





Annual Report & Accounts
Year ended 30 April 2019

Creating & Protecting Value

hgf.com

 HGF Limited
 @HGF_IP

**Our mission is to strengthen businesses with strategic,
commercially minded IP.**

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The original audited Financial Statements can be found on the
Companies House website: <https://beta.companieshouse.gov.uk>

The global intellectual property rights specialists

We aim to be the leading IP advisor in Europe and are well on the way to achieving this. In terms of legal directory listings, volume of filings and geographical reach, we're one of Europe's largest IP firms. And our people are thought leaders, highly ranked and respected around the world.

We're true specialists, not only in IP but in the technical fields and specific industries each of us represents. With an integrated approach that sets us apart, our patent and trade mark attorneys collaborate with IP solicitors in multidisciplinary teams; each guided by the great value we place on people, teamwork, excellence and progression.

Founded in 1995, we're a limited company with shareholders. Of our 382 employees, we have 58 partners with equity shares, 142 fee earners and 182 support staff. Our sustained growth and quality of service have been reflected in accolades including listings in the FT Europe's Leading Patent Law Firms 2019.

With 22 offices across Europe (in the UK, Ireland, The Netherlands, Germany, Austria and Switzerland), we've also built strong partnerships globally – our network now covering more than 170 countries.

A passion for excellence

We offer a dynamic intellectual property service that every innovative and competitive organisation requires, ensuring the sustained growth of our business and quality of service for our clients.



Established

1995

173

Country Networks

With Foreign Associate contracts

22

Offices

In leading cities across the UK and Continental Europe

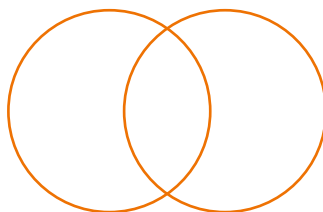


- United Kingdom
- Ireland
- Germany
- Switzerland
- The Netherlands
- Austria

5

New Offices

Opened in Europe



Patronus Merger

From 1 March 2019 Patronus IP have merged with HGF. The HGF team in Germany and Austria work across offices in Munich, Heidelberg and Salzburg led by Partners Bernhard Ganahl, Jan Robert Naefe & Markus Zoller.

382

The Team Includes
Support Staff, Fee Earners and Partners



75 PhDs
across the firm



58 Partners
with equity shares



142 Fee Earners



182 Support Staff

4,677

Patents Filed
(in 18/19 financial year)



Live cases Patents 28,445
Pending and granted with HGF renewal responsibility

2,002

Trade Marks Filed
(in 18/19 financial year)



Live cases Trade Marks 48,995
Pending and registered with HGF renewal responsibility

Recommended In



FT Award
Our sustained growth and quality of service has been reflected in accolades including a listing in the FT Europe's Leading Patent Law Firms 2019.



MIP STARS
13 stars and 4 rising stars



WTR 1000
13 Attorneys



IAM Patent 1000
13 Attorneys

Building valued and trusted relationships

We asked our clients and associates...



Why did you choose to work with HGF?

What makes you continue your relationship with HGF?

Q

A



FrieslandCampina

"Since 1 April 2019, HGF is our partner in terms of the worldwide management of our trade marks, designs and copyrights. Our choice for working with HGF is a result of an extensive and thorough tender process, in which 17 international parties participated. Our goal was to improve our trade marks and designs management in terms of efficiency, transparency and insights and costs. HGF has shown excellent results throughout this tender, and combined this with genuine eagerness to work with us. We're therefore looking forward to a long-standing partnership!"

Job Wijbenga

Legal Director – Procurement, Litigation & IP
– FrieslandCampina

"We work with HGF extensively because of its strong life sciences practice. We have developed an excellent working relationship with the firm's attorneys, and we value their practical approach and wealth of knowledge as it relates to drug development. HGF's attorneys are able to complement any U.S. exclusivity strategy. It is a solid firm and good people to work with."

Raymond A. Miller

Partner and Vice Chair of the Health Sciences
Department – Pepper Hamilton LLP

"The Hadley Group works with HGF due to the experience and expertise of its team. Our principle contact, Dr Chris Moore, has interacted with our business for almost 20 years. During this time he has gained inherent knowledge of both our intellectual property and the company's strategic goals.

This close working relationship, enables HGF to provide both creditable and trusted advice, which helps our business to maximise the benefit of our registered intellectual property and also shape our company's strategic thinking."

Dr Mike Castellucci

Group Engineering Director – Hadley Group

"Choosing to work with HGF was easy. The firm have an excellent reputation and an unrivalled ability to retain staff, making them a very attractive career move for our candidates. Their group-wide core values form the bedrock of the organisation and are clearly demonstrated through every layer of the firm. It's great to see a firm who truly value both their fee earning and support staff. Their ever-evolving benefits package and constant drive to improve the employee experience are great examples of how much their people matter to them. My former colleagues and industry contacts have always spoken highly of the firm – and it's clear to see why. We're extremely glad to be partnered with them.

Our candidate feedback is always outstanding. They enjoy working in a forward-thinking and supportive environment that encourages employees to develop their skills, interests and confidence. In an industry where firms are often slow to adapt, it's refreshing to see such an agile, innovative firm leading from the front.

We truly value our relationship with the HR team who make the recruitment process fluid and transparent. They are engaging and informative and work collaboratively with us to ensure the firm secures the top talent in the profession.

It's great to work with a firm who treat their suppliers as if they were clients."

Daniel John

Director – IP Support



Global demand for IP continues to grow

Global economic growth appears to be losing momentum relative to last year. Productivity growth is at a record low.

Trade battles are brewing. Economic uncertainty is high. Despite this gloomy perspective, innovation is blossoming around the world. In developed and developing economies alike, formal innovation – as measured by research and development (R&D) and patents – and less formal modes of innovation are thriving.

Global Innovation Index 2019

Global demand for registered IP rights continues to grow – the World Intellectual Property Office figures for 2018 show patent filings around the world exceeding 3.3 million, representing a 5.2% growth on 2017 figures. Trade mark filing activity totalled 14.3 million, up 15.5% on 2017. Industrial design filing activity amounted to 1.3 million. Applications for utility models grew by 21.8% to reach 2.1 million applications, while plant varieties filings reached 20,210 in 2018.¹

Even with uncertainty over Brexit and the proposed Unitary Patent and the Pan European Unified Patent Court, Europe remains a hub for innovation. Switzerland, the Netherlands and the UK all rank in the top 5 in the Global Innovation Index, which ranks the innovation performance of nearly 130 economies around the world.²

The shift towards Asian markets is also noticeable for the registration of IP rights. For the first time, Asia accounted for two-thirds of patent, trade mark and industrial design filing activity.³

HGF's Asia team comment

"We have been noticing the growth in Asia for some time, and have seen a dramatic rise in Asian innovators wanting to secure rights in Europe. Asia has also become a key market for many of our European and US clients, and we have built strong alliances with IP firms in Asia to support our clients' interests in the region."

Hsu Min Chung
Partner and Patent Attorney

2018 statistics

Patent filings around the world ¹

>3.3_m

Trade mark filing activity totalled ¹

14.3_m

Asia accounted for ³

2/3

of patent, trade mark and industrial design filing activity

¹ https://www.wipo.int/pressroom/en/articles/2019/article_0012.html

² https://www.wipo.int/export/sites/www/global_innovation_index/pdf/gii19_leaders_infographic.pdf

³ https://www.wipo.int/export/sites/www/pressroom/en/documents/wipi_2019_glance.pdf

⁴ https://www.wipo.int/tech_trends/en/artificial_intelligence/story.html

⁵ P17 https://www.wipo.int/pressroom/en/articles/2019/article_0012.html



Artificial Intelligence

AI is a hot topic – with innovations in this area being applied to the fields of Telecommunication, Transport, and Life and Medical Sciences.⁴ In terms of market trends, computer technology was the most frequently featured technology in published patent applications worldwide, with 229,269 published applications (2017).⁵ In respect of trade marks “goods class 9” which includes scientific, photographic, measuring instruments, recording equipment, computers and software, was represented in 11.5% of all reported non-resident trade mark filing activity by class.

“There are definite trends emerging in the hi-tech space; 5G, IoT, AI. I’m excited to see the effect of these disparate technologies converging. We’ll see the convergence of 5G, with its superfast data rates and low latencies, and AI, with its superior decision making, resulting in significantly greater autonomy in non-human decisions across the full panoply of applications like medical devices, autonomous vehicles, financial markets, biotechnologies, chemistry and pharmacology, which will provide sector specific opportunities for multi-disciplinary, agile, attorney teams in supporting clients in those spaces.”

Harry Hutchinson

Partner and Patent Attorney



Innovation in the retail market

Innovation in the retail market is being seen both online and in-store, with these markets responding to consumer-driven trends such as ecommerce, personalisation and social influencers. As retail models develop and change, the role of intellectual property will remain central to many commercial strategies. HGF’s enterprises such as the annual Retail Conference and the Retail Scanner Newsletter help us to consider the IP dimension of current trends and issues in this fast moving sector.

“A willingness to embrace technological change in retail is becoming a key factor in achieving success in a competitive market. Opportunities for innovation are present in every facet of the retail experience, including new technologies to improve fulfilment and deliver enhanced value as well as AI to maximise consumer choice and the shopping experience. HGF’s retail team keeps its clients right up to date through its IP in Retail conferences, its Retail Scanner publication and direct contact on new developments.”

Antony Gold

Partner and IP Solicitor

Medical Innovation

Medical innovation is expected to cultivate new healthcare markets at a rapid pace. The European Patent Office (EPO) granted 20% more patents in 2018 than 2017, with applications in the field of Medical Technology taking the greatest share at around 8% of all applications filed at the EPO. HGF’s annual Healthcare Conference has noticed trends towards AI being used.

“AI is being used, not only as part of medical devices, but also as a research tool to identify novel drugs and the growth of developments in advanced medical therapies using techniques such as CRISPR and prime editing.”

Janet Knowles

Partner and IP Solicitor

Industrial design filings ¹

1.3_m

Applications for utility models ¹

2.1_m



Creating value for our clients

What we do

Our principal activity is the provision of patent and trade mark attorney services to an international client base.

Our vision

To be the leading IP firm in Europe.

Our mission

As a professional services firm we provide our clients with the highest quality service, technical excellence and commercial, pragmatic advice that satisfies their needs. We want our clients to engage us because they recognise the value of our contribution.

Our values

We are a modern, dynamic, transparent firm with approachable management and a valued workforce. We are a business that aims to make a sustainable profit whilst working within our values.



Our resources

23
languages
spoken across the company

23%
graduate
recruits

We have a culture of excellence that runs throughout our business. This encompasses exacting selection criteria, investment in training and development, and multi-disciplinary and multilingual teams of attorneys, all focused on our client-centric approach and our commitment to providing the very highest standards of strategic and commercial advocacy.

Investment

824_k
invested in IT

We have an ongoing programme of strategic investment, enabling us to improve the efficiency of our IP portfolio management process. We invest significantly in IT infrastructure and online information systems to give clients superior access to their portfolios.

In addition, the integration of the Munich operations and new office openings in Ireland enhance our strategic positioning across Europe in patents and trade marks to deliver a still stronger service offer.

How we're different

Our value chain encompasses all areas of IP, providing a specialist full-service offer to clients – saving time, providing attorneys with knowledge, market experience, efficient infrastructure and cost-effective solutions. We continue to be a specialist and a disruptor in our sector by providing both strategic and commercial advice to clients, helping to build our unique competitive advantage and develop our model for sustainable value creation.



Value creation

The value that we create across our stakeholder groups is a reflection of our strategy for measured growth. We are confident in our ability to sustain growth by continuing to implement this strategy through our differentiated business model, managed change, and taking advantage of the opportunities in our marketplace.

Financial

Strong performance

12%
revenue
growth

58%
gross profit

Non-financial

Clients

3 of the top 7 clients have
been with the Company for
>15 years

Top 5

clients are outside the UK

Top 10

clients from the USA,
Asia and Europe

Growth of clients/
mandates over the year

8%

New client billing/
2018/19 total billing

5.2%

We have a diverse and growing client base, with a strong retention and repeat project record. This diversity applies across geographies, as well as technologies and market sectors.

Employees

As a leading IP firm, we ensure that our people are well rewarded. In addition, we provide a range of benefits in keeping with our strategy of attracting, retaining and rewarding the best talent. We are committed to equality and diversity, and have a strong record of career development, internal promotion, and consequently, of staff retention.

Offices

Increase in offices

We have a dynamic and fluid office structure and consider each of our locations to be a centre of excellence. National, regional and local variation by culture and/or sector is reflected in the personality of each of our offices.

Record results driven by operational excellence

Welcome to HGF's 2nd
Annual Report covering
financial year 2018/19.

Paul Sanderson
Chief Executive and Partner



We are a modern, dynamic, transparent firm with approachable management and a valued workforce. We are a business that aims to make a sustainable profit whilst working within our values.

Our Values

1. People

People matter. We treat people fairly, with respect and compassion. We foster a friendly, inclusive and enjoyable culture for everyone to prosper in. We invest in our people and offer appropriate coaching and training to assist with development and learning. We promote a healthy work-life balance. Progression is based on merit.

2. Excellence

We strive to be the best. We pursue excellence in all our individual roles resulting in outstanding legal and technical advice for our clients. Our people are pragmatic, responsive and commercially minded. We do not presume but listen to understand so we can engage proactively and appropriately.

3. Teamwork

We stand together. We work with our clients to protect their interests, and with each other as a mutually supporting firm. We value, appreciate and listen to others, regardless of role, recognising each individual's particular blend of talent, skill and experience. We are individually and jointly accountable and take responsibility for our actions and decisions.

4. Progressive

We innovate. We continually improve our services and processes through understanding, creativity, and investment. We evolve by taking opportunities and adopting new business procedures, unencumbered by historical structures or out-of-date attitudes. As a firm, we have an entrepreneurial spirit, and encourage new thinking in our people.

Q. What is your assessment of HGF today?

A. This is an exciting time at HGF. We have a compelling platform that provides tailor-made solutions for our clients in Europe and around the world. This follows a decade of growth and evolution fulfilling the changing needs of our clients, and building our revenues, profits and geographical footprint. This has only been possible because of the commitment, talents and professionalism of our HGF colleagues. In our increasingly complex world we are creating and protecting valuable assets for our clients. The business that we've built over the last 10 years has set us up to become Europe's leading IP advisor over the next 10 years.

Q. How has HGF performed this year?

A. 2018/19 was another year of high performance. HGF achieved record turnover, revenues and profits of £72.03m (£63.3m), £42.2m (£36.8m) and £18.1m (£16.96m) respectively. This success was based on the combination of creating value for clients and extending our European reach into new markets in Germany, Ireland and Switzerland, as well as increasing the breadth and depth of technical and professional experience in our attorney population.

Q. What have been the key highlights for the firm this year?

A. As part of the firm's strategic plan, HGF announced a merger with Patronus IP in March, which has also laid the foundations for further expansion into Europe and will prove to be beneficial in strengthening our client base in Asia. The firm continued its expansion across other European markets with offices opening in Bern and Dublin. Further growth across our talent base saw well respected Partners, Leytham Wall join the team in The Hague and Leena Contarino join the team in Basel. The inaugural launch of the Financial Times patent ranking placed HGF at 3rd across Europe, which reinforced our position in the market and has taken us further towards our vision to be the leading IP firm in Europe.

Q. What have been the key challenges for the firm this year?

A. Whilst uncertainty continued around the Unitary Patent, the Unified Patents Court and Brexit, for HGF it has been business as usual. By listening to our clients, HGF's excellence allowed us to adapt to changing needs. Our close personal relationships with clients drive us to develop solutions that strengthen our clients' market share. This client focus is supported by our business model: we operate with a traditional 'partnership' ethos but use best practice within the confines of a corporate structure and company law. The group's shareholders ("partners") are widely consulted and have a vote on all significant decisions, especially those that impact client relationships.

Q. How do you see the year ahead?

A. We are heading into an uncertain market both politically and economically and we anticipate challenges that we have not had to face before, particularly in the context of Brexit. However the strategic plans we have put in place for growth in Europe and Asia, as well as a continued focus to respond to our clients' needs for delivering value, will ensure our continued growth. Our ability to provide clients with multi-disciplinary teams across jurisdictions continues to gain traction in both the domestic and international markets. This compliments our commitment to increasing the number of sector specific groups, building on the success we have seen in our Healthcare, Retail, CRISPR and Energy groups, all of which have seen healthy growth in this financial year. We will launch a new Financial & Insurance group in Q3 of 2019/20.

Q. What investment in the HGF service have you made?

A. HGF continues to invest for the longer term, through enhancing the strength of our support functions, including business development and marketing.

We continue to deepen our understanding of the client experience, to improve our efficiency, client interaction and pricing. Further innovations within our records management systems are well advanced for roll-out in 2020 and continue to set us apart from our competitors. This includes allowing for automation of EPO Official Communications, outbound communications, integration of our cloud-based IT systems across all our European operations, adoption of the GCHQ Cyber Security Essentials Certification, and client focussed changes in our intellectual property portfolio management and client information system, OCIS. Such risk-focused system changes are complimented by a shift in our client relationships from attorney-to-attorney to HGF-to-client, thereby allowing much greater quality and price control in terms of portfolio management across multiple countries around the world.

In short, we expect the group's business to continue to grow in 2019-20 as the latest office openings put down firm roots, as revenues from our more established offices increase, as we open new offices in new countries in Europe, and as we develop our strategy in Asia. Key to delivering our strategy is our focus on hiring the best talent and we continue to recruit, retain and develop the highest quality attorneys and support staff in all the countries in which we operate.

This is all focused on our vision of becoming Europe's leading IP advisors.

See appendix for 2018-19 Growth charts on page 32

The new generation of AGA cookers

HGF manages the Group's global portfolio of patents, designs and brands, and working alongside the client's design team, HGF is pursuing registered designs and patents to align with AGA Rangemaster's new generation appliances.



About the Group

AGA Rangemaster is a leading international premium consumer brands group which manufactures and distributes amongst the best known and loved ranges, cookers and kitchen appliances, including AGA, Rayburn, Mercury and Falcon range cookers. Known for its longstanding heritage, technical excellence and innovation, AGA Rangemaster operates production facilities in multiple jurisdictions including the UK and has worldwide wholesale and retail distribution.

The extent of the Group's investment in design and technical innovation is reflected in the speed to market of new models. For instance, the complete new 3 and 7 AGA range series which have been launched over the last 12 months. These new models are the result of the Group's commitment to remain at the forefront of innovation, developing more fuel efficient appliances without foregoing the design, cooking performance and aesthetics for which it is renowned.

HGF Value

In 2017 HGF became the "one-stop" provider of IP services to AGA Rangemaster. HGF manages the Group's global portfolio of patents, designs and brands, and working alongside the client's design team HGF is pursuing registered designs and patents to align with AGA Rangemaster's new generation appliances. These include IP protection for the new generation, fuel efficient 3 and 7 series AGA range cookers. In addition, international design registrations for the new AGA 3 series. This work is also mirrored in the brands arena, with the creation of new international trade marks, including STRATUS, ASTRASHELL and VSEAL.

To compliment this, HGF also supports AGA Rangemaster on the broader protection of its valuable IP in relation to dealing with third party infringers, addressing third party misleading advertisements and brand licensing.

By way of example, a patent application for an innovative new AGA range door as seen below:



"HGF's innovative On-line Client Information Software (OCIS), provides real-time access for AGA Rangemaster to all of its global IP registrations and applications, thereby improving client communications and providing transparency in all that HGF does for the Group."

Marie McMorrow
Partner & IP Solicitor

“What I find refreshing working with HGF is its open business approach. We have a proactive service manager in Marie McMorrow, and we have found the patent and trade mark teams consistently thorough, commercial and supportive to our dynamic business.

HGF has worked with us to rationalise our extensive global patent, designs and brand portfolio, thereby taking out unnecessary business cost. Working alongside us, they have then added further value by their strategic approach to ensure our new IP protection aligns to our new product developments, brands and international business goals.”

David Carpenter
Technical Director – AGA Rangemaster



G-Star RAW

HGF is responsible for the management of G-Star RAW's global IP portfolio and is executing G-Star RAW's global opposition strategy.

G-STAR RAW

About the Company

G-Star RAW is a renowned designer, developer and manufacturer of jeans and apparel under the brand name G-Star RAW. Founded in 1989, G-Star RAW is currently one of the leading fashion labels for premium jeans-wear. G-Star RAW's products are sold worldwide in over 75 countries through online and retail stores. G-Star RAW is currently the #2 denim brand at Zalando.

G-Star RAW's stores are located in major cities of the world, such as New York City, San Francisco, Los Angeles, Toronto, Melbourne, Sydney, Paris, London, Milan, Barcelona, Madrid, Berlin, Istanbul, Macau, Hong Kong, Singapore, Tokyo, Osaka, Beijing, Shanghai, Bangkok, Cape Town and Johannesburg.

HGF Value

G-Star RAW has a substantial portfolio of intellectual property rights, mainly consisting of trade mark and design registrations throughout the world. HGF is responsible for the management of G-Star RAW's global IP portfolio as of July 2018.

The relationship between G-Star RAW and the Amsterdam partners of HGF B.V. goes back much longer. HGF's responsibilities include: conducting clearance searches, the prosecution of new trade mark and design applications, the recordal of changes, and the maintenance of existing registrations. In addition, HGF is executing G-Star RAW's global opposition strategy.

HGF works continuously with G-Star RAW to optimize their filing and enforcement strategy in a constantly changing business environment, utilizing its experience and IT tooling to enable the legal department of G-Star to manage its IP assets efficiently and effectively.



"HGF is responsible for the management of G-Star RAW's global IP portfolio as of July 2018. The relationship between G-Star RAW and the Amsterdam partners of HGF B.V. goes back much longer."

Kasper Radstake
Partner & Trade Mark Attorney



“The relationship between G-Star RAW and the partners of HGF B.V. goes back more than a decade. Key words for our relationship: trust, dedication, customisation and great expertise.

In HGF Amsterdam we found a savvy business partner that shares our vision for the provision of IPR services for the industry for the future, which are key aspects for our collaboration. The HGF team combines information technology with a high service level and great expertise in the area of intellectual property. In addition, HGF is able to customise their services and tools to the needs of their client.

The colleagues of the G-Star team of HGF are a highly valued addition to the legal department of G-Star RAW.”

Christian de Bil
General Counsel – G-Star RAW

Taking Nature's lead in Antimicrobials

HGF is responsible for the entire IP portfolio and have carried out a full review of the IP estate and taken time to understand NovaBiotics' various commercial goals.



About the Company

NovaBiotics Ltd is a leading clinical-stage biotechnology company focused on the design and development of first-in-class anti-infectives for difficult-to-treat, medically unmet diseases. The Company's advanced portfolio of antimicrobial therapeutic candidates targets large and important markets with significant unmet clinical needs, including Lynovex® (in oral and inhaled form), an orphan drug candidate for cystic fibrosis (CF), Novexatin®, a potential step change therapy for onychomycosis and Novamycin®, a novel antifungal peptide in development primarily for the treatment of invasive fungal diseases caused by mould & emerging, drug resistant yeasts.

"Thanks to HGF, we have achieved exactly what we set out to do with ongoing strategic review and ongoing management of our patent and trade mark estate."

Deborah A O'Neil PhD FRSE
Chief Executive Officer
– NovaBiotics Ltd

Market

Bacterial and fungal infectious diseases are responsible for the deaths of 14 to 17 million individuals each year. Antimicrobial Resistance (AMR) is a modern epidemic that further compounds the challenges and burdens of infectious disease on health care systems the world over. The limited therapeutic options to combat not only AMR, but even the most common microbial infections is a major health and socioeconomic global concern. Declining new antimicrobial drug approvals and an inadequate pipeline of anti-infective therapies meets at a crossroad with AMR thereby resulting in an anti-infectives crisis. Medical agencies around the world, including the US Centre for Disease Control and Prevention (CDC) and the WHO, have voiced concerns regarding the dwindling pipeline of therapeutics available to treat drug-resistant infections.

Onychomycosis, a fungal nail infection, is common across the globe and due to the difficulty for any therapeutic agent to penetrate the nail structure, has not been well-treated to date. Novamycin has demonstrated surprising levels of nail penetration and treatment of the fungal infection.

Cystic fibrosis (CF) is the most common inherited life-limiting genetic condition in Caucasian populations and is a chronic debilitating disease that affects around 70,000 individuals worldwide. CF is caused by a mutation of which over 1,500 have been identified in a single gene; one that encodes a key protein (the CFTR) which is required for correct ion transport and fluid regulation across the body's epithelial barriers, such as the linings of the respiratory and gastrointestinal

tracts. CF respiratory infections have such an impact on lung function and long-term health outcomes for patients that successful treatment or eradication of these microbes is paramount to improving prognosis and quality of life. NovaBiotics approach to tackling CF is completely novel and represents a major breakthrough in CF treatments. Lynovex® is a unique molecule with antibiofilm, antibacterial and mucolytic activity. As such, NM001 (Lynovex®) represents a single therapy that is being developed to tackle multiple – and the major – respiratory symptoms in cystic fibrosis. Importantly, Lynovex® is a treatment that can be used by all patients, regardless of their genotype and specific CFTR mutation. Lynovex® is being developed in oral form for acute exacerbations in CF and also as an inhaled product for chronic, long term use.

IP Portfolio

The patent portfolio includes over 350 patents and patent applications in an extensive list of countries, all being derived from 11 patent families. The trade mark portfolio includes over 160 pending and registered trade marks in an extensive list of countries. These trade marks are registered in a variety of classes, including: Class 5; pharmaceutical and veterinary preparations, particularly anti-infective and anti-viral preparations; class 10; medical equipment, and; scientific research and development class 42.



"HGF have carried out a full review of the IP estate and taken time to understand the various commercial goals of the company."

Craig Thomson
Partner & Patent Attorney

HGF Value

The HGF relationship

HGF successfully won a competitive tender in 2018 to take over responsibility for the entire IP portfolio. Craig Thomson manages the client and has a monthly meeting in which prosecution strategies for the various pending cases are agreed. New and evolving commercial focuses are identified and the suitability of the standing IP strategy analysed, and changed where appropriate. Most of the patent prosecution work is handled by Lauris Kemp and Craig Thomson, whilst the HGF trade mark team are responsible for all trade mark prosecution matters. Mike Nelson and Marie-Louise Jardle also provide specialist advice on strategies for extending terms of exclusivity for sales of the products that are peculiar to pharmaceutical products. The formalities activities required for this extensive portfolio are directed by Rachel Waddington who helps the client to optimise administrative efficiencies.

The Work

HGF have carried out a full review of the IP estate and taken time to understand the various commercial goals of the company. From this analysis, an IP strategy was agreed and HGF constantly works on its evolution in line with changes in the client's commercial goals. The strategy has been designed to not only bring the IP portfolio more into line with the business goals, but also involved a large number of efficiency strategies that has reduced the cost of running the portfolio. These strategies now govern the patent and trade mark prosecution strategies as we bring more pending rights to grant, agree on what scope of protection is required for the business for each of those rights,

decide in which countries to file, and what new developments are appropriate to protect in new filings. We also regularly discuss scientific developments with the team at NovaBiotics to help understand what work is coming out and that could be protectable, and also to advise on how to ensure that presentations or articles from the company do not adversely affect any future or current patent filings. The input from Mike and Marie-Louise was crucial to be able to understand the true value of some key portfolios, essentially by understanding how one could optimise the length of term of a monopoly of sales of key products. As potential collaborations and licensing opportunities have arisen, we have also provided support by way of preparation for due diligence, and support during the diligence process.

We are responsible for the registration and maintenance of numerous trade marks in the US and Canada, we handle all the requirements for maintaining registered rights in those territories, including the necessary statements of use and supporting evidence. We have provided strategic advice in relation to the protection of pharmaceutical drug names, particularly the challenges faced where products are still in the clinical trials stage, but the necessary trade mark use requirements need to be met.

Our relationship with HGF

NovaBiotics reached a key inflexion point in the company's lifecycle with an extensive and maturing IP portfolio supporting novel anti-infective products that are now entering clinical trials and getting closer to market. The business needed to ensure that they were in the possession of an appropriate, commercially-focused IP management strategy and to work with a full service patent firm that could meet all of our needs to deliver this on a continued basis. NovaBiotics also needed a firm with more of a global reach and offices outside of the UK but ideally a local presence close to the company's R&D base in Aberdeen. HGF were highly recommended as a firm to work with to achieve this and stood out as we spoke with a number of competitors as clearly being able to meet all our requirements. In the 12 months since we began our relationship with HGF, we have achieved exactly what we set out to do with ongoing strategic review and ongoing management of our patent and trade mark estate. With Craig Thomson coordinating input from the wider HGF team, we have benefited from service offerings other firms we have worked with previously have not been able to provide, including ex-pharma colleagues who have helped us present our patent estate in an appropriate way for licensees, investors, strategic partners, acquirers etc. This has added significant value to the business, hence us continuing to work with Craig and the wider HGF team. The client portal, online renewals tools and support from the admin teams are also invaluable.

Brand protection beyond Brexit

Since the UK voted to leave the EU in 2016's referendum, HGF has worked to ensure that Brexit will just mean 'business as usual' for its clients.





David Potter
Head of Trade Marks at HGF

“We know that intellectual property rights are among the most valuable assets that any business or organisation has, and yet in our poll 44% of respondents say brand protection is not regularly discussed at Board level.

Amidst a volatile, unpredictable political process and in an increasingly uncertain age, Brexit means business as usual for HGF and our clients, as our European network and capability enable us to support organisations with an unrivalled local knowledge of IP rights throughout multiple jurisdictions.”

However, ongoing negotiations and unresolved political debate on the future status of the UK in its relationship with the EU has created an environment of uncertainty for business.

This year we carried out a survey to better understand how prepared some of Europe's biggest companies are for life after Brexit, in terms of protecting their valuable IP rights and the brand equity this adds to their business.

We consulted over 120 companies, many of them world-leaders in their markets and industry sectors, with a specific focus on the UK, Germany, France, The Netherlands, Spain and Switzerland.

Together they have annual revenues of hundreds of billions of pounds, are major employers, product innovators and economic drivers and exporters.

By taking the temperature of their concerns, priorities, planning and preparations, areas of doubt and perceived opportunities, weaknesses and threats, we can make sure we continue to enable our clients to have the edge, delivering comprehensive services that meet their needs.

Key takeaways:

- Almost half of respondents (46%) say they will change their brand protection strategy after the UK leaves the EU
- A third (33%) of European businesses say Brexit will make brand protection harder for their business
- A third of companies (31%) still do not know how they will register trade marks after Brexit
- 61% of respondents believe it is now important to have IP advisors based in multiple European jurisdictions with 83% saying local knowledge is the key benefit
- A significant 88% of respondents either didn't use Registered Design Protection as part of their IP protection strategy at all or only a little
- More than 40% said that brand protection strategy was not regularly discussed at Board level

Thought Leadership (Continued)

Brexit, Business and Brand Protection Our Findings

The value of brand, and therefore its protection, has never been greater than it is today. According to Interbrand's Best Global Brands 2019 Rankings the cumulative value of the world's top 100 brands has reached \$2.1 trillion. It's therefore no surprise why concerns over the rigour and implications for brand protection post-Brexit is one of the primary themes of our findings.

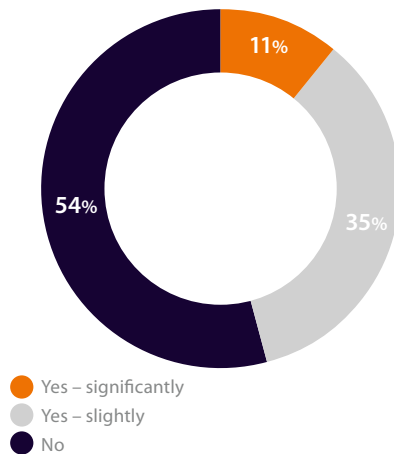
Almost half (46%) of businesses expect to change their brand protection after Brexit. But, after more than three years of political debate, negotiations, government advertising and awareness campaigns, a third (31%) still do not know how they will register trade marks after Brexit even though the same proportion (33%) think Brexit would make brand protection harder. **1 2 3**

The loss of EU geographic location protection was also a concern. Exiting the world's largest trading bloc prompted 54% of respondents to express concerns about the impact of the \$460 billion global counterfeit industry on their businesses, given the EU's great emphasis on muscular protection and enforcement of IP rights in third countries. **4**

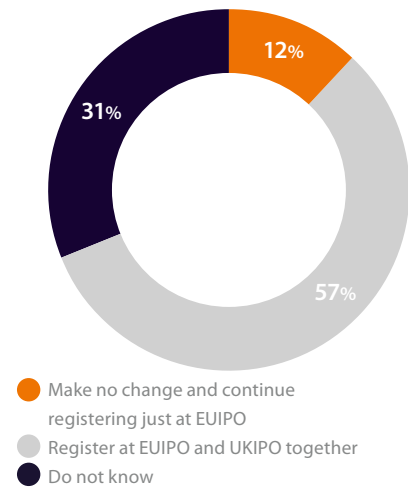
Nearly two thirds (61%) of businesses now believe it important that their IP advisor has bases in multiple jurisdictions across Europe, with 83% citing local knowledge and expertise as a key benefit for this. Businesses are concerned that brand licensing would be more complex in other EU territories after Brexit, with additional legal jurisdictions to negotiate, more trade marks to file and possible issues with cross border knowledge and policing around brand protection. **5 6**

Critically, as businesses navigate the potential changes presented by Brexit, having a firm that is able to deliver a single service across trade marks, IP and brand protection is invaluable. Through our established network of 22 offices across the UK, Germany, Ireland, The Netherlands, Austria and Switzerland, we provide a high level of on the ground expertise and knowledge on trade mark searches, registration and infringement procedures. HGF seamlessly manages both EU and UK trade mark processes together, reducing cost and complexity for our clients.

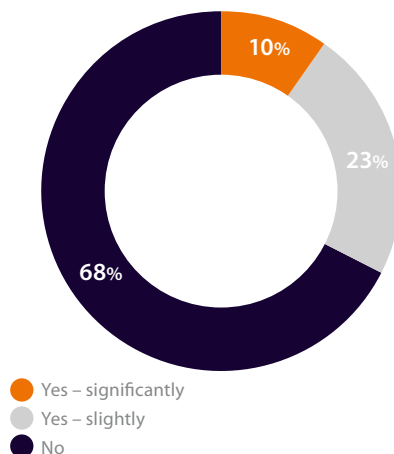
1. After the UK leaves the EUIPO do you believe you will change your brand protection strategy?



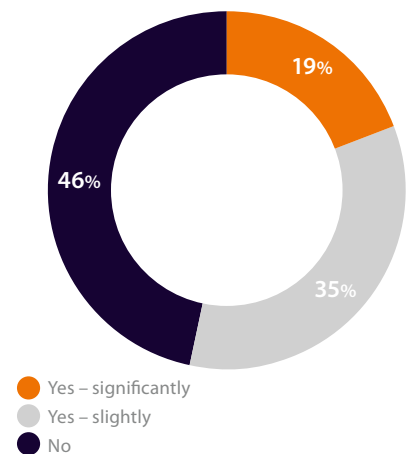
3. When the UK leaves the EU, how do you intend to register your trade marks?



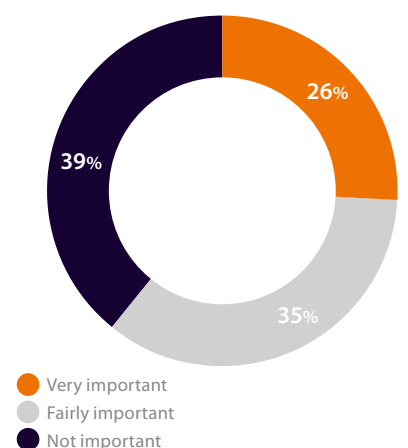
2. Will the UK's exit from the EU make brand protection harder for business?



4. According to figures from the International trade mark association, counterfeit goods are a \$460 billion industry. Are counterfeit goods an issue of concern for your business?

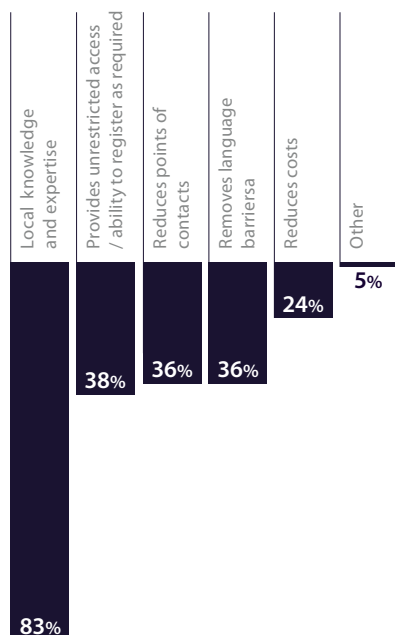


5. How important is it to you to have an IP advisor with bases in multiple European jurisdictions?

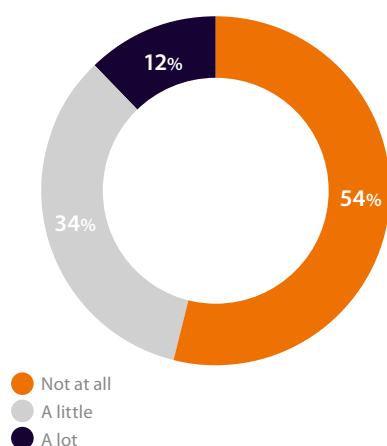


Brand Protection Beyond Brexit is available to download from our website:
www.hgf.com/updates/news/2020/01/brand-protection-beyond-brexit

6. Why is it important?



7. To what extent do you use Registered Design Protection as part of your IP protection strategy?



Richard Wylie
Partner and Trade Mark Attorney
at HGF

“Whilst partly explained by the fact that some companies (for example, those in the service sector) will have no need for designs, this result questions whether businesses are missing out on highly valuable and cost-effective IP protection.

Registered designs have proven their worth across many industries, not just the fashion and consumer goods sectors that are seen by many as the traditional domain of design registration. For example, pharmaceutical and medical device companies have successfully used registered design to limit the entry of generic products.

Fables of opportunities lost often best highlight the value of designs. The difficulties faced in recent high profile cases, where poorly registered designs have either been lost or found unenforceable show the value of getting designs right and the potential value of designs as the unsung hero of IP.

In Europe, the process for securing designs is quick and inexpensive, with designs often registered in just a few days.”

Strong growth prospects

"It has been another record year for the firm and that is always exciting. As a service industry it is our people that are at the heart of making that success happen."

Jason Lumber
Chairman & Partner



Q. What are the highlights of the year for you?

A. It has been another record year for the firm, which is testament to the focus of our daily delivery for our clients. As a service industry it's our people that are at the heart of making that success happen. But we cannot be complacent, in terms of talent we hire, how we nurture the next generation and how we look after our colleagues.

The initiatives that we have pioneered in the firm this year have been particularly significant as they have enhanced our culture which, in turn, has led to a higher level of productivity. Initiatives have included:

- The launch of our mental health project with training for all staff across the firm in spotting and managing stress levels;
- Creating mental health first aiders across the firm;
- Continuing to actively support the work of IP inclusive. As one of the founding firms we have been particularly active in attending and hosting events and participating in initiatives such as the LGBTQ week and mental health awareness weeks;
- Implementing a formal summer intern programme led by a partner who himself came to the firm as an intern some 14 years ago; and
- Creating and launching the firm's comprehensive CSR programme including progressive policies covering environment & sustainability, pro bono and voluntary work and charitable donations.

Q. What are your priorities for the next 12 months?

A. As the firm continues to grow we are continually facing new challenges around engaging with our stakeholders. In 2018/19 we recruited 44 fee earners and a further 58 staff in support roles across the firm. We aim to ensure that we are recruiting a team who will have the right skills to enable the firm to continue to meet its ambitious growth plans across Europe and into Asia. Our merger with Patronus IP in March, which boosted our European footprint, has successfully tested our internal operations and has created innovation across our processes to integrate their systems into the HGF OCIS portfolio management system.

I am proud to see the entrepreneurial spirit that was here at the start of the business in 1995 is still flourishing within the firm and the investments that we have made in our IT team to continue to build our portfolio management system. This initiative has been described by clients as 'best in class' within the IP industry.

Q. Where do you see the biggest challenges for the firm in the next 12 months?

A. Ensuring that we continue to provide our clients with the experience that they expect from one of the leading IP firms in Europe. With our growth we have had to quickly adapt to ensure that we are integrating our staff across the business both in terms of our culture but also our systems. Our clients expect a consistent service across the business. We have created a culture which rewards staff who embody our values of progression, teamwork and excellence.

Brexit is obviously a factor for every business in Europe at the current time, and there are additional benefits for our business because of our European footprint. We have undertaken scenario planning across several alternatives, and I am confident that, as far as we can, we have prepared ourselves and our clients. We have played our part in lobbying the government working with CITMA and have several attorneys in special interest groups on both CIPA and CITMA committees. Moreover, as a pan-European firm we have established both systems and personnel to ensure the firm is able to service the needs of clients before the EUIPO and EPO.

Future

We were delighted when Alastair da Costa joined the firm as a consultant in January 2019. The strategic thought Alastair has brought to the Management Board and firm has been of great value in challenging us in the pursuit of our vision to be the leading IP firm in Europe. We were delighted that he made the decision to join the Partnership from August 1, 2019.

We have a strong brand which we have been developing over the last 14 years and I am looking forward to sharing a new website and brand refresh over the next 12 months which will support our aspirations across Europe.

Changes in the board

Dr Jonathan Atkinson and Robert Harrison retired from the board. Dr Gary Wilson and Alexander Hagen joined the board.

New employees

102

Turnover for starters within the 2018/2019 financials

	Starters	Leavers*	Turnover %
Fee Earner	39	2	5%
Support	58	11	19%
Partners	5	0	0%
Total	102	13	13%

* Figures shown are for leavers who started and left within the same financial year.

Graduate recruits

16*

Number of graduate recruits 2016 – 2019

	Number of graduate recruits	Increase %
2016 – 17	10	
2017 – 18	13	30%
2018 – 19	16	23%

* Included in 102 new employees total

Number of staff

418

Turnover for staff during 2018/2019 financial year

Number of staff	Number of leavers	Turnover %
418	36	9%

Board of Directors made up of experienced members

Board members are elected and are responsible for ensuring that key management and strategic issues are raised and discussed on behalf of the partnership.



A R

Jason Lumber
Chairman and Partner

Chairman of HGF since 2008, last renewal shareholders meeting of 2017. Chairman of the CSR strategy and Property committees.

Main Function: Chairman. Jason graduated university with an LLB Law degree and the Law Society Finals qualification from University of Northumbria. He undertook his training contract at Clifford Chance in London, qualifying as both a Solicitor and as a Trade Mark Attorney. Before joining HGF Jason held positions at a global law firm working principally in the area of trade marks across automotive, logistics, food and drink and personal hygiene markets. He joined HGF in 2000 and created Sanderson Lumber, sister firm of HGF with Paul Sanderson in 2002. Elected to the firm's Management Board as the first chairman of HGF Ltd in 2008. Jason is actively involved in a wide range of areas of the business including personnel management, strategic development of the firm, development and maintenance of the firm's culture and its values as well as chairing Board, shareholder and numerous committee meetings. In 2018 Jason was instrumental in spearheading the launch of a CSR programme and now heads the committee. In 2018 Jason took on the management of HGF Group's property portfolio across Europe.



A R

Paul Sanderson
Chief Executive and Partner

Paul has been HGF's CEO since 2004. He is responsible for the overall leadership, strategic direction, and management of the Firm, and the delivery of its performance objectives.

Following university, Paul began his career as a manager with Marks and Spencer plc in the early 1980s before switching to law later that decade. On qualifying as a solicitor in 1991, he joined DLA securing partnership within 5 years having built an Intellectual Property litigation business leading a team of 4 attorneys. In 1999, he joined global law firm Masons before founding his own firm in 2002, Sanderson Lumber as an associate firm of Harrison Goddard Foote, Elected CEO of the HGF Group in 2004, he led a strategic period of growth opening offices in Scotland and England. In more recent years, that growth has extended into Europe with 22 offices across the UK, Ireland, The Netherlands, Germany, Austria and Switzerland.

In 2014, Paul moved HGF from a traditional LLP model to a shareholding business more reflective of its client's own preferred trading structures but retaining the very best cultural and professional ethos of the traditional partnership model within the business disciplines of a corporate structure.



A R

Alastair Da Costa
Strategic Development Director and Partner

Alastair has over 20 years of international board and executive level leadership experience growing teams across a number of sectors, including legal and professional services. Alastair is a corporate lawyer and he joined the board and executive of HGF in 2019. He previously had a long career with international law firm DLA Piper, where he was a Partner, Managing Director (for Asia Pacific and Middle East), Global Board and Executive member. Alastair is also a board member of The London School of Economics, Chair of Capital City College Group and a Commissioner to the UK Government's Social Mobility Commission.



Mark Lunt

**Standards and
Regulatory Director and Partner**

HGF Partner since 2000, Professional Standards and Regulatory Director since 2010, re-elected at shareholders' meeting of 2017. Appointed Head of Legal Practice in 2014 on licensing of HGF Limited as an Alternative Business Structure by the firm's regulator, IPReg. Joined the Board of the firm's professional indemnity insurer, Pamia Limited, a mutual insurance association, in 2010 and is a member of its Investment Committee and Chair of its Rules and Terms of Cover Committee.

Main function of the Standards and Regulatory Director and Head of Legal Practice is to ensure that the firm's professional practices meet the standards expected of an international intellectual property firm, for which Mark is personally answerable to IPReg. Mark graduated with a Joint Honours degree in Oceanography and Zoology and joined the patent profession in 1977. He worked for a multi-national power tools manufacturer and became their European Patent Manager in 1994. In 1996 he joined a global law firm with a team of Patent Attorneys. In 2000 Mark joined HGF as a Partner in the Sheffield office and continued to build his practice, both domestically in the UK and from overseas. Mark joined the Professional Practice Committee of HGF in 2002 and became its chair in 2008.

Key to committees:

- Audit Committee
- Remuneration Committee



Dr Gary Wilson
Partner

Partner since 2007, elected to the Management Board as non-executive director in 2017.

Main Function: Partner and Scottish Lead. Gary graduated from Glasgow University with a 1st Class BSc Honours Degree in Chemistry in 1993 and with a PhD in Chemistry in 1996. During his time at Glasgow University he was also awarded the Joseph Black Medal. He was awarded a Certificate in Intellectual Property Law from Queen Mary and Westfield College, University of London in 1997. He joined the patent profession in 1996 and worked for a top tier firm in London and Glasgow rising to partner level. He joined HGF in 2007 to open and manage the firm's first Scottish Office in Glasgow. Through Gary's leadership the firm now has a total of three offices in Scotland with an Aberdeen office opening in 2011 and an Edinburgh office opening in 2016. He is also currently actively assisting with HGF's expansion into mainland Europe and especially Germany. During his time at HGF he has sat on the firm's Strategy Group, International Review Committee and been Chemistry Group Head.



Hsu Min Chung
Partner

HGF Partner since 2011, Elected to the Management Board in 2016 as non-executive director, re-elected at the Shareholders' meeting in 2017.

Main Function: Partner sitting within the Chemistry Team. Hsu Min graduated from the University of Oxford with a First Class Masters' degree in Chemistry in 1996. She started in the patent profession in private practice in 1996, before taking a role as an in-house patent attorney at a multinational Oil & Gas company. She joined HGF as a Partner in 2011, having been a Partner at another patent firm. Hsu Min has a wealth of experience in European Oppositions and Appeals. She has been instrumental in developing HGF's client base in contentious patent work and leads the firm's strategy and growth in China.



Dr Richard Jenkins
Partner

Became a Partner 2011, elected to the management board as non-executive director in 2016, re-elected at the shareholder meeting November 2017.

Main Function: Partner in HGF's Electronics Group, responsible for developing South Korean business. Richard graduated from the University of Oxford in 1988 with a BA in Physics. He then joined a research team at Oxford's Clarendon Laboratory, and gained his DPhil in applied superconductivity in 1993. After a further period at Oxford, working as a post-doctoral research assistant, Richard joined the patent profession in 1995 as a trainee in the Hi-tech and Electrical Group of a London IP firm. Richard joined HGF in 2007 as a Senior Associate, was promoted to Patent Director in 2010, and became a Partner in May 2011. He was York Office leader from 2012, stepping down in 2018 to focus on his other roles. Richard has brought his experience of working with one of the world largest electronics companies, and his experience of the South Korean market.




Alexander Hagen
Partner

Partner since 2017, elected to the management board 2018 as non-executive director.

Main Function: Partner, Amsterdam lead. Alexander graduated from Radboud University in 1996 in Law, specialising in IP. He joined a Legal team in the Headquarters of a Chemical Multinational, and after that joined one of the largest trade mark firms in Europe. There he became Partner, and participated in the management team, whilst that business grew and matured through investments and mergers. Alexander joined HGF in 2017 as a Partner opening the Amsterdam office. Alexander has been an active member of a.o. the Benelux Association of Trademark and Design Law (BMM), VViE, LES, the International Trademark Association (INTA), and MARQUES, and is a certified Benelux and European Trade Mark & Design Attorney, and is an expert in crossborder IP issues, counterfeit, and design and product protection strategies.

Committed to making a positive impact





Proactively working to embrace
the challenges regarding the

Gender pay gap

Included in 2019 activities broadening
the firm's diversity

39

female
managers

New investment in training
and development in 2018/19

£372k

The attorney population who attended
a 2-day HGF CPD conference in 2019

71%

Left to right:

Lara Robinson
Acting HR Director

Jacqui Weston
Marketing Director

Debbie Long
Project Accountant

Estelle Senior
Professional Support Director

Sally Whittle
International
Head of Formalities & Partner

HGF is committed to a sustainable future

We are doing this through our own efforts, our clients and our R&D programmes.

HGF's values define what we stand for and the behaviours we expect of ourselves. Like many companies, we also want to build a sustainable business that addresses global concerns and trends.

Our focus is on our people, our environment and the communities in which we operate.

People

We have 22 offices in Europe with a diverse team of 382 people who speak over 20 languages. We aim to have a diverse and inclusive workforce, with policies and initiatives that support this aim. Examples include our reward structures, our recruitment process and active membership of IP Inclusive.

Diversity is a priority area. We focus on promoting inclusion and equality to improve our balance in gender, ethnicity, age, social background, disability, religion, and sexual orientation.

We foster an environment in which people prosper. We recognise the unique talents, skills and experience of the individuals within our teams. We hold ourselves accountable for supporting our clients' interests as well as the interests of our people.

We have the most diverse partnership in our industry: UK, German, Dutch and US patent and trade mark attorneys, UK and Irish solicitors, chartered accountants, IT and HR professionals and formalities officers. Many of our partners are the result of our internal training and development programs. We are working to improve our diversity by promoting our industry to and recruiting from schools and universities who have more balanced, more representative student populations, especially in STEM subjects.

Introduced for all our staff

Flexible working options

Launched in April 2019

2019 trainee mentor programme

Leadership programmes

for Partners, Directors and Managers



We asked our staff...

1. Why did you choose to work with HGF?

2. What makes you continue your relationship with HGF?



Deborah Long
Project and Management Accountant

1. I chose to work at HGF because I had seen its growth in the industry and I wanted to be a part of it. I have been with HGF for quite a while now and it's a great place to work. I had lots of support in studying for my professional qualifications and since qualifying I have been given fantastic mentoring and opportunities to continue my development and experience, especially overseas.

2. HGF adopts a fresh approach to challenges and has confidence in its ability to adapt, this ensures my role is always fulfilling. I am working on projects I never believed I could have. I am very happy here at HGF and feel my input is valued and rewarded by a business that genuinely cares about its staff.



Dave Louis
International Head Trade Mark Formalities

1. I was actively looking for new challenge with a people focused firm that fits with my personal ethos of wanting to work in an open and innovative culture.

I met with a couple of firms, and while they had great credentials and excellent offerings, they didn't quite 'tick' all of my personal, cultural and ethical boxes. I met with HGF and from the initial interviews it was clear that they not only ticked every box but also ticked several boxes I hadn't even considered. The firm's ethos of putting people first and having an open, inclusive culture at all levels, as well as a desire to be a progressive market leader, was what attracted me most.

All in all it seemed a little too good to be true. However, I was fortunate to have worked with a number of HGF staff previously, who confirmed that this was indeed the day to day culture of the firm.

2. My reasons for joining the firm are the reasons I still enjoy coming to work each day. Having seen how easy it is for a company's 'core' values to be sidestepped when needed, and the negative impact this has on the personality/soul of a firm, what impresses me most about HGF is that even when there are challenges, the firm's focus on putting people first doesn't waiver.

I see the knock on effect this has every day, at all levels within the firm, in terms of individual's commitment to, and personal accountability for, HGF's clients, as well as the significant impact it has on creating a positive working environment.



Leythem Wall
Partner and Patent Attorney

1. What attracted me to HGF was its clear ambition, particularly in Europe. It is one of the very few Intellectual Property firms, if not the only, with practising offices in three of the major centres of European IP law – London, Munich and The Hague. With an increasing number of European patent examinations and in particular oppositions being handled by The Netherlands branch of The European Patent Office, as well as some of the world's largest companies or their European arms being based in the Benelux, HGF represented a unique opportunity at a truly European firm.

2. The quantity and quality of attorneys at HGF, as well as an industry leading presence in Europe has made continuing the relationship a simple choice. Attorneys, as well as their clients, have access to all the resources of one of Europe's largest full service IP firms.



HGF & Sustainability (Continued)

Community

Being a responsible corporate citizen

As a founding and active member of IP Inclusive, for all those working in IP, our aim is to promote social mobility, diversity, education, mentoring support, and mental awareness. We also undertake pro bono work and encourage volunteer days to support local business and charities and in 2020 we aim to launch phase 1 of a CSR programme that will promote shareholder and employee engagement in the community.

Over £96,000 raised for charitable organisations in 2018/19

Review how we support staff funding and **charitable donations** raised

3 volunteer days per employee per annum

First aid and **mental wellbeing** training

Events in every HGF office in the year



Environment

Reducing our impact

We recognise that we need to rise to the environmental challenges and opportunities that are facing our world. Our aim in 2020 is to identify and align to the UN's Sustainable Development Goals and ways to continue to reduce, as well as offset, our carbon footprint.

A committed and active policy to **recycle 100%** of our recyclable materials

Video conferencing available in all our offices and use of Skype calls and teleconferencing to reduce our **carbon footprint**

Introducing **Electric car charge points** in our head office, with plans for more to follow

Reduced our paper consumption over the last 3 years **by 90%** through improved use of digital and technology solutions

A review of the **cycle to work scheme** in 2020



Photo by Coen van den Broek on Unsplash



IP Inclusive

Promoting and improving equality, diversity and inclusion

IP Inclusive is a network whose aim is to improve equality, diversity and inclusion in the IP professions. HGF was one of the early signatories to the IP Inclusive Charter, which now includes over 140 organisations. As a charter signatory, we commit to improving equality, diversity and inclusion by:

1. Having in place a named individual within our organisation as Equality, Diversity and Inclusion Officer (Vanessa Stainthorpe, Partner).
2. Having in place a written Equality, Diversity and Inclusion Policy for our organisation and making everybody in the organisation aware of it.
3. Promoting openness and transparency so as to demonstrate merit-based equal opportunities in our recruitment and career progression processes.
4. Acknowledging the effects of unconscious bias and introducing measures to tackle it.
5. Monitoring and reporting internally on our progress using measures and at intervals that are appropriate to our size and nature.
6. Sharing our experience within the IP Inclusive community to help build an effective network for equality, diversity and inclusion across the IP sector.



IP INCLUSIVE

Working for diversity and inclusion in IP

We have organised and participated in a wide-range of events over the last year, including:

Attending the IP Inclusive AGM to help shape the future plans for the initiative

Promoting and participating in the IP Inclusive Mental Wellbeing Survey and Diversity Benchmarking Survey

Hosting and participating in multi-site webinars on a range of topics including mental wellbeing, disability and social mobility

Hosting a Women in IP networking event

Sponsorship of the IP Inclusive website development and IP Inclusive merchandise for distribution

Promotion of the Careers in Ideas initiative outreach campaign aimed at raising awareness of IP-related careers

Vanessa Stainthorpe was a panel speaker for a webinar during Mental Health Awareness Week, discussing her experiences of training as a Mental Health First Aider

Dedicating a session at our annual CPD conference (open to all of our attorneys) to the topic of Unconscious Bias

Founding the IP Inclusive North of England Network with a launch event in our Leeds office, hosting a panel discussion on flexible working

IP Inclusive Week, where multiple offices hosted coffee mornings and lunches to explore the theme of "Allies, Advocates and Supporters", with a factsheet on the topic sent to every person in the firm

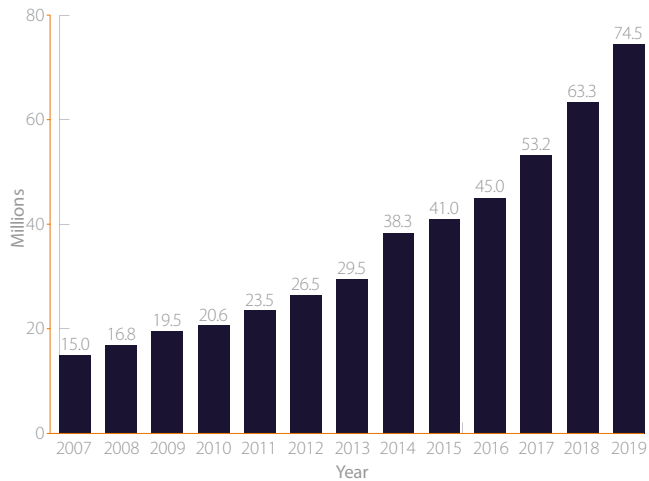
"HGF have been hugely supportive of IP Inclusive, in particular over the creation of the new North of England network this year, and I really appreciate that. Vanessa Stainthorpe, Partner in the HGF Sheffield office has been a champion of our cause and has both organised and participated in our events. HGF have hosted a series of events including regional webinar viewings, and also the "flexible working" panel discussion on 8 October. HGF were one of the sponsors for the IP inclusive website upgrade which went live in early February 2019 and has made it so much easier for us to engage with both current and potential supporters. We are really grateful to the firms who helped make that happen.

I was also delighted that HGF's various offices were so active during IP Inclusive Week this year (as they were in 2018), with topical discussions underpinned by diversity fact sheets - a great way to promote diversity and inclusivity throughout the firm. HGF really are leading by example on this front".

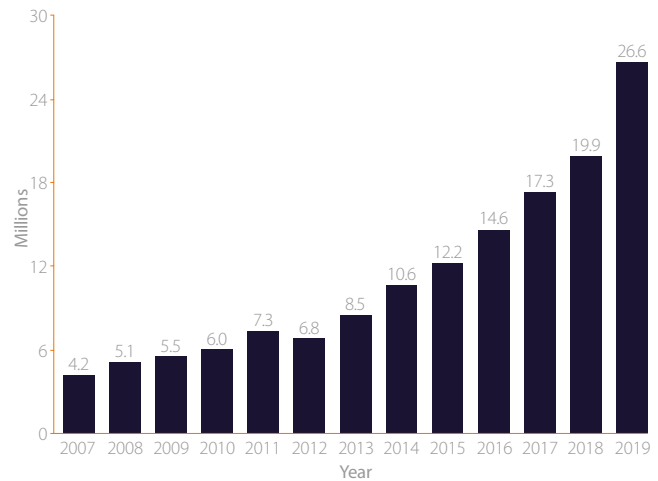
Andrea Brewster OBE CPA EPA,
Lead Executive Officer – IP Inclusive

Appendix

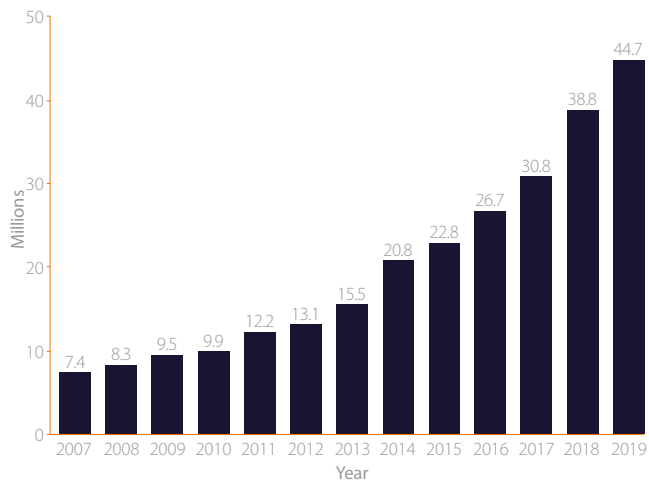
Turnover



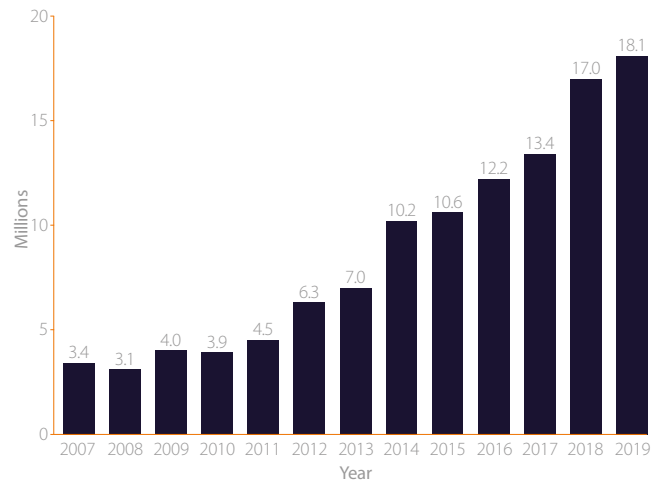
Annual costs



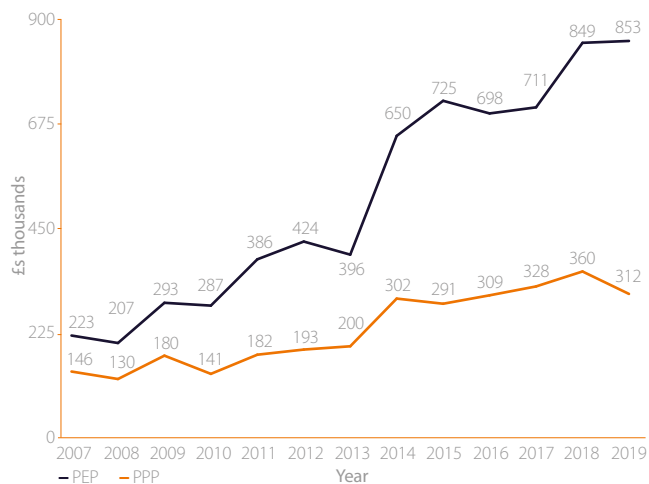
Fee income (excluding disbursements)



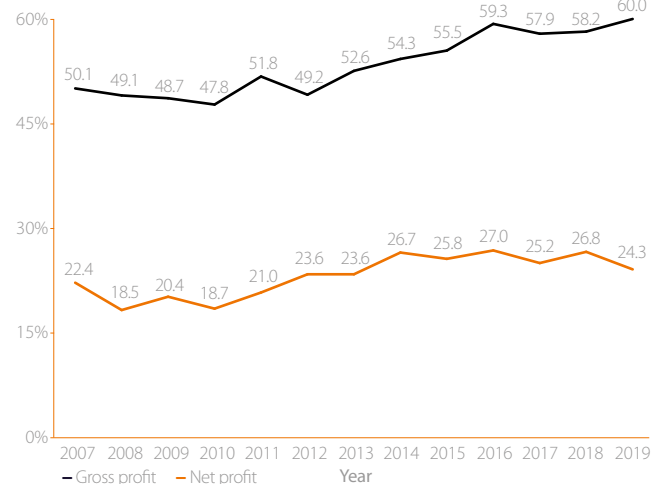
Profits



PEP & PPP





Gross and net profit margin




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 HGF Limited

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