



RSL LIFECARE LIMITED

ABN 43 000 048 957



MODERN SLAVERY STATEMENT

REPORTING PERIOD 2020 - 2021



RSL LifeCare acknowledges the Traditional Owners of country throughout Australia and recognises their continuing connection to land, waters and culture. We pay respects to their cultures and to their Elders past, present and emerging.

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About this Statement

RSL LifeCare is proud to report on our progress to date and ongoing activities to understand, identify and address the risks of modern slavery in our operations and supply chains. In the process we are pleased to have worked with many of our supply chain partners to share knowledge and raise the level of awareness in addressing modern slavery.

We have found the collaborative efforts in working with both large and small supply chain partners as an effective way to bring about change. Some of our smaller supply chain partners who don't meet the annual revenue thresholds for mandatory reporting are quite eager to understand modern slavery but are either not aware of modern slavery or confused about what constitutes modern slavery. We have spent considerable amount of time working with them. Refer to case study within.

In addition to collaborating with our external supply chain partners, our internal working group of supply chain owners continue to review and refine our strategies in addressing modern slavery. We held online discussions and workshops with other organisations within the aged care sector to identify optimal collaboration efforts and attended online workshops of various industry forums and consulted external independent firms to conduct independent screening in order to maximise our efforts in addressing modern slavery.

While RSL LifeCare has not identified any incidents of modern slavery in our review to date, our journey has only just begun, as we continue to look deeper into our various tiers of supply chains to identify risks and extend the breadth and depth of supplier engagement and collaboration.

We are committed to collaborate with the industry and make the required long-term change to address modern slavery. RSL LifeCare welcomes the leadership role of the Australian Government in addressing modern slavery through the establishment of Modern Slavery Act 2018. Modern slavery describes situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom.

Our modern slavery statement is set out in accordance with the seven mandatory criteria for the content as detailed in the Commonwealth Modern Slavery Act 2018 – Guidance for Reporting Entities.

Mandatory Criteria 1 and 2

Identify the reporting entity and describe its structure, operations and supply chains

The reporting entity is RSL LifeCare Limited, ABN 43 000 048 957.
Head office is located at 120 Pacific Highway St Leonards NSW 2065.

Structure

RSL LifeCare is an Australian public company limited by guarantee, controlled by RSL NSW with the Directors appointed by RSL NSW, who is the sole corporate member of RSL LifeCare and has certain class voting rights under the RSL LifeCare constitution. RSL LifeCare is registered with the Australian Charities and Not-for-Profit Commission (ACNC).

RSL LifeCare's board of directors, under the leadership of the Chairman, is the principal governing body. They have a deep understanding of the aged care and senior living sector. Day-to-day management of operations is under the leadership of the Chief Executive Officer who has a team of experienced senior executives, who are accountable for service delivery to our clients and residents.

Operations

RSL LifeCare cares for over 7,500 residents in our 28 retirement villages and 28 Aged Care Homes across NSW and the ACT. We provide professional and caring support in an environment of safety and security to senior Australians in our care homes, villages or in our clients' own homes. We have over 5,000 employees and 600 volunteers caring for people across NSW and the ACT. Our services include:

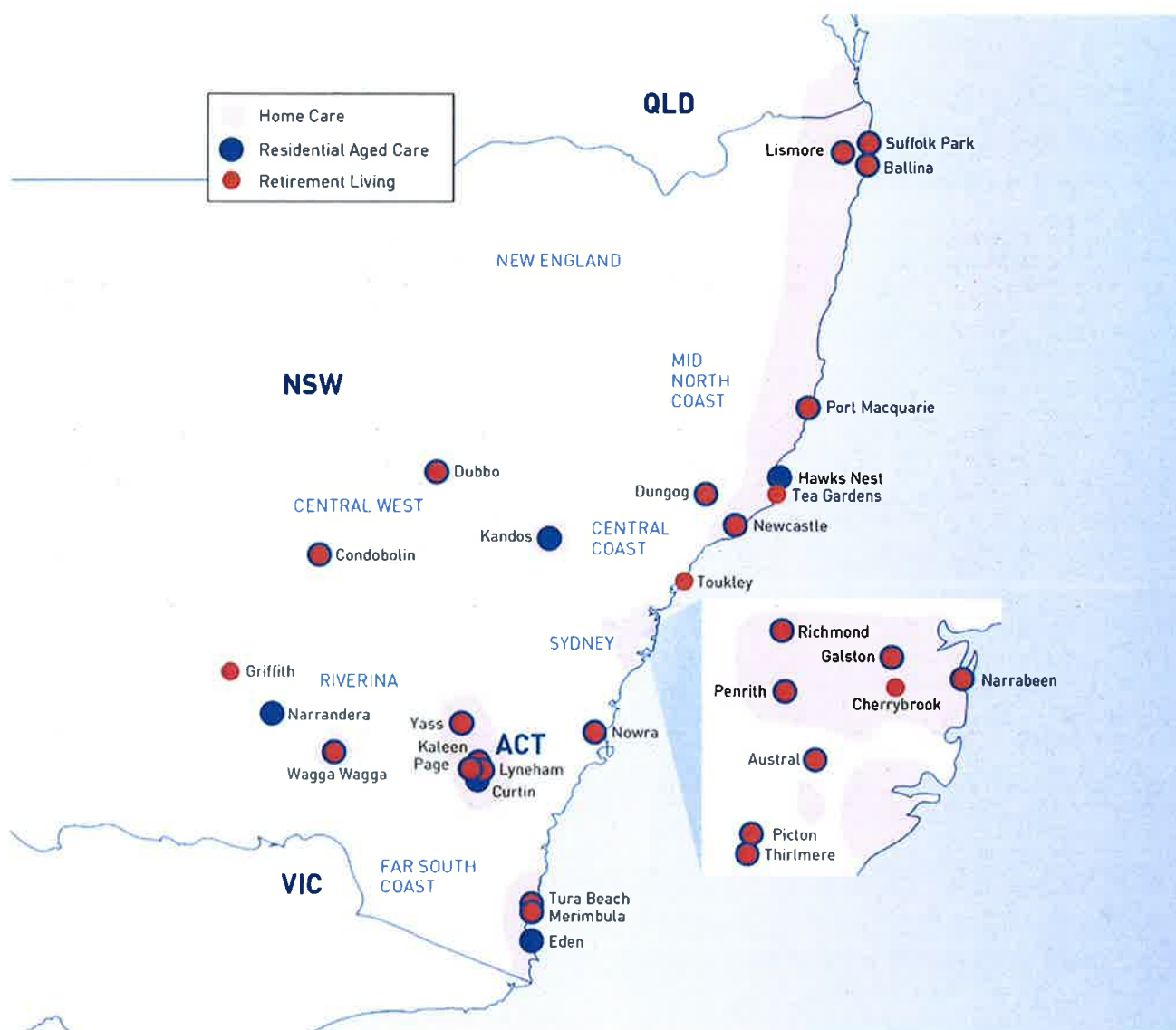
Residential Aged Care – Services include nursing care, respite, allied health, meals, laundry and cleaning, offered in 28 homes across NSW and the ACT.

Retirement Living – Independent living in a vibrant community environment of security and safety, and services include gardening & lawns services, waste services and maintenance, offered in 28 retirement living communities across NSW and the ACT.

Home Care and Assisted Living Support – Services provided to our clients in their own homes and include transport, cleaning, personal care, garden and home maintenance, home modifications, social support and respite, across NSW, south-east QLD and the ACT.

Veterans Services and DefenceCare – Provide care and support to veterans that are homeless or at risk of homelessness to assist them to live sustainably and independently in their chosen community, including a range of wellbeing services and assistance with Department of Veterans' Affairs claims and advocacy at the Veterans' Review Board.

Locations of our operations as per attached map.



Supply Chains

In the previous reporting period, RSL LifeCare engaged an external subject matter expert to assist in the initial mapping of our supply chain and risk assessment. Refer to supply chain map below. While our direct supply chain partners (ie. Our tier 1) are all locally based, their supply chain partners (ie. Our tier 2) may come from overseas.

The methodology adopted in the initial mapping was based on supplier spend (or value of supply contracts), industry group (eg. Building & construction, facility management, contract cleaning service, etc), and location or tiering within the supply chain. The external subject matter expert assessed all trade dependencies at all tiers and overlaid this information with data on modern slavery risk and other indicators, capturing the entire impact across all supply chains.

RSL LifeCare is cognisant that modern slavery risks can exist deep within our supply chains even though our primary business activities are far removed from more traditional slavery ‘hotspots’ like overseas manufacturing, raw materials and other extractive or agricultural industries.



RSL LifeCare conducted our internal supply chain ownership mapping to identify the main sources of supplier engagement (basically who is engaging which supplier) and the groupings of goods and services that we purchase (basically what we are buying). This, combined with external supply chain mapping of supplier base, helps us in designing a 3-year strategy in addressing modern slavery in our supply chain.

Year 1 –

- Map and assess all ‘first priority’ tier 1 suppliers including action and remediation
- Train staff and engage key suppliers
- Collaborate and network with industry
- Ensure all new suppliers follow protocol
- Plan for integration of process into BAU mode (business as usual)

Year 2 –

- Start ‘second priority’ tier 1 suppliers – map and assess
- Implement online supplier mapping & assessment tool and data categorisation
- Train staff and engage key suppliers

- Identify 'first priority' tier 2 suppliers
- Deploy process as part of BAU

Year 3 –

- Assess tier 2 suppliers
- Train staff and engage key suppliers
- Follow up on tier 1 suppliers on progress
- Review overall process and governance

The major groupings of our purchases (purchase categories) are as follows –

1. Medical Supplies	5. Supplementary labour	9. Workplace Supplies & Uniforms	13. Travel Services
2. Furniture & Equipment	6. Energy & Sustainability	10. Hospitality & Hygiene Supplies	14. Fleet
3. Pharmacy & Allied Health	7. Property Services & Facility Management (FM)	11. IT	15. Construction & Capital Works
4. Food	8. Marketing Communications & Events	12. Consultants & Professional Services	16. Homecare & Community Services

In RSL LifeCare, the owners of supply chain partners' relationship are as follows –

Core Supply Chain	Property Development	Asset Management	Procurement
Area of Focus/Expertise	Building & Construction and other Major Capital Works	Building Infrastructure, Facility Management and Property Related Services <u>Plus</u> Minor Capital Works	Operations & Corporate <u>Plus</u> Fleet acquisition and disposal
Nature of Spend Decision, Financial Commitment or Expenditure	Mainly Capital Works and Project Management	Mainly Services and Minor Works	Mainly Goods
Nature of Supplier Engagement	Mainly Building Contractors working on our premises (and their contractors etc.) And Consultants (such as Architects, Property Advisors etc.)	Mainly Service Contractors working on our premises (plumbers, electricians, painters, air conditioning specialists, fire technicians, minor works contractors etc.) And Consultants	Mainly Supplier of Goods & Some Service Contractors working on our premises & Some Contractors working outside of our premises And Consultants (corporate)
Contractor Management framework & accountability	Refer to RACI/S Matrix	Refer to RACI/S Matrix	Refer to RACI/S Matrix
New Supplier: registration, on-boarding, compliance documentation, WH&S, Modern Slavery	Rapid Global	Rapid Global	Goods – Excel & Medius Services – Excel, Medius & Rapid Global
Procurement and Supplier (Contractor) Management – Core Activity <i>*Refer to below for further detail</i>	Sourcing, Tendering & Contracting* <u>Plus</u> Contract/Contractor Management, and Construction Project Management & Commissioning	Sourcing, Tendering & Contracting* <u>Plus</u> Contract/Contractor Management, and Minor Works Project Management	Sourcing, Tendering & Contracting* <u>Plus</u> Contract/Supplier Management

Mandatory Criterion 3

Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls

Operations

RSL LifeCare is a service provider in the aged care and senior living sector. Our head office is Sydney NSW. Our employees are predominantly in NSW, with a smaller number in the ACT. We have over 5,000 employees. All employees are remunerated in accordance with Australian employment conditions and standards. RSL LifeCare has strong corporate governance. Our policies promote a culture that treats everyone equitably, appropriately and consistently.

Our Recruitment policy describes a process for recruiting skilled, dynamic and committed staff and volunteers. Our Code of Conduct policy highlights our purpose, values, and how our employees are empowered and what our Code requires from the employee, and the importance of upholding our Code. This is part of the induction of a new employee and is a refresher training for all employees. RSL LifeCare supports the principles of equal employment opportunity and is committed to providing a productive workplace in which diversity is valued and employees, prospective employees, customers and supply chain partners can work free from unlawful discrimination, bullying or harassment. This is detailed in our Equal Employment Opportunity, Anti-Discrimination, Bullying & Harassment policy.

In addition, our Whistle-Blowing policy is an important tool in encouraging our employees to report any wrongdoing that may not be uncovered unless there is a safe and secure means for a person to disclose the wrongdoing. All internal disclosures go to either Executive General Manager – People and Culture, or the General Counsel – both of whom report directly to the Chief Executive Officer. External disclosures can be made via Stopline. Stopline is a confidential disclosure service operated by an external company, Stopline Pty Ltd, which is available 24 hours a day, 365 days a year. Stopline has been contracted by RSL LifeCare to receive Whistle-blower reports. Stopline do not have incoming or outgoing caller ID.

RSL LifeCare is committed to conducting our business operations with honesty, fairness and integrity. We are committed to uphold ethical business practices.

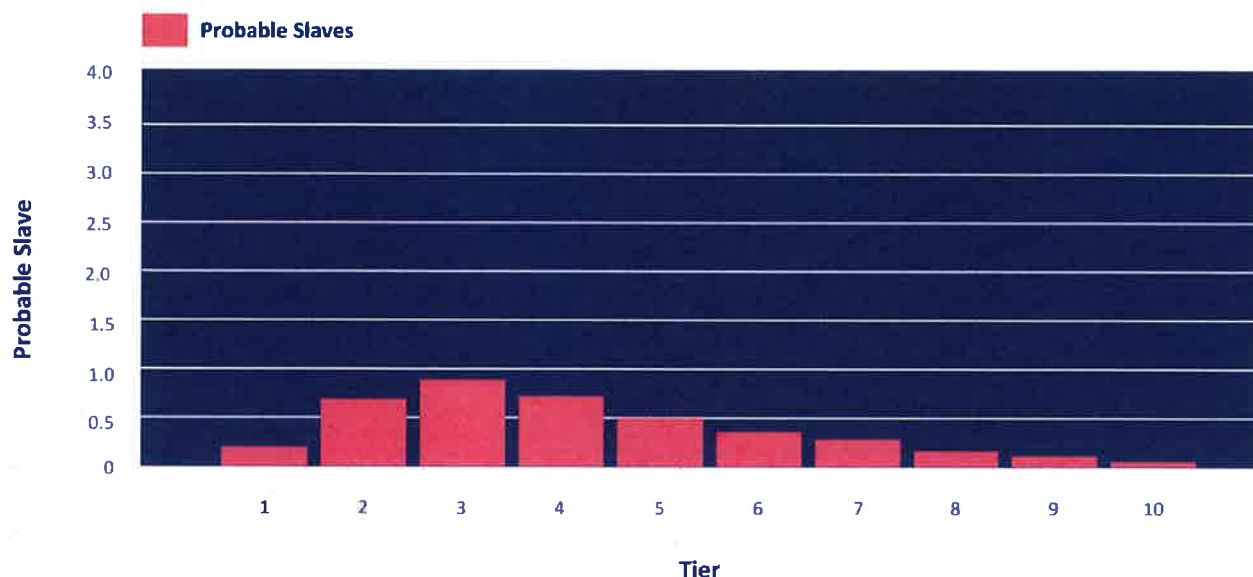
Given this, and the various layers of engagement of field practitioners, plus the induction program and the refresher training requirement, we are of the view that the risks of modern slavery in our operations (causing modern slavery) is low.

However we will be providing training to more staff on modern slavery practices with the aim of raising the awareness level across our organisation. We engaged an external subject matter expert in 2020 to conduct awareness sessions for the Board, senior executives and all staff of the core supply chain ownerships.

Supply Chains

In the previous reporting period, responses to our questionnaire from supply chain partners and the initial supply chain mapping, then analysis of all trade dependencies at all tiers and overlaying this information with data on modern slavery risk and other indicators, capturing the entire impact across all supply chains, identified purchase categories of building & construction, facility management, contract labour, cleaning services, chemical & cleaning supplies as the highest risk of modern slavery at tier 1 of RSL LifeCare's supply chain.

However a summary of the results of the data analysis and other key components of the initial assessment indicated the greatest risk of modern slavery in our supply chain aggregated at tier 3 – and based on the concept of tiering, this is at the level of the subcontractor (tier 3) of the supplier (tier 2) of our direct supplier (tier 1), as follows –



Combining the above analysis and finding with our review of the internal core supply chain ownerships and purchase groupings/purchase categories, in this reporting period, we decided to add the following purchase categories/supplier industry in our tier 1 deep dive, partly driven by the high level of spend on these purchase categories in RSL LifeCare –

- Medical supplies
- Food supplies
- Furniture & equipment
- Workplace supplies & uniforms
- Hospitality, chemical & hygiene supplies

In addition to the tier 1 high-risk areas below, already identified in our initial mapping –

- Construction and capital works
- Property services & facility management
- Contract/supplementary labour
- General services (mainly cleaning and waste)

Furniture and equipment, workplace supplies and uniforms, and hospitality, chemical and hygiene supplies present a higher risk due to the origin of their input materials and the country of manufacture. For example, the input material comes from certain geographical regions where labour practices and employment conditions are not of acceptable standards. RSL LifeCare has a high level of visibility and interaction with our tier 1 suppliers but it is challenging to obtain a high level of transparency over their supply chains and it is very difficult to determine the source of the input materials. For this reason, RSL LifeCare views these purchase categories, and the industries which they are in, as a potential risk of modern slavery.

In our supply chain we make use contract staff/supplementary labour, albeit in a limited and controlled manner, and on an ad-hoc basis, mainly for coverage of planned and unplanned leave, and

where specific skill is needed. RSL LifeCare views this as potential risk of modern slavery, but perhaps lower risk due to our adherence to the local employment conditions and market-competitive commercial arrangement that we offer these workers, ie. they have the freedom to choose. Nevertheless RSL LifeCare has included these providers in our due diligence process.

RSL LifeCare views general support services, such as Cleaning, a potential risk of modern slavery. This industry has a highly transient and casual workforce that are often migrant workers or international students who tend to have English as a second language. They tend not to be aware of their rights and can be exploited. They may also fear repercussions if help is sought. Given this potential risk of modern slavery, RSL LifeCare has included these providers in our due diligence process.

Our food supplies come from local suppliers, most are smaller family-owned operators, although there are a few local suppliers who are subsidiaries of large global organisations. The products may come from overseas, from locations / regions/ countries where there is a prevalence of modern slavery. Although our major suppliers have responded with policies and practices on sustainable and responsible sourcing, RSL LifeCare views this purchase category and this supply chain as a potential risk of modern slavery.

The COVID-19 pandemic has impacted the resources of our internal core supply chains, which dramatically reduced our capacity and affected our ability to conduct a comprehensive risk assessment of all our tier 1 'first priority' supply chain partners, and the internal training sessions and external supply chain partners' engagement activities. Our priority was diverted to day-to-day operational requirements ensuring the safety and security of our staff, residents and clients. It was all about ensuring the supply of critical PPE was unaffected, and where required, the sourcing of urgent alternative supply sources, and the provision of contractors' critical services was unhindered. We intend to resume our planned training for staff throughout the next reporting period. We will explore online accessibility of key modern slavery training where feasible.

RSL LifeCare recognises that COVID-19 may have increased modern slavery risks in some supply chains. These risks include the inability of vulnerable migrant workers to return to home countries, increase in unemployment and a fear of loss of income, closures of factory, and increase in demand due to supply chain shortages, particularly evident in the purchase category of personal protective equipment. We continue to assess and address additional risks within aged care and healthcare supply chains caused by the pandemic.

Mandatory Criterion 4

Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes

For this reporting period, although constrained by the COVID-19 pandemic as described earlier, RSL LifeCare is to implement or has implemented systems, processes, governance framework and taken actions to assess and address the risks of modern slavery. A summary is outlined below –

- ✓ Completed
- To do

Governance

- ✓ Executive oversight – Chief Financial Officer
- ✓ Modern slavery project owner – Procurement Manager
- ✓ Modern slavery supply chain working group
- ✓ Clear articulation of modern slavery commitment
- ✓ Inclusion of modern slavery in procurement policy
- ✓ Establishment of supplier code of conduct

Supplier Engagement Process

- ✓ New supplier registration with modern slavery questions
- ✓ Tendering/bidding documents, including prequalification, containing modern slavery questions
- ✓ Supply contracts having relevant clauses on modern slavery compliance
- ✓ Supply contracts having KPI including reference to reporting on breaches of modern slavery

Training & Communication

- ✓ Initial training for core supply chain staff
- Training for the wider group
- Key suppliers (only some done)

Mapping of Supply Chain

- ✓ Desktop assessment of tier 1 suppliers (refer to data below)
- Detailed assessment of tier 1 suppliers (disrupted by COVID-19 pandemic)
- Action and remediation on tier 1 suppliers – clarification, training & audits
- Analysis of tier 2 suppliers
- Implement online supplier mapping & assessment tool and data categorisation

Collaboration

- ✓ Participate in industry-wide approach and collaboration

Assessment conducted on tier 1 supply chain partners

As mentioned above, the COVID-19 pandemic has impacted the resources of our internal core supply chains, which dramatically reduced our capacity and affected our ability to conduct a comprehensive risk assessment in step 2 of our tier 1 'first priority' supply chain partners – which is continuing into the next reporting period.

The 4-step process for the assessment of our tier 1 supply chain partners is as follows –

- Step 1 – desktop assessment based on key questions
- Step 2 – full questionnaire depending on response in step 1
- Step 3 – detailed assessment
- Step 4 – action and remediation

The 112 suppliers were assessed with outcome summarised below, for step 1. These tier 1 suppliers were selected based on a combination of factors – purchase category type, service industry type and size of annual spend. The industry risk was profiled from our previous reporting period, as outlined earlier.

Modern Slavery Act (MSA) Compliance

Summary	MSA Compliance Check Status Report - spend & industry specific
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	Total Suppliers >\$100k	MSA Check Completed
Core 1 & 2, RG Suppliers	46	29
Core 3, Procurement Suppliers	77	43
Overlapping Suppliers	-11	-5
Total Suppliers for MSA Compliance Check	112	67

60%
complete

	Low Risk		Medium Risk		High Risk	
	Total Suppliers with annual spend \$100k - \$500k	MSA Check Completed	Total Suppliers with annual spend \$500k - \$1M	MSA Check Completed	Total Suppliers with annual spend >\$1M	MSA Check Completed
Core 1 & 2, RG Suppliers	33	20	7	4	6	5
Core 3, Procurement Suppliers	58	29	11	8	8	6
Overlapping Suppliers	-8	-3	-3	-2	0	0
Total Suppliers for MSA Compliance Check	83	46	15	10	14	11

55%
complete

67%
complete

79%
complete

Furthermore, RSL LifeCare has spent considerable time with various supply chain partners in raising the awareness of modern slavery and below is an illustration of our collaborative effort in addressing modern slavery.

Case study

We conducted a competitive tender for the provision of cleaning service. Stage 1 of the process was the prequalification, in which the prequalification questionnaire sought evidence of compliance with modern slavery requirements.

One of the bidding contractors declared that they did not have any knowledge of modern slavery but still expressed a strong interest in participating in the competitive tender. We decided not to exclude them from the tendering process and subsequent contract award but held discussions with them on

modern slavery, related issues and its impact, and guided them through the awareness of modern slavery, using Australian Border Force's online training via E-Learning Modules.

Although the contractor is not required to submit a statement because it does not meet the annual revenue threshold, it has expressed an interest in putting in a voluntary submission in the next reporting period, and at the same time, putting its employees through the modern slavery training. We view this as a successful collaborative effort with our supply chain partners in addressing modern slavery.

Mandatory Criterion 5

Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

RSL LifeCare recognises the significance of reviewing the actions that have been implemented to ensure their effectiveness. Our processes and procedures will continue to evolve and improve and will morph into business as usual activities.

We will track our actions and KPI against outcomes. We will collaborate with our supply chain partners and network with other industry participants. We will conduct regular internal governance and external assurance processes.

We have a 3-year strategy and high-level plan which we will develop further into deliverables and KPI, we will track against the KPI, and based on the results, we will adapt and strengthen our actions to continually improve our combat against modern slavery.

Mandatory Criterion 6

Describe the process of consultation with any entities the reporting entity owns or controls

RSL LifeCare Limited owns 100% Morshead Home for Veterans and Other Aged Persons Limited and 100% Cherrybrook Lakes Management Services Pty Ltd. Consultation and collaboration with relevant members of the above entities has occurred during various stages of the process.

Mandatory Criterion 7

Any other relevant information

RSL LifeCare is committed to addressing modern slavery in our organisation and supply chains. We have undertaken a significant amount of work in the reporting period and are extremely proud of our achievement, despite the challenges presented by the COVID-19 pandemic.

RSL LifeCare is committed to working consistently towards ensuring there is transparency in our approach to addressing modern slavery. We will continue to collaborate with our supply chain partners to raise awareness and seek opportunities to engage further with the industry. We have established a 3-year strategy and strong platform for a modern slavery program that will allow us to dive deeper into our supply chains.

Board Approval

The Board of RSL LifeCare Limited in their capacity as the principal governing body has reviewed and approved this modern slavery statement.



Mark Dickson
Chairman of the Board

A handwritten signature in black ink, appearing to be 'M Dickson', written over a dotted line.

Signature
Date: 10 December 2021



Drew Pearce
Acting Chief Executive Officer

A handwritten signature in blue ink, appearing to be 'D Pearce', written over a dotted line.

Signature
Date: 10 December 2021