

## About Resthaven

Resthaven Incorporated ("Resthaven") was established in 1935 by the Methodist Church in South Australia to provide support and care to older people.

Resthaven delivers high quality residential and home-based aged care, respite and retirement living services throughout metropolitan Adelaide and regional South Australia.

Resthaven's values are Trust, Dignity and Choice.

Resthaven acknowledges that modern slavery may occur in many forms including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting.

Resthaven's corporate governance operating model and framework supports ethical business practice and compliance in accordance with the law, regulatory requirements, professional standards and guidelines. Resthaven is committed to operating responsibly with the highest ethical standards and rejects any form of modern slavery.

This statement has been prepared pursuant to the Modern Slavery Act 2018 (Cth) ("Act") and is for the reporting period of 1 July 2022 to 30 June 2023.

The reporting entity is Resthaven Incorporated. Resthaven's ABN is 79 976 580 833.

## Structure, operations and supply chains

### Structure

Resthaven is a charitable, public benevolent institution. Resthaven is incorporated in South Australia and operates within the scope of the Associations Incorporation Act 1985 (SA). Resthaven is associated with the Uniting Church in Australia although is financially independent of the Uniting Church.

Resthaven's Board oversees the organisation and is committed to acting responsibly, ethically and with the highest standards of integrity and accountability.

### Operations

Resthaven supports over 13,000 older people and their carers every year, providing direct aged care services throughout metropolitan Adelaide, the Adelaide Hills, Murraylands, Riverland, Fleurieu Peninsula, lower Barossa region and the Limestone Coast of South Australia.

Resthaven's high quality, fully accredited services are tailored to individual needs. Services range from retirement living and simple to complex home-based care, to 24 hour a day, seven days a week, residential aged care and respite at twelve residential aged care facilities across South Australia.

Resthaven is largely a services-based organisation, directly employing more than 3,000 employees and engaging around 200 volunteers in its workforce. Resthaven uses contract labour to supplement its own workforce when necessary.

The actions and behaviours of Resthaven's workforce reflect Resthaven's values: trust, dignity and choice.

Resthaven invests its funds in a number of asset classes. To reduce risk, Resthaven ensures adequate diversification between and within asset classes. A Board Investment Limitations policy guides all investment decisions and includes management, monitoring and compliance direction. The policy is formally reviewed annually.

### Supply Chains

Resthaven is a services organisation with annual revenue of around \$260M and operating costs of around \$256M of which \$184M are direct labour related costs. \$17M is expended on food,

## Modern Slavery Statement continued

equipment and medical costs and around \$10M is incurred on services related to repairs, maintenance and cleaning. A high proportion of spend is oriented to direct or local labour-based services and costs with non-labour based spend around 20% of total operating costs.

Resthaven's supply chains include hospitality goods and services, food and beverages, property development and maintenance, clinical equipment and consumables, information and communication technology software/hardware, financial advice and products, utilities, professional/consulting, marketing, motor vehicles, laundry services and general office supplies.

The majority of Resthaven's suppliers are local to South Australia and Australia. However, where goods are purchased (rather than services), their supply chain origins can extend offshore.

### Contracting and Procurement

Resthaven has stable long-term relationships with many suppliers and contractors. Short term supplier and contractor engagement complement this.

Resthaven's purchasing team facilitate engagement of many suppliers, while the contracting and procurement model is largely distributed.

Resthaven relies on external not-for-profit joint procurement bodies (CCI Services and UnitingCare Synergy) for some major contracts including linen, energy and agency labour services.

The effectiveness of the current model in managing Modern Slavery supplier risk and Environmental, Social and Governance outcomes has been reviewed in 2023 following a review of Resthaven's performance in relation to Modern Slavery outcomes. Improvement opportunities have been identified.

### Risk of modern slavery practices in operations and supply chains

**Causes:** Resthaven conducts its operations and manages its workforce in alignment with Commonwealth and State legislation. Resthaven does not consider that its activities directly cause modern slavery.

**Contribute to:** Resthaven takes a values-based approach to procurement and selection of suppliers and contractors. Resthaven does not structure its procurement practices to low-cost targets or short delivery timeframes. When Resthaven does require urgent supply of goods or services to meet consumer needs it does so in consultation with the supplier and it is usually able to secure this via existing suppliers. On this basis, Resthaven does not consider that it contributes to modern slavery risks.

**Directly linked to:** Resthaven recognises there may be a risk that it is linked to modern slavery through its business relationships. Resthaven has identified and assessed its tier one suppliers and considers there is low risk with these organisations, but also recognises there could be risks deeper in Resthaven's supply chains, especially in relation to higher risk sectors and supplier regions.

Resthaven has been working independently to date to determine its supply chain risk. Resthaven has investigated a number of solutions to support the organisation to undertake greater supply chain analysis and has identified that a focus on more stringent purchasing practices to enable deeper supply chain risk management is the key area for Resthaven to focus on to be able to influence Modern Slavery risk in its supply chains.

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### Actions taken by the reporting entity

COVID-19 has impacted Resthaven's contracting activity in recent years. New suppliers for linen and laundry services were not able to proceed as planned, while Resthaven's procurement partner organisations underwent significant organisational change.

Areas of focus have been on reviewing the effectiveness of Resthaven's purchasing model in being able to influence changes in supply chain outcomes, along with working through understanding and improving Modern Slavery outcomes in known high risk sectors and product lines.

### Workforce

Resthaven's workforce is at the heart of what Resthaven does. Resthaven's clients and residents appreciate the kindness, respect and care that the Resthaven workforce provides above all else.

With over 3,000 employed staff, labour is the primary input into Resthaven's service provision, also making up more than 70% of the cost of the organisation. Resthaven's workforce is employed on permanent and casual basis, or through reputable labour hire agencies.

Resthaven is an equal opportunity employer and are committed to ensuring employment conditions align with awards and enterprise agreements and that the organisation is compliant with the Fair Work Act 2009 (Cth), Age Discrimination Act 2004 (Cth), Australian Human Rights Commission Act 1986 (Cth), Workplace Gender Equality Act 2012 (Cth), Disability Discrimination Act 1992 (Cth), Racial Discrimination Act 1975 (Cth) and Sex Discrimination Act 1984 (Cth) and all other related Federal and State Legislation.

Resthaven is committed to creating services and a work environment that supports a diverse and

inclusive workplace, developing and implementing the annual Diversity Action Plan in 2022/2023.

Resthaven also undertook significant actions to support its workforce through the hardship of COVID-19 and the cost-of-living crisis.

Resthaven joined the ACCPA Fair Work Value Case pledge to pass through every additional dollar of the 15% minimum wage increase funded by the government to its employees. Resthaven passed on this increase to the qualifying staff, along with an additional 5.75% base increment to all staff including qualifying staff, aligned to the minimum award increase from 30 June 2023.

Resthaven continues to implement the 3-year strategic workforce plan, including improved flexible work practices in 2022/2023. The strategic plan develops on Resthaven's already high standards of support for the workforce.

### Modern Slavery Policy

Resthaven continues to monitor and work to improve achievement of the commitments set out in the Modern Slavery Policy published in 2021.

Resthaven has continued to issue communication across the organisation in relation to Modern Slavery with Modern Slavery and Environmental, Social and Governance (ESG) outcomes identified as areas of focus in Resthaven's mid-point review of its Strategic Plan 2020-2025. Centralised procurement has been identified as a strategic enabler of improved ESG and Modern Slavery outcomes for the organisation and is a key strategic plan action for 2023/2024.

### Investment Policy and Portfolio

Resthaven amended its Board Limitations Policy to reflect Resthaven's commitment to only invest with organisations that actively support investment in organisations and strategies that minimise Modern Slavery in 2021.

## Modern Slavery Statement continued

100% of Resthaven's investment portfolio continued to be explicitly with public sector institutions, organisations only investing in ASX listed organisations or organisations with an explicit commitment to minimising Modern Slavery in 2022/2023.

### High Risk Supplier Review

Resthaven's supplier portfolio was screened for Modern Slavery risk. 13 suppliers making up 2% of spend were identified as high-risk in relation to Modern Slavery based on prior findings against the organisations in relation to employee rights, modern slavery and other incidents.

Five organisations made up the majority of the spend related to these suppliers. These suppliers have been subject to specific due diligence in relation to their commitment to Modern Slavery with all 5 major suppliers of utilities, telecommunications or technology who all are actively managing Modern Slavery risk under the Act.

As services are recontracted, Modern Slavery will be taken into account in the assessment criteria for tenders which will provide opportunity to further improve Modern Slavery risk management. Ensuring this is the case on an ongoing basis will be strengthened through the centralisation of Resthaven's procurement practices.

### High Risk Item Review

Resthaven has gained agreement to include highly ethical and low environmental impact rice and fish brands on site ordering lists. This change will be implemented in early 2023/2024.

Similarly, providers of processed meats with potential modern slavery risks will be removed from site ordering lists, as soon as a provider of Australian sourced, listeria controlled processed meats can be found. Based on the difficulty of finding such a

supplier to date, Resthaven is considering reviewing its smallgoods handling processes.

Review of supply chain risk in linen and laundry service provision continued during 2022/2023. Obtaining deeper insight into the supply chain risk of linen suppliers has been protracted. Third tier suppliers (manufacturers of linen supplies) have now been identified. Resthaven will continue to seek evidence as to the Modern Slavery risk associated with these suppliers in 2023 and will make appropriate remedial action should any Modern Slavery risk be identified.

### Assessment of effectiveness of actions

Resthaven has assessed the effectiveness of its actions to date. While the risk profile inherent in the portfolio (assessed at Tier 1) is considered low and has remained stable, it has not improved.

Resthaven has evaluated the effectiveness of its procurement and contracting activities in the proactive management and improvement of Modern Slavery and other supply chain risks in 2023.

The review has highlighted management of Modern Slavery risk in Resthaven's supply chain would be better supported through stronger purchasing policy enforcement and oversight, and centralisation of the historically decentralised procurement model.

The new centralised procurement function will take structural effect in September 2023 with establishment of centralised purchasing governance requirements and oversight to follow.

### Consultation with any owned or controlled entities

Resthaven does not own or control any other entity.

## Modern Slavery Statement continued

### **Any other relevant information**

Resthaven has no tolerance for Modern Slavery and will continue to understand and identify opportunities to improve Modern Slavery outcomes.

This statement has been approved by the Resthaven Board.

A handwritten signature in blue ink, appearing to read 'Mark Porter', with a long horizontal stroke extending to the right.

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This statement is signed by Resthaven Incorporated Board President Mark Porter, on behalf of the Resthaven Incorporated Board.

### **Mark Porter**

President

September 2023