



Sustainability Report 2022-2023



Sean Bilton
CEO and Managing Director

Introduction

A message from our CEO and Managing Director

Estia Health (EHE) is a leading national residential aged care provider, driven by our vision to 'provide trusted aged care that is accessible to all' and our purpose 'to enrich and celebrate life together', in caring for older Australians. Our portfolio has expanded to 73 homes across four states to meet the growing demand for high-quality aged care services in Australia. We recognise the long-term success and financial sustainability of the Group depends on the wellbeing of our workforce, our engagement within local communities, and our commitment to environmental responsibility.

With our corporate strategy structured around five pillars of People, Customer, Community, Quality, and Growth, these guide our approach to delivering leading aged care services. Within each of these pillars, we consider sustainability, and integrate sustainability principles into our strategy, procedures, and operations as an integral component in creating enduring value for all stakeholders.

This year, we continued in our progress across environmental, social, and governance domains. Our

Sustainability Committee, comprised of key Executives and Senior Management, holds responsibility for formulating and executing sustainability initiatives. This committee monitors performance metrics and remains committed to achieving strategic targets outlined in our comprehensive Sustainability Strategy.

Estia Health remains committed to being an industry leading provider of aged care services. Our dedication to sustainability, employee wellbeing, and community engagement reinforces this position. As we look ahead, we are excited to continue setting the standard for excellence in our industry and to deliver value to our stakeholders.

A handwritten signature in black ink, appearing to read 'S. Bilton', written in a cursive style.

Sean Bilton,
CEO and Managing Director

Acknowledgement of Country

We acknowledge the Traditional Owners of Country throughout Australia and recognise their continuing connection to lands on which we operate our homes. We pay our respects to Elders past, present and emerging, for they hold the memories, the traditions, the culture and hopes of First Nations peoples.

Our approach to sustainability

Our 2020-2024 Sustainability Strategy is driven by our recognition that employee well-being, community integration, and environmental stewardship is integral to the success of the Group. Aligned with the United Nations Sustainable Development Goals (SDGs), our Estia Health 2020-2024 Sustainability Strategy consists of 10 defined focus areas and associated targets within the strategic foundational pillars of Supporting Our People, Enhancing Our Community, and Respecting Our Environment.



Supporting our people

Caring for the safety and wellbeing of our residents and employees continues to be the highest priority of Estia Health. The safety and care of our residents is achieved through the skills, dedication and compassionate care of our people. The recruitment and retention of highly skilled personnel poses an ongoing challenge in the Australian aged care sector. Our strategic workforce approach centres on fostering a strong organisational culture, promoting career advancement, and enhancing our employee value proposition, aiming to distinguish us in the sector. We aspire to be a preferred employer in residential aged care by providing a secure, caring, and supportive environment that empowers our employees to advance their careers, acquire new skills, and collaborate as valued members of the Estia Health community.














Enhancing our community

Our Estia Health aged care homes serve as vital social infrastructure in our local communities, bridging the gap in access to quality residential aged care services through our partnerships with local health networks. Our commitment to community engagement extends beyond our physical facilities, recognising the importance of our residents' connections to the wider community. These connections foster meaningful relationships, promote a sense of belonging and enrich our residents' lives. Throughout the year, all our aged care homes have maintained community engagement plans, making a positive impact on our surroundings and reinforcing our role as an engaged community member.

Respecting our environment

We recognise our responsibility in ensuring the sustainability of our organisation and the planet for future generations. Committed to environmental stewardship, we have continued efforts to reduce greenhouse gas emissions, enhance energy efficiency, practice responsible water management, and increase waste diversion from landfill. We continue to monitor climate-related risks and opportunities in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. Our TCFD roadmap, integrated into the FY23 Annual Report, outlines our strategic approach and framework for assessing and mitigating climate-related risks and associated opportunities.

FY23 sustainability outcomes

Foundation	Focus area	Alignment to SDG	Description	FY24 target	FY23 outcome
Supporting our people	Health & safety		Lost Time Injury Frequency Rate (LTIFR)	6.0	8.1
	Wellbeing		Estia Health employees who have completed psychological first aid training	4.0%	3.1%
	Diversity & inclusion	 	Gender pay gap for equivalent roles	Zero	2.2%
	Training & development		Recruitment to leadership roles internally	50%	41 %
Respecting our environment	Energy & carbon	 	Reduction in operational emissions intensity (Scope 1 and 2)	20%	19%
	Climate resilience		Assets assessed for vulnerability to climate change	100%	100%
	Waste		Generated waste diverted from landfill	30%	20%
	Water		Average water consumption intensity reduction	Under review	Audit Commenced
	Supply chain		Key suppliers representing 80% of total non-direct employee costs will have Sustainability and Modern Slavery commitments incorporated into new or renewed contracts	80% by value of total expenses	73% by value of total expenses
Enhancing our community	Community connection		Homes that have an active and bespoke community engagement plan updated annually	100%	100%
	Social impact		Designed, implemented, and annually report against a Social Impact Framework	N/A	-

Supporting our people

Highlights from the year



LTIFR 8.1 (FY22 8.8) LTIFR refers to Lost Time Injury Frequency Rate being the rolling average of the number of lost time injury claims per 1 million hours worked.



Psychological first aid training delivered to **3.1%** of current Estia Health employees.



Gender pay gap at **2.2%** for equivalent roles.



50% of Board and executive leadership team positions held by women.



41% of leadership roles were recruited internally (FY22 38%).

FY23 activities and initiatives

Health and safety

At Estia Health, employee safety is a key priority. We cultivate a culture of injury prevention, actively encouraging the reporting of potential hazards and near misses, supported by mandatory work, health, and safety training for all team members. Our Health, Safety, and Wellbeing (HSW) Risk Management Program is integrated into the Estia Health Risk Management Framework. In FY23, we achieved a reduction in our Lost Time Injury Frequency Rate (LTIFR).

Wellbeing

In line with our commitment to employee wellbeing, our Employee Assistance Program (EAP) is accessible to all employees and their family members and extends to include on-site support at homes as required. In continuing in the delivery of psychological first aid training, 3.1% of our workforce has been trained, equipping them with essential tools and skills to foster a psychologically safe workplace. Further, our Wellbeing App offers employees convenient access to a range of tools and health resources, including counselling services, promoting overall workforce health and wellbeing.

Diversity and inclusion

At Estia Health, we embrace diversity as a foundational principle and acknowledge and celebrate the richness of our people throughout the organisation. In FY23, women represented 50% of both the Board and the Executive leadership team. Our Diversity, Equity, Inclusion, and Belonging (DEIB) Policy aims to actively foster equality across dimensions including ethnicity, faith, disability, age, and educational background.

Training and development

Our EstiaAcademy offers learning and development initiatives for all employees, this includes onboarding to ensure readiness, and role-specific mandatory training for existing employees. We continue to have established partnerships with Registered Training Organisations (RTOs) and efficient systems for managing student and trainee work placements within our homes. Our Emerging Leaders Program and the Executive Director and Care Director Leadership Essentials Program are also instrumental in nurturing and retaining a top-tier workforce, contributing to 41% of leadership positions being filled internally in FY23.

Respecting our environment

Highlights from the year



20% of waste diverted from landfill.



Third climate risk report delivered in accordance with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.



19% reduction in total GHG carbon emissions (Scope 1 and 2), against 2019 baseline.

Scope 1 and 2 emissions intensity calculated per occupied bed (kg CO₂-e/occupied bed day).

FY23 activities and initiatives

Climate change and GHG emissions reporting

Estia Health relies on natural resources for building, powering homes, and delivering care to residents. Recognised by our stakeholders as a concern, our Sustainability Strategy sets specific targets for reducing our environmental footprint, particularly in the reduction of carbon emissions (scope 1 and 2). We value the importance of accurate and relevant reporting to our stakeholders and have released our third TCFD Report as part of our FY23 Annual Report. Contained within, the FY22 to FY24 TCFD roadmap outlines the Company strategy and serves as a structured framework which guides our efforts in assessing climate-related risks and opportunities. Forming part of an ongoing process, the activities reported are tailored to the specific circumstances and objectives of Estia Health in implementing the TCFD recommendations.

Waste reduction

In FY23, we achieved an additional reduction in the level of diversion of waste (20%), progressing toward our 30% 2024 target. We continue to assess initiatives for further reduction with ongoing waste audits in selected homes to identify additional waste reduction opportunities. In compliance with State government regulations, we further reduced single-use plastic in our supply chain.

Enhancing our community

Highlights from the year



100% of Estia Health homes have established community partnerships with organisations.

Continuum of care



FY23 activities and initiatives

Our Estia Health homes are community assets, creating a positive social impact by providing essential aged care services to the local community. We seek to develop meaningful local relationships to support those of our communities who require residential aged care services. Our communities include health networks, residential networks, employees, training providers, suppliers and other partners. In collaborating with our community and partners, we aim to cultivate robust connections, enhancing Estia Health's reputation in an increasingly competitive landscape.

Offering a continuum of care

Residential aged care is a critical part of the healthcare continuum providing an increasing range of sub-acute services to meet the complex care needs of our ageing population. We acknowledge the pivotal role that residential aged care plays in the healthcare continuum and in offering a range of sub-acute services tailored to address the complex care requirements of the ageing demographic. It is also vital to enable our ageing to live independently in their own homes by providing regular periods of short-term respite care when their carers need support with the demands of being a carer of a family member or friend.

Supporting community causes

Each of our homes has their own unique identity, reflecting their local community, residents, and employees. Across the year, our homes supported communities' charities through fundraising opportunities with causes chosen by residents and employees including the Cancer Council's Biggest Morning Tea, Pinktober National Breast Cancer Month, and Dementia Australia fundraising events.



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