – such as energy transition, ESG, digital transformation, supply chain issues and cyber risk – and apply the combined strength of our industry teams to support clients affected by market trends.

Our growing consulting practice has integrated seamlessly with our legal services, resulting in greater sharing of expertise between professionals and broader exposure to differing perspectives for all our people. For our clients this results in getting to the heart of issues that affect their industry quickly, and supporting them with a team of professionals who deeply understand the broader context and implications of their advice.

In this section, we hear from MinterEllison's Industry Lead Partners who assess the main challenges and opportunities in their respective industries.

Michelle Power
Managing Partner, Markets



Industry Insights

Financial Services

//

The implementation of large-scale regulatory change across really complex businesses is challenging. We are helping our clients to understand and act on the increased expectations of regulators and how to anticipate shifts in the regulatory landscape."

Michael Lawson
Industry Leader,
Financial Services



The financial services industry was under increased regulatory scrutiny during 2022, particularly concerning financial promotion, ESG, product suitability and, to a lesser extent, cryptocurrencies. Strong enforcement and compliance actions and messages from ASIC encouraged the industry to proactively manage regulatory and non-regulatory risk.

Risks that have become more prevalent during the year related to supply chain, inflation, asset class and development risk. Getting the risk/reward equation right is paramount to performance, yet it is difficult to accurately predict the exposure to recent risks, such as the Ukraine conflict. Many clients work on the premise that although there is current stress in the economy, the fundamentals of our financial system and economy are strong. They approach risk with a commercial mindset that accepts risk where they see long-term opportunities.

The year brought opportunities in energy transformation, which is attracting significant investment. While higher inflation is negatively affecting many markets, in some sectors of financial services it can provide good playing conditions for some investors.

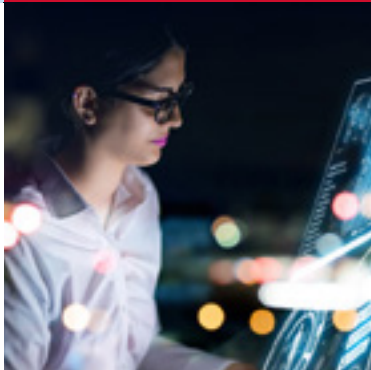
There may also be opportunities in emerging sectors, such as social housing, where demand for capital is evident, but the risk:reward equation needs strengthening.

One of the more significant trends that will continue to affect the industry is the shift to the digital delivery of financial services. The impact of digital solutions that can be marketed direct to clients rather than through the current intermediated financial model, is affecting the go-to-market strategy for financial services providers.

This, coupled with a younger customer base that does not see a need for a financial adviser, has accelerated the digital transformation of how financial products and services are delivered. Data security and privacy are also part of this story.

It is no surprise that ESG – and not just the E – continues to be a focus of activity by the industry, which will be held to account by regulators, shareholders, customers and other stakeholders. The industry superannuation funds have an influence here.

One constant is Australia's attractiveness as a destination for global capital across all asset classes and we expect this to continue next year.



Industry Insights

Energy and Resources

The transition to renewable energy gathered pace in 2022, with the growing alignment of Governments and strong investment by both the public and private sectors fueling Australia's energy transition.

The energy transition has become increasingly real in many corners of the Australian economy. Multiple elements must come together to make the transition happen in a way that supports the effective functioning of the energy market. The unprecedented intervention in the energy market in 2022 following market failures, with caps on rising gas and coal prices, demonstrates the need to balance the greening of Australia's power supply with maintaining energy security, functional markets and affordable pricing.

In addition to the investment by domestic and international companies, state governments continue to provide substantial support for large-scale renewable energy projects. For example, Queensland announced its Energy and Jobs Plan, Victoria is pursuing its second Renewable Energy Target auction, and New South Wales is developing its first Renewable Energy Zone.

The development of renewable energy projects only tells part of the energy transition story. Companies in energy-intensive sectors like mining are increasingly looking to procure more renewable energy to help decarbonise their operations. Further, the mining sector is fundamental to the transition. This provides Australia with immense opportunities, as demonstrated by the growth in investment in Western Australia's lithium sector.

The opportunity in critical minerals coincides with an increasing focus on supporting on-shore investment in downstream minerals processing. Other countries are also encouraging investment in their production, and securing supply chains, as seen with the Inflation Reduction Act in the United States. These developments will likely to contribute to significantly reshaping parts of global mineral supply chains.

ESG continues to build as a significant consideration across the industry, with expectations evolving. In addition to climate risk governance, stakeholders have rising expectations about how organisations will address other aspects of ESG, such as biodiversity and workforce wellbeing.

While some projects have been delayed due to uncertainty around forward commodity prices and the cost of developing projects given inflation and skills shortages, we remain optimistic about Australia's energy and resources industry.



//

The conversation about decarbonisation and the transition to renewable energy has matured over the last 12 months with more widespread alignment on expanding and diversifying renewable power generation and storage and maintaining energy security, notwithstanding the energy market shocks and interventions of 2022."

Simon Scott
Industry Leader,
Energy and Resources

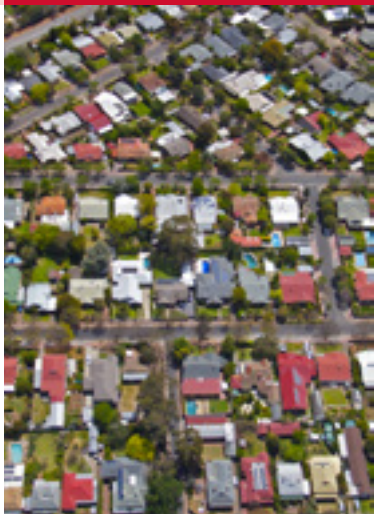




//

Market volatility creates opportunities for organisations to innovate and work smarter, faster and better. As we enter a time of economic uncertainty and regulatory changes, real estate will always be a leader in the Australian economy with the public and private sectors driving activity.”

Carla Deluca
Industry Leader,
Real Estate



Industry Insights Real Estate

Australia’s real estate industry faced several challenges in 2022, largely due to pandemic-induced supply chain constraints and skills shortages. However, the industry has proven its resilience, highlighting tremendous collaboration and innovation across the sector. As we look ahead, we are optimistic and confident that any market volatility will continue to create growth opportunities for organisations.

The biggest impact for our clients, and the sector more broadly, continues to be the inflationary environment. Inflation is causing real estate organisations to approach deals more cautiously, shifting the dial on deal feasibility and affecting international capital flows. However we anticipate a strong appetite will remain in the market to transact, albeit on terms likely to be affected by current economic conditions.

Against this backdrop, our clients are navigating major transitions that will shape the trends for the real estate industry, including the push for net zero, decarbonisation, increased focus on renewable energy, digitisation, future-of-work effects and an increasing focus on housing affordability.

Renewable energy projects remain attractive to domestic and international investors, with the renewables mandate from the federal government gathering pace. Renewable energy projects, including wind, solar and hydro projects, represent key opportunities for the industry. As is the case in other sectors, energy costs significantly impact the real estate industry as companies grapple with managing rising costs.

Additionally, a slowing economy, rising interest rates and cost-cutting measures may provide opportunities for organisations to rebalance their portfolios, reduce debt and provide certainty to investors on dividends and return of capital.

This will be particularly relevant as the new norms created by the pandemic around hybrid working and changing consumer patterns continue to affect all asset classes.

Digitisation will play a key role in the industry and digital infrastructure, especially data centres, will continue to be in high demand, with a strong development pipeline around the country.

The pandemic and economic outlook have highlighted that there is a significant undersupply of residential and affordable social housing. It is pleasing that federal and state governments are planning more than 55,000 social and affordable homes over the next five years, and an aspirational target to add one million homes over five years from 2024 was announced in the 2022 federal budget. The pipeline of development activity is growing with support from local and international investors.

In 2023 we will continue to see the growth of emerging asset classes, including build-to-rent, land lease communities, student accommodation, health centres, hotels, data centres, urban renewal and renewable energy projects. We are assisting our clients to manage the challenges and opportunities in the sector, particularly in navigating the regulatory landscape that shapes the build-to-rent sector and ESG considerations.

ESG is now firmly at the centre of real estate’s operating model. Super funds, financiers, landlords and tenants – increasingly powerful in the real estate space – are applying pressure around ESG practices, corporate social responsibility, sustainability, decarbonisation and net zero planning. There are more economic headwinds to come in 2023, which the industry, following on from the success in adapting to change in the past two years, has the resilience and strength to face.

Industry Insights

Infrastructure

2022 will, in part, be defined by the so-called 'profitless boom' whereby infrastructure activity soared but due to the high cost of construction labour and materials, and supply chain uncertainty, profits did not reflect the amount of activity.

Consequently, there has been a major shift in how infrastructure projects are assessed. The major linear projects, such as roads and rail infrastructure, continue at pace, albeit with cost pressures; however, governments – major drivers of infrastructure – are re-profiling some projects. We also see contractors being more selective about risk allocation and not taking on risks they have traditionally been willing to absorb.

Coming out of COVID-19 restrictions, governments are signalling limits on project funding. There is a gradual shift from city-defining mega projects to smaller-value projects that seek to strengthen the resilience of existing assets to withstand climate change. For example,

roads need to be stronger, bridges replaced and electricity grids will need to be able to cope with higher temperatures. Government sees that this form of infrastructure facilitates the use of second-tier and third-tier contractors and reduces the current concentration of work in the larger contractors.

The infrastructure industry is also affected by substantial growth in renewable and electricity projects. This will continue under the new federal government, bringing certainty about renewable policy and the renewable energy pathway to net zero.

The year also saw the increasing influence of superannuation funds in the market, notably their attitude to taking risks in soft infrastructure, influencing the demerger plans of one prominent energy company and acquiring key assets such as Sydney Airport.

Climate change will feature strongly in our clients' strategies from now on. Australia's commitment to tackling climate

change encourages clients that historically serviced the fossil fuel energy generation to pivot their business models.

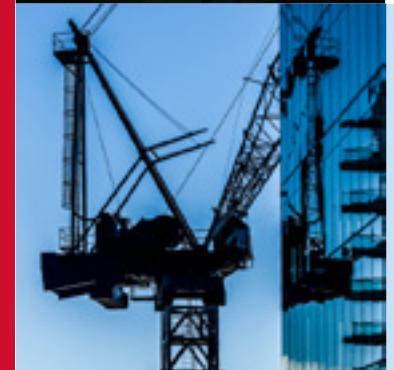
Traditional infrastructure contractors are moving into the energy transmission space because there are opportunities there. However, the challenge in fully realising the opportunities brought by responding to climate-driven infrastructure needs lies in the shortage of highly skilled talent, with contributing factors being delays and red tape associated with skilled immigration, historic under-utilisation of the female workforce, and under-investment in training and development of people.

At MinterEllison, we expect more demand for our services from infrastructure clients in energy, health care and social housing. And public infrastructure will continue to feature strongly. We also expect growth from major events-driven activities such as the Brisbane Olympics and Commonwealth Games.



We are still at historic high levels of investment in infrastructure across the country. Private funds are available both domestically and internationally. Those investors are attracted to stable and strong projects in a country with stable governments and a long, successful track record of infrastructure delivery. While most expect 2023 to continue to experience high inflationary environments and significant short-term uncertainty, a considerable level of investment is still under way and will be delivered. Re-balancing projects, contract structures and risk allocation may ultimately benefit all sides of the industry by creating more sustainable approaches to project delivery."

Owen Cooper
Industry Leader, Infrastructure





The future of health will feature rapid changes in care and service delivery models. We will still see traditional methods of delivery, but the way people access health and interact with the system will be transformed."

Shane Evans
Industry Leader, Health



Industry Insights Health

The pandemic challenged the health industry in Australia and left all sectors with severe workforce shortages. This accelerates the imperative to transform care and service delivery models to use digital and data solutions.

The shortage of trained health professionals is due to many factors. Workforce shortages are occurring while there is a spotlight on safety and quality. This focus often requires a greater ratio of nurses to patients and residents, enhanced access to a range of medical professionals, and significant attention placed upon clinical governance.

Current traditional models of care are based heavily upon face-to-face interactions and do not align with modern consumer expectations regarding experience and service delivery.

Transforming care and service delivery models is imperative, and new models of connected care require digital delivery and smart use of data.

While there will always be a place for traditional service delivery, digital transformation can remove mundane tasks while providing enhanced support for decision-making and service delivery. With home and community care, which now includes remote monitoring and other online services, digital services enable equitable access and address gaps in the system, particularly for regional and remote areas and people of disadvantage.

Aligning digital transformation with better access to and use of data is an essential element in the transformed system, as is managing the necessary organisational cultural change and workforce readiness for the new digital and data-enabled world of health.

Current providers must respond to rapid change or lose out to small, agile, tech-focused start-ups or large multinationals who will move into the space and leverage their existing large customer base and digital offering.

In 2023 we will continue to support our clients' digital and data transformation journeys. The recent high-profile cyber attacks on customer information have seen an increase in the utilisation of MinterEllison's Data Governance Framework to manage this risk appropriately, and to ready our clients for the stricter regulatory environment, particularly around privacy.

The move away from a short-term pandemic focus that consumed boards and executive teams over the last three years has elevated ESG on the strategic agenda. The 'S' (social) component is now critical, with a requirement to focus on health and wellbeing not only of the workforce but also society.

Overall, the future of health is exciting, with innovation at the core of transformation. Digital and data are reshaping the sector and setting the course of strategy.

Industry Insights

Education

The education sector's contribution to Australia's prosperity is profound, from early learning through primary, secondary, and tertiary education. With the change of federal government, there will be a focus on improved access, opportunity and affordability, particularly for students from low socio-economic backgrounds and/or who have suffered educational disadvantage.

In late 2022 the federal government announced the first broad-scale review of the Australian higher education system – the Australian Universities Accord – since the Bradley review initiated by the Rudd Government in 2008. The terms are broad, covering funding and access, affordability, transparency, regulation, employment conditions and coordination with vocational education and training. With final recommendations due at the end of 2023, the sector will be waiting to see whether these are as significant as the Bradley review, which led to the federal government taking

over regulation of the sector and the introduction of an uncapped, demand-driven system for university places to drive greater participation. Any return to that system will likely focus on improved participation and success rates for students from low socio-economic backgrounds.

The pandemic significantly impacted the delivery of tertiary education to international students. Pre-COVID, Australia was one of four major markets globally for international students. Our universities now welcome international students back onshore and have opportunities to regrow this part of the sector whilst expanding transnational offerings. How the federal government coordinates various policy levers to stimulate the return of international students whilst driving transnational offerings will significantly impact the tertiary education part of the sector. While the thawing in Australia's relationship with China should improve Australia's international student market share, there remains a focus on lessening our reliance on China and aggressively pursuing other source markets and transnational offerings, including in India.

For the school sector, 2022 saw the Productivity Commission complete its review of how well policy initiatives by all levels of government have achieved the objectives and outcomes set out in the National School Reform Agreement. While the review found that the Agreement was a sound platform for intergovernmental collaboration, it ultimately concluded that its initiatives have done little to improve student outcomes. The federal government has established an expert panel to inform the next National School Reform Agreement following the Productivity Commission's review, focused on driving improvements for students from low-socioeconomic backgrounds and/or who have suffered educational disadvantage. The outcome of that review commencing in 2023, could bring major changes to the funding of schools.

For the early learning and childcare sector, the federal government has already implemented funding and delivery changes to make it easier for parents to get back into the workforce, bringing positive flow on effects to the economy. This policy aims to remove barriers to return

to work and may assist with traditionally female-dominated workplaces such as teaching and nursing, where skill shortages exist. The announcement of the Productivity Commission's inquiry into cost and availability barriers that affect access to early learning and childcare in 2023 will likely see further reform in this space, with the objective of building a more affordable, accessible, high quality and universal early learning and childcare system.

Our education sector clients adapted during COVID-19, many accelerated flexible delivery models, which impacted student experience and triggered concerns with the academic integrity of assessment in parts of the sector. In 2022, some students sought a return to quality in-person learning experience. The balance needs to be right – innovation in how courses are delivered and assessed, and whether courses are offered in-person or online.

As the dust settles on delivery models post-COVID, education providers will increasingly need to respond to AI technology developments that threaten to undermine some widely used assessment methods.



The federal government is reviewing policy across all parts of the education sector, with a view to implementing an holistic approach to closing the education gap for students from low-income families, regional Australia and Indigenous communities. If successful, these coordinated reforms could see the most significant changes to our education sector in a generation."

Tom Fletcher
Industry Leader, Education

In the year ahead, we look forward to continuing our work with clients across schools, vocational education and training, and higher education. We will also expand our focus on childcare and early learning to support clients moving into that growing education segment.

//

There are new challenges ahead for government, with a need to pay back debt and to curb inflation, but there are exciting plans to deliver on significant policy changes."

Amanda Story
National Government
Practice Leader

Industry Insights Government

A new government always brings change and this first year of the new federal government has set in motion significant policy shifts in key areas of Australian society.

Framed economically as values-based capitalism, the federal government's ambitious reform agenda includes industrial relations, housing, climate change, health care, childcare, VET reform, integrity, Indigenous affairs and building public service capability. The reforms have tight delivery timeframes buffeted by economic headwinds around inflation and rising interest rates.

While the federal government, wary of the effect of spending on inflation, has been cautious around spending, state governments have been more inclined to increase investment in key areas such as infrastructure, health and education.

MinterEllison provides support across all levels of government on critical issues affecting all Australians, ranging from nationally significant infrastructure, energy, health and education projects, workplace reform and projects to support social housing, including advising the NSW and Victorian state governments in this important area.

At all levels of government, energy supply and affordability are high on the agenda, and all state governments have committed to increasing renewable energy's portion of the energy supply. The Victorian government has a mandate to reinstall the State Electricity Commission with a focus on renewables, and in NSW, renewable energy currently provides 53% of generation capacity. An orderly transition to renewable energy is a focus of all levels of government across Australia. At MinterEllison, we are pleased to be working on many

innovative projects, including advising the State of Victoria on the design and implementation of VRET2 – the second Victorian Renewable Energy Target Auction.

During 2023 we expect to see more public-private co-investment and collaboration on exciting social and economic development projects, energy projects and nation-building infrastructure programs. And the digitisation of government and government services will continue to improve productivity, customer experiences and delivery.

The renewed focus on public service capacity is a positive development. MinterEllison's government team will continue to support the public service across all levels of government on service delivery and significant, nation-defining programs, along with business-as-usual projects and programs and policy initiatives.



Industry Insights International

Two years after the World Health Organization declared COVID-19 a global pandemic, international borders largely reopened and business travel resumed. The pandemic taught the world to do business virtually but reinforced our belief in enduring relationships and the importance of a network of foreign firms that refer work based on the quality of our offering, and that can be trusted to look after our clients' interests abroad.

For MinterEllison – an independent, Australian-based firm that derives a significant portion of its revenues from an international client base, foreign investment and cross-border transactions – renewing and growing the relationships abroad that sustained us through the pandemic was a key priority in 2022.

While Chinese investment remained constrained, and trade and investment were challenged by geopolitical and economic circumstances, there were several areas that presented significant opportunities for the firm.

Investors and regulators raised their ESG expectations and governments stated their intention to reduce emissions and limit global warming, driving significant investment in renewable energy and the critical minerals required to decarbonise, electrify and digitise economies.

Australia continued to attract significant investment from abroad into new and existing infrastructure.

Foreign banks continued to expand their Australian presence and reported better than expected growth, and opportunities emerged in the digital delivery of financial services.

The education sector, having adapted to weather the pandemic, emerged poised for growth with flexible delivery models and optimism about the return of in-person learning.

Transforming the provision of health care became an imperative, driving opportunities to advise governments and private clients in the life sciences, technology and aged-care sectors.

Our outlook is informed by our discussions with the foreign firms in our international network, including those in the World Law Group and the World Services Group, and the many firms attending International Bar Association conferences. They will shape our engagement with foreign firms and foreign markets in 2023.

//

Australia is viewed as offering trusted investment conditions and remains a destination of choice. We have stable government, a large renewable resource and a good mix of renewable energy."

Brendan Clark
Managing Partner,
International



MinterEllison.

minterellison.com