

Annual Report 2023



Our new artwork



“I’m a First Nations creative and proud descendant of the Samsep people from Erub Island in the Torres Strait,” says Alysha Menzel, who was commissioned by SGCH to produce the beautiful artwork *Connected Communities*, shown above.

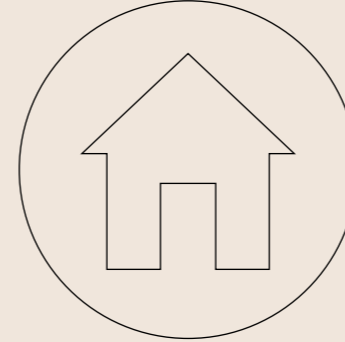
This design represents SGCH’s mission to provide sustainable, safe and affordable housing as a foundation for individuals to connect with opportunities and build their communities, says Alysha. “It also embodies SGCH’s vision, where every individual has the opportunity to flourish and contribute to the wider community’s growth and success.” In this design, the central circle feature element depicts our values. Its inner circle represents innovation and is shown as emanating out through everything we do. The various layers reflect our customer service approach and how we work together. The dotwork in the middle layer is a nod to accountability and SGCH’s responsibility to ensure our customers have the best opportunity to meet their needs and aspirations.

I think it speaks volumes about SGCH and its commitment to acknowledging and supporting First Nations culture and peoples.

— Alysha



Welcome



We acknowledge the traditional Aboriginal and Torres Strait Islander owners of the lands on which we operate and provide homes for people.

We acknowledge and pay our respects to past, present and future Aboriginal and Torres Strait Islander elders, peoples and nations. We recognise Aboriginal and Torres Strait Islander peoples as having the world’s oldest living, continuous culture with unique languages and spiritual relationships to the land and seas.

St George Community Housing (SGCH) is strongly committed to practical action aimed at building the physical, cultural, spiritual and family wellbeing of Aboriginal and Torres Strait Islander peoples through our role as a community housing provider.

We renew our determination to listen and to learn from Aboriginal and Torres Strait Islander peoples, to recognise the important contribution they make, and to offer a first-rate service that responds to the diversity of Aboriginal and Torres Strait Islander peoples and their communities.

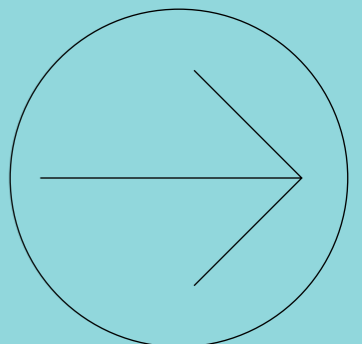
Great places,
thriving people,
connected
communities.

22-
23

About this report

Our Annual Report 2023 has been prepared with reference to the International Integrated Reporting Framework. This integrated report considers our strategy, performance, and operations in the context of environmental, social and governance factors that significantly affect our efforts to create value for our customers, our partners, our team members, and the communities we serve.

This report is prepared by our Communications and Finance teams in collaboration with all Heads of Department. Sponsored by the Group CEO, the Board approves this report. The Group Chair and Group CEO have authorised this report for publication on 30 October, 2023.



01

Overview

Our purpose	08
FY22/23 snapshot	10
Group Chair's report	12
Group CEO's report	14
Our presence	16
Connected communities	18

02

Approach

Operating context	22
How we create value	24
Our business model	26
Strategy	28
Partnering with capital	32
ESG commitment	34
ESG overview	36
ESG reporting standard	38
Environmental dimension	40
Social dimension	43
Governance dimension	47
Stakeholders	52
Partnering	54
Customer service standards	56

03

Performance

Customers	60
Caring for community	63
Customers snapshot FY22/23	64
Customer insights	66
Continuous improvement	68
Social impact	90
Safe and sustainable homes	94
Maintaining homes	98
New homes FY22/23	100
People and culture FY22/23	104
Workforce insights	112
Our values	114
Financial sustainability	118
Financial performance	119
Commercial approach	119

04

Financial report

Corporate governance principles	124	Notes to the summary financial statements	146
Committees	129	Independent auditor's report	152
Group structure	130	Directors' declaration	154
Risk	131	Content elements	155
Directors' report	132		
Discussion and analysis of the summary financial statements	141		
Summary consolidated statement of profit or loss and other comprehensive income	142		
Summary consolidated statement of financial position	143		
Summary consolidated statement of changes in equity	144		
Summary consolidated statement of cash flows	145		

01 **Overview**
02 Approach
03 Performance
04 Financial report



Together we provide sustainable, safe and affordable housing as the foundation for our customers to connect to opportunities and build their communities.

We are more than a housing provider.

We develop and manage sustainable, safe and affordable homes and work in partnership to realise our vision of great places, thriving people, connected communities.

We provide services that enable customers to sustain their tenancies.

We connect customers to services that foster and support their goals.

We take a place-based approach, working with communities to offer localised activities and engagement that is tailored to their needs and aspirations.

We create and pursue opportunities with values-aligned partners to increase the supply of housing in Greater Sydney and beyond.

About us

SGCH provides sustainable, safe and affordable housing for 11,400 people in 6,994 properties across Greater Sydney.

Our history


Founded in 1985, SGCH is a Tier 1 provider under the National Regulatory System for Community Housing. We bring capability and capital to work in partnership with governments, developers, builders, financiers and investors to deliver great places.

Why we exist

Without affordable housing, there are significant barriers for lower-income households to participate in and contribute to social and economic opportunities. This increases inequality and risks the long-term success of our communities.

Unfortunately, not everyone has a place they can call home or access to services and communities that enable them to retain their housing and to thrive. We believe this needs to change.


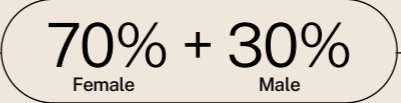
11,400  Customers

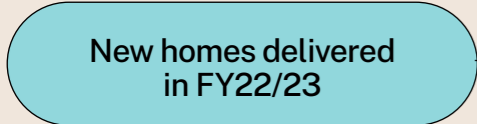
 *Overall satisfaction — 81%


 Homes — 6,994


 First time resolution of Customer Care Hub enquiries — 91%


25  Local government areas


 Staff —  70% + 30%
Female Male — 254

 New homes delivered in FY22/23 — 101

 \$3.9b
Assets managed

 \$1.3b
Assets owned

 585
Homes in development

 \$29.4m
Surplus

*Tenant Satisfaction Survey 2023

Group Chair's report



Group Chair Karen Orvad

On behalf of the Board of SGCH Group, it is a pleasure to introduce the 2023 Annual Report, the first since I assumed the role of Group Chair at last year's AGM.

The Board and Executive team are focused on our purpose to provide sustainable, safe and affordable housing as the foundation for our customers to connect to opportunities and build their communities. We are proud to serve 11,400 people today and to be part of the social and affordable housing system.

However, growing social housing waiting lists, increasing housing stress for private renters, the declining quality of existing social housing and an undersupply of new, sustainable, social and affordable housing is evidence the current housing system isn't working. It's not a short-term crisis. It's a wicked problem based on long-term structural failure.

In our strategic review at the start of 2023, we articulated a strategic drive that challenges us to lead, influence and disrupt the status quo to deliver growth in the supply of sustainable, social and affordable rental housing, creating positive impacts and shared value for customers, communities, our people and partners.

To do this, we will continue our strategy to pioneer and expand on new ways of partnering, bringing together capital and capability to provide more sustainable rental homes that are affordable to a diverse range of people.

During the year we were proud to announce a partnership with AXA IM Alts, a global leader in alternative investments with c. €184 billion (c. A\$285 billion) of assets under management. Establishing a long-term strategic partnership, AXA IM Alts's commitment is supplemented by a total umbrella commitment of A\$300 million from the National Housing Finance and Investment Corporation (NHFIC, now Housing Australia), aimed to support the partnership in delivering multiple projects including a first landmark project with 396 units of affordable and market build to rent (BTR) housing at Westmead, in Western Sydney.

We also announced an expansion of SGCH's affordable key worker housing portfolio in partnership with specialist investment manager Lighthouse Infrastructure. Expanding on the original facility, Lighthouse provided \$61 million in funding to SGCH Keys for the acquisition of 76 apartments in Parramatta. This brings the total funding from Lighthouse to \$120 million, following the November 2021 deal where \$59 million was used by SGCH to acquire 85 affordable key worker properties in Westmead. The early partnership between SGCH and Lighthouse provided proof of concept that the funding model is both sustainable and scalable.

With a strategic intent to be an institutional-grade partner to investors and government, we have continued to focus on the strength of our governance and leadership. Last year we produced our first impact report and this year we have continued to evolve our reporting through the adoption of the Community Housing Industry Association's new ESG standard.

At the 2022 AGM, we welcomed Lianne Buck and Alex O'Mara and long-serving Board members Annette Gallard and Victoria Weekes retired. I extend thanks for their service and their significant contribution, and to Annette in particular for her assistance during the transition of the Chair role.

Highlighting the value we place on our people and culture, during the year we worked together to develop updated values to reflect the future we are creating together; Empowerment, Trust, Honesty, Inclusion and Creativity. These values will guide our team as we work to serve customers, communities and partners.

We seek to apply a business head and a social heart, so that we are a leading organisation, known for our professional and commercially astute approach to creating impact and value for the communities we serve and partners we work with. I am grateful to all 254 members of our team, led by Group CEO Scott Langford and our Executive Team.

On behalf of the Board, I would like to thank our customers, partners, stakeholders and team members. Together we are working towards great places, thriving people, connected communities.

Karen Orvad



Group Chair Karen Orvad speaking at the launch of the CHIA ESG reporting standard.

SGCH was represented at the launch of a new environmental, social and governance (ESG) standard for the community housing sector in March. Group Chair Karen Orvad spoke at the event in Melbourne, where the Federal Housing Minister, the Hon. Julie Collins, unveiled the standard – the second in the world to be developed for community housing providers, after the UK.

It defines a framework for community housing providers to clearly report sustainability factors, helping them to articulate their broad value and attract private-sector investment. An accompanying paper by SGS Economics and Planning noted that without investment, Australia's unmet housing need will cost the nation \$25 billion annually by 2051, because of the health, productivity and crime costs borne by the community. The standard gives institutional investors ESG information, which can be an important component when making investment decisions in any asset class.

The Community Housing Industry Association (CHIA) designed the standard in consultation with the sector and SGCH was highly involved in this process. "We know that ESG reporting offers a crucial window into our businesses to help investors and other stakeholders understand the full spectrum of risks and impact that can create and preserve value over the long term," said CEO Scott Langford. "This is a comprehensive standard to report to partners and investors across a common set of metrics that is relevant for the work we do."

In her speech, Karen said: "We look forward to incorporating the new standard into our transparent and integrated reporting to our stakeholders. Together – and with this standard as a tool – we can demonstrate that positive impacts and attractive returns can be achieved when we deliver more social and affordable housing so that everyone has a great place to call home."

Group CEO's report



Group CEO Scott Langford

Together we connect

Great places, thriving people and connected communities need a diversity of housing.

When people have access to safe, sustainable and affordable housing they can add to the social fabric of our communities.

Just like Maureen, a customer who now teaches Indigenous art classes in our Bonnyrigg office.

For Maureen, art is healing. She grew up in out-of-home care in the 1980s. Living in an SGCH property in Bonnyrigg for the past nine years, Maureen's art classes were initially set down for once a month, but the sessions were so well received the frequency increased to fortnightly and then weekly. "I think art is one of the best ways people can connect," she says. "It might be an Indigenous art class, but I've always stressed that absolutely everyone is welcome."

Maureen is one of 11,400 customers living in a home that SGCH manages. Our greatest responsibility is to these customers and we are proud to see that in our latest Tenant Satisfaction Survey:

- Eighty-four per cent of our customers are proud of their home;
- Eighty-one per cent agree their place is suitable for their circumstances;
- Seventy-eight per cent are satisfied with the condition of their home;
- Seventy-four per cent agree life has improved since living in an SGCH property.

We have more work to do as we increase investment in services transformation. Tenancy and property management are our core services. Our strategy sets out that we will invest to make it easier for our team to deliver these services to our customers, particularly at the first point of contact. We will accelerate our transformation from ways of working that use legacy systems and processes, to simpler, digitally enabled ways of working that allow our people to spend more time with our customers and make it easier to respond to their needs. Our Customer Care Hub now resolves 91 per cent of calls on the spot.

We have work to do to become an inclusive organisation, so our people reflect the communities we serve. We are working to close our gender pay gap, embed practices that better support our Aboriginal and Torres Strait Islander team members, and have a highly engaged team where our people belong and can thrive to deliver their best.

We are also gearing up as a partner of choice to government and institutional stakeholders. SGCH has a proven track record with Westpac, CBA, CEFC, Lighthouse Infrastructure and AXA IM Alts together with our proven delivery with government partners. We will build on our strong governance, operating and partnering models to invest into the capabilities that give confidence to government, institutional partners and the community that we are good stewards of resources, driven to create impact and value.

As one of the largest community housing providers in Australia, we manage a portfolio worth over \$3.9 billion, including \$1.3 billion in total assets on our balance sheet. We are focused on partnering to grow the portfolio and during the year completed 101 new homes, with a further 585 in the pipeline. Working with government and institutional investor partners, we are confident that we can bring together capital and capability to create more homes.

We are motivated by the impact we have for customers and communities. A key way of embedding this into strategy, measurement and reporting is to mature our approach to Environmental, Social and Governance (ESG) factors. This year we have adopted the ESG Reporting Standard for Australian community housing. This helps us to report a range of non-financial factors that drive value and impact. As we embed ESG into our strategy, business planning and reporting, we will continue to identify opportunities to improve the transparency of our performance and use these insights to guide our plans.

I would like to thank our Directors for their commitment and expertise. We are privileged to have a high-performing, skills-based board of professional non-Executive Directors. I would also like to thank my colleagues on the Executive Leadership Team – and all of our team members – for their drive to create better outcomes.

Together with our partners, we will continue to grow the impact we have for the customers and communities we serve.

Scott Langford



Maureen says leading her art classes has boosted her confidence.

For me, St George is so much more than a housing provider. The support and care I have been shown over the years has made such a massive difference to my life and to my whole family. Running art classes for the local community means the world to me and it's helped me build so much confidence – a confidence that has spread through all aspects of my life.

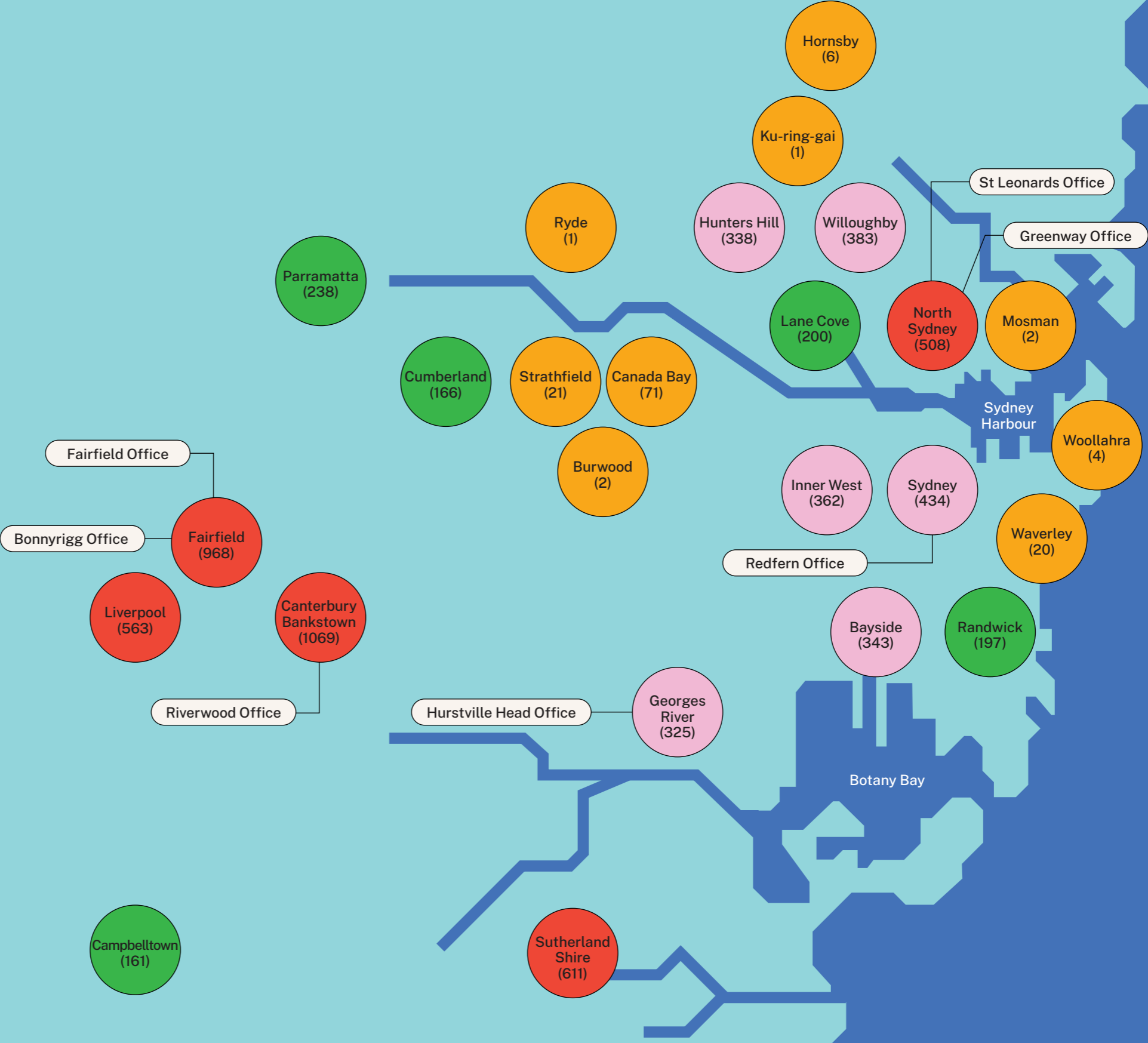
– Maureen



Our presence

We house 1 in 465 Sydneysiders.

SGCH owns, manages and leases 6,994 homes across Greater Sydney. We work to ensure our city remains diverse, accessible and a great place for all, no matter your income.



- Extra large presence > 500 Properties
- Large presence > 300 Properties
- Medium presence < 300 Properties
- Small presence < 100 Properties

Connected communities

- 1 The Marrabang Wagagee Aboriginal dance troupe from Bonnyrigg Public School performs at our 2023 Strive scholarships presentation ceremony.
- 2 To coincide with NAIDOC Week, our Communities, Place and Partnership team unveiled a new Dreaming Circle in Bonnyrigg in consultation with the local Aboriginal community.
- 3 SGCH worked with the kids of Bonnyrigg Public School to produce a book featuring the students' stories in the Dharug language.
- 4 NSW Housing and Homelessness Minister Rose Jackson (third from the left) attended a ROAR community barbecue, supported by SGCH, at Riverwood.
- 5 Customers enjoyed a Neighbour Day event in Marrickville.
- 6 Customers, SCGH staff and guests (including former NSW housing minister Natasha Maclaren-Jones, second from left, and Jenny Leong, Member for Newtown, on the far right) took part in a ribbon-cutting event to mark the opening of our Palace Street, Petersham, project.
- 7 Members of the Bonnyrigg Youth Collective sizzled up a sausage storm at SGCH's World In One Place event.
- 8 Metro North East region customers embraced art healing sessions.
- 9 A 12-week exercise program held in Gladesville saw 100% of surveyed participants agree or strongly agree that their balance, confidence and emotional health had improved.



01 Overview
02 **Approach**
03 Performance
04 Financial report



Operating context

As the largest community housing provider in Australia's least affordable city, SGCH offers subsidised rental housing for people on low to moderate incomes.

We are a for-purpose organisation that receives income from rent and reinvests it to deliver services and increase housing supply.

Social and affordable housing is critical social infrastructure that safeguards the diversity of our communities and supports thriving local economies.

In providing safe and secure homes for very low to moderate income households, our organisation connects people to opportunity, health and wellbeing and supports economic development to contribute to positive change. In addition to housing, SGCH customers can access training, education and employment services. We offer support coordination and referral services for a range of needs, including health and financial services. We invest in activities and initiatives that create opportunities for social connection through placemaking.

Housing markets are complex, with a range of direct and indirect policy settings impacting housing affordability.

What is clear is that housing in Australia is increasingly unaffordable and this has significant social and economic consequences.

Home ownership is a worthy aspiration and it is often a principal means of creating economic independence. However, before people can consider owning a home they need a rental they can afford. There is also a growing number of Australian households faced with barriers that mean they will never own a home. Ensuring a supply of affordable rental properties provides a key stepping stone to home ownership as well as a safety net for those for whom owning a home is out of reach.

As a partner to government, delivering services and programs on its behalf, our work reduces the pressure on public resources; SGCH has proven its ability to bring together a range of contributions and attract private investment and capability, coupled with the capacity to deliver and operate much needed social and affordable housing.

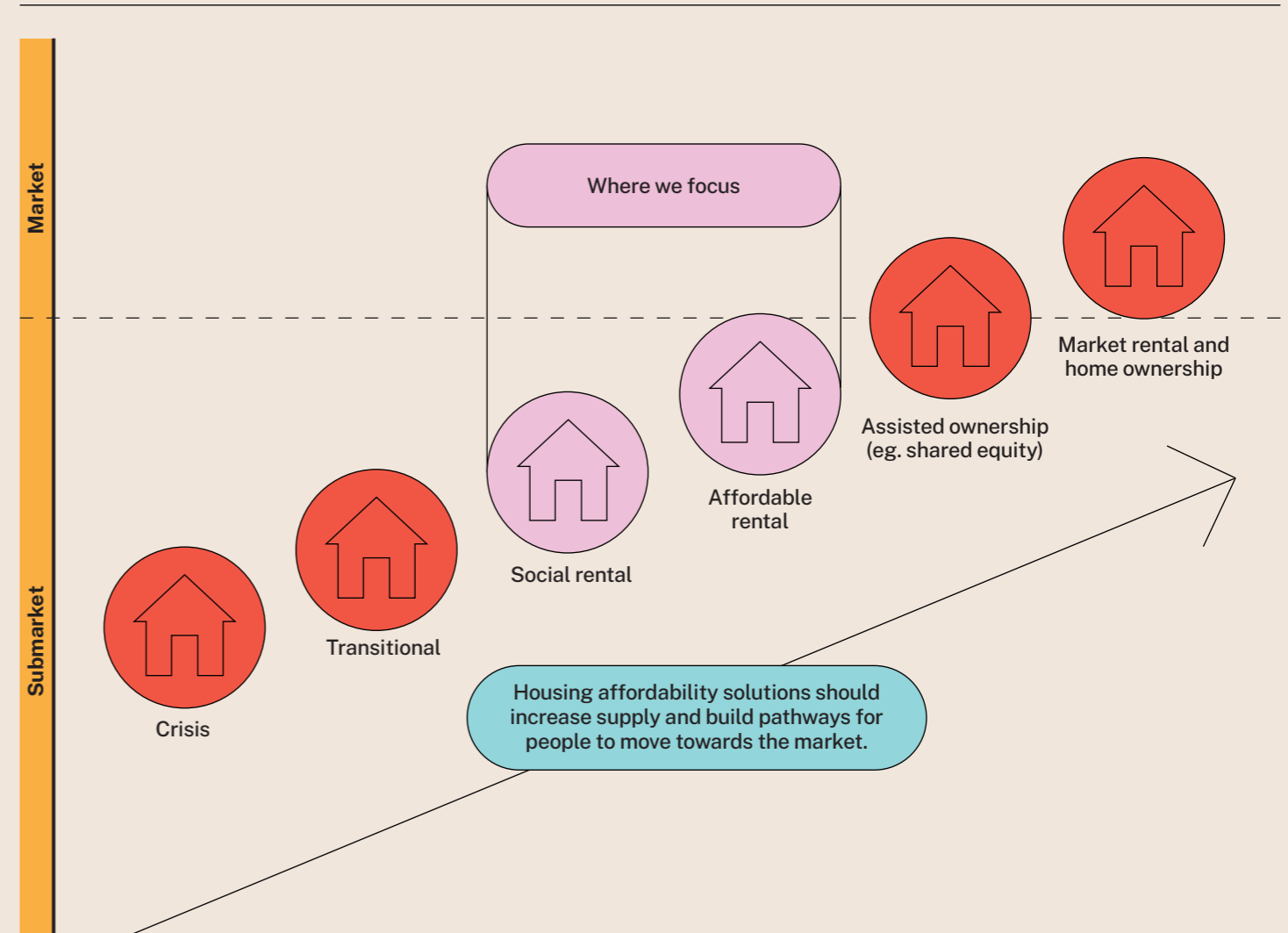
Our core offering

Social housing

Social housing is for people on very low and low incomes and includes rental housing that is owned or managed by the NSW Government, community housing organisations or the Aboriginal Housing Office. It is allocated based on need and priority from Housing Pathways, a common waitlist administered by the government.

Affordable housing

Affordable housing is for people on low to moderate incomes who are working but find it difficult to afford housing that meets their needs (location, price, size) in the private rental market, yet are not eligible for social housing.



How we create value

SGCH is in a unique position with the capital, capability and expertise to work in collaboration with governments, the private sector and not-for-profit partners to create shared value.

We focus on building and nurturing effective partnerships with organisations that are invested in and aligned with our purpose to improve outcomes for our customers and communities.

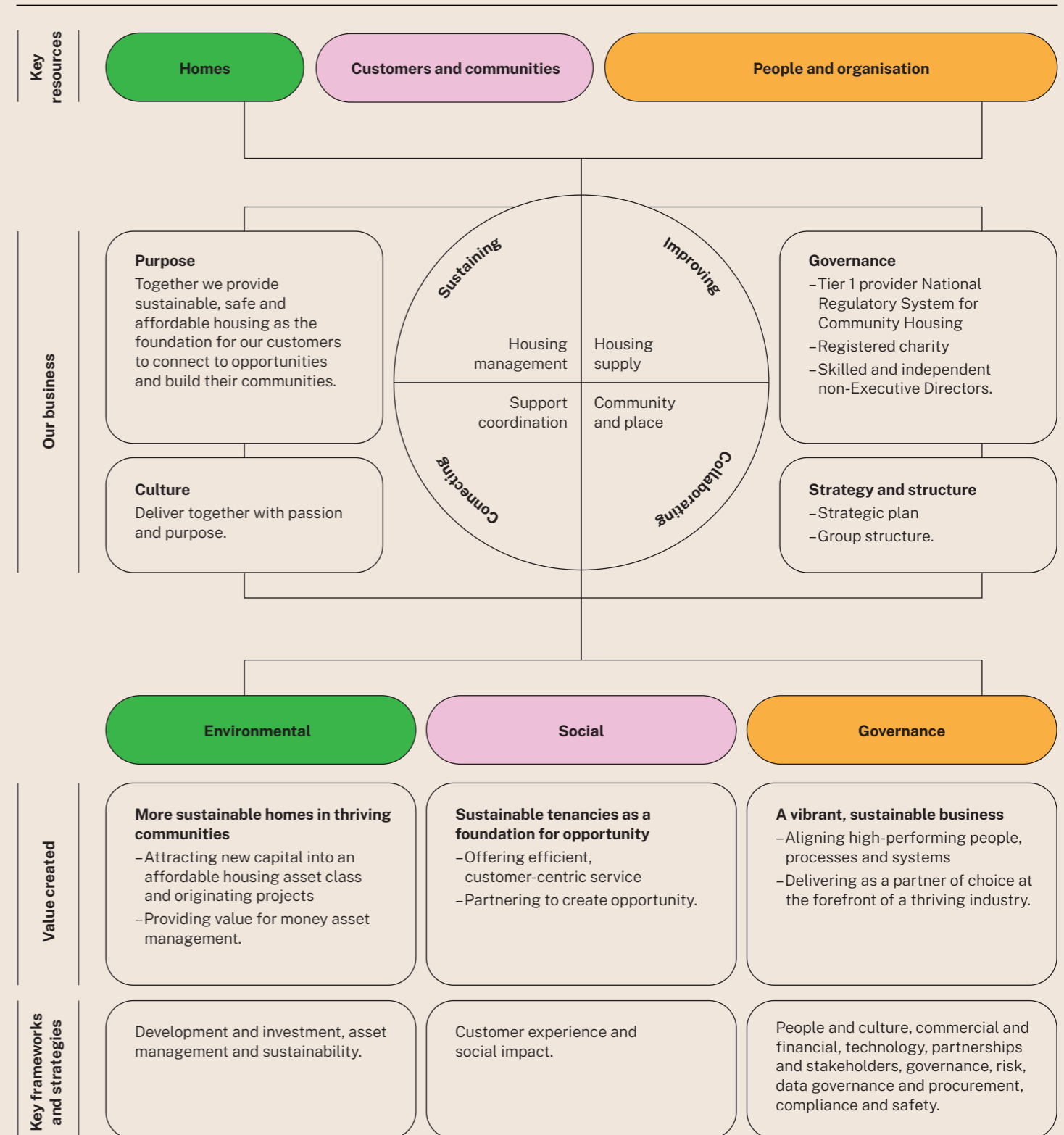
Embedded across our strategic thinking is our approach to ESG factors. We strive to be a sustainable business that galvanises the efforts and expertise of many people and ensures the community resources we are entrusted with are leveraged to provide more benefit for more people.

Love the services SGCH has provided for my three kids and me. We have a lovely, stable home that is within our means. My kids have got to attend lots of different places and experiences we would not normally be able to. For all this, I'm forever grateful. Thank you SGCH.

— Tenant Satisfaction Survey 2023



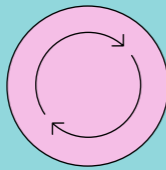
Value creation framework



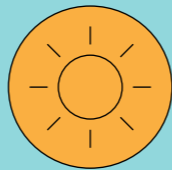
Our business model



More sustainable homes in thriving communities



Sustainable tenancies as a foundation for opportunity



A vibrant, sustainable business

Partnerships and collaboration

New homes

Asset management

Innovative investment

Customers

Tenancy management

Support coordination

Housing Plus

Placemaking

People

Culture

Finance

Technology

Governance



Foyer Central in Chippendale is a partnership between SGCH, Uniting and SVA that assists youths who have experienced out-of-home care to transition to independent living.



I was the first trans person to be accepted into Foyer Central. I was a bit worried when I applied, because I wasn't sure if my application would be accepted. I was in pre-transition. I had my hair cut, but my voice is not as it is now. I have been able to have gender reassignment surgery after coming here. Foyer staff supported me through everything. Everyone was so loving and kind to me, and that really gave me the opportunity to grow into who I am today. I am confident and happy with myself.

— Makenzie, Foyer Central customer

Strategy

Purpose

Vision

Values



Together we provide sustainable, safe and affordable housing as the foundation for our customers to connect to opportunities and build their communities.

Great places, thriving people, connected communities.

With a business head and a social heart, we deliver together with passion and purpose, guided by our values (opposite).

Strategic outcomes	Drivers of success
What we aspire to achieve	What we need to be great at to achieve our desired outcomes
Sustainable tenancies as a foundation for opportunity	<ul style="list-style-type: none"> – Offering efficient, customer-centric services – Partnering to create opportunity
More sustainable homes in thriving communities	<ul style="list-style-type: none"> – Attracting new capital into an affordable housing asset class and originating projects – Providing value for money asset management
A vibrant, sustainable business	<ul style="list-style-type: none"> – Aligning high-performing people, processes and systems – Delivering as a partner of choice at the forefront of a thriving industry

Key strategies that shape and focus our collective effort:

- Customer experience
- Development and investment
- Asset management
- Commercial and financial
- People and culture
- Technology
- Partnerships and stakeholders
- Sustainability

Key frameworks that guide decisions, actions and operations to meet the standards our stakeholders expect:

- Safety
- Governance
- Risk
- Data governance
- Social impact
- Compliance
- Procurement

Our values

Empowerment

Trust

Honesty

Inclusion

Creativity



Toni's story

Artarmon resident Toni takes very good care of her home – and it is for this reason she recently received one of SGCH's Pride of Place awards.

These are certificates and \$100 gift cards that are given by staff to a customer to recognise the excellent manner in which they look after their home or its surrounds.

"I like a tidy home," says Toni. "For me, it's a matter of personal pride." Toni not only keeps the interiors spick and span, she also enjoys tending to the beautifully lush garden around her unit. "My favourite time is when all the jasmine is out. It smells so good."

Toni is battling lung cancer at the moment and finds that caring for her home takes her mind off her health worries – even if it is just temporarily. She has lived in her SGCH apartment for more than 10 years now and loves that her home is safe and peaceful.

She is much adored by the SGCH staff she interacts with. "Toni never lets me or her Tenancy Manager, Rhonda, leave her place with an empty stomach or empty hands," says Caitlin, our Community Engagement Coordinator. "She knows that Rhonda loves mango rice pudding so she made it for us one day when we were visiting. Toni is such a generous and caring person."

I like a tidy home. For me, it's a matter of personal pride.

– Toni



Toni's garden is not only her pride and joy, it provides her with a sense of wellbeing.

Partnering with capital

Affordable housing as an asset class

\$290 billion – that is the estimated capital required to address the demand for social and affordable housing over the next 20 years.

We are driven to be part of a system change that disrupts the status quo to deliver growth in the supply of sustainable, social, and affordable rental housing.

This will require a significant inflow of capital. While there will always be a requirement for partnering with government, SGCH considers that a maturing setting that creates social and affordable housing as a recognised asset class will be a game changer.

Since 2019 we have been working with industry partners to investigate and replicate settings that will mobilise institutional investment. This has included sponsoring the International Housing Partnership work on Affordable Housing as a Global Asset Class working group, which reported in 2019 on Australian, Canadian, USA and UK markets. This complemented our in-house work on a capital lite approach where SGCH has repositioned our strategy to be a partner bringing together capital and capability – a connection and partner to government and the private sector.

People, communities and places benefit when a diversity of people have access to diverse, sustainable and safe homes that they can afford. In cities around the world, similar themes emerge related to the high demand for quality, sustainable and affordable rental housing.

We have observed how in mature markets offshore, affordable housing is an accepted component of institutional grade residential rental investment allocations (sometimes called multi-family or Build to Rent housing).

As an asset class, affordable housing offers the benefits of low-volatility, long-term demand and the assurance of being highly regulated. Investors understand the opportunities of the stable economic return and incredibly high social return available.

With a growing weight of capital looking to achieve appropriate risk-adjusted returns and demonstrate long term value by applying an ESG lens to investment allocation, we believe there is a great opportunity to mobilise significant pools of capital for Australian affordable housing.



Inside one of SGCH's apartments in The Lennox, Parramatta.

\$1.05 billion – institutional investment mobilised by SGCH

To date SGCH has mobilised over \$1.05 billion of institutional investment through partnerships with Housing Australia (formerly NHFIC), Lighthouse Infrastructure, AXA IM Alts and a family office investor.

This is a ground-breaking agreement that demonstrates how a community housing provider and institutional capital have come together to deliver affordable housing at scale under a replicable model.

– Nathan Dal Bon, CEO
Housing Australia (formerly NHFIC)



During the year we announced that Lighthouse Infrastructure and SGCH have expanded their partnership with \$61 million provided for the acquisition of 76 apartments in Parramatta, Western Sydney for low-income key workers.

This followed Lighthouse Infrastructure's 2021 deal with SGCH, where it provided \$59 million for key worker housing located at Westmead.

The Lighthouse Infrastructure funding model is now a proven scalable solution with the power to make a significant impact addressing Australia's chronic affordable housing shortage.

Partnerships between regulated, large-scale community housing providers like SGCH, investors, and all levels of government are essential to provide the affordable housing people and communities need. We have shown that we can make key worker housing an attractive proposition for institutional investment and with further contributions from government we can deepen and amplify the impact for lower-income households along the entire housing continuum.

– Peter Johnston, Managing Director,
Lighthouse Infrastructure



In November 2022 AXA IM Alts launched its Australian Build-to-Rent (BTR) strategy with a focus on social and affordable housing through a partnership with SGCH.

The National Housing and Finance Investment Corporation (NHFIC, now called Housing Australia) is providing a A\$300 million umbrella facility to the partnership to deliver social and affordable housing.

The first project of 397 units is under construction by leading Sydney developer Deicorp. It is strategically located adjacent to the new Westmead Health and Innovation Precinct, one of the largest health, education, research and training precincts in Australia, and will significantly increase access to affordable housing for key workers in Western Sydney.

Our strategic partnership with SGCH and NHFIC will allow us to bring forward much needed supply of high-quality, sustainable and affordable new homes, while aligning with our broader ambition of investing with purpose to help improve society and quality of life. This transaction and the launch of AXA IM Alts Australia's build to rent strategy allows us to extend our global residential conviction and leverage our track record in the sector to meet the long-term investment requirements of our investors.¹

– Antoine Mesnage, Head of
Australia, AXA IM Alts

¹ www.sgch.com.au/news/axa-im-altsgch-nhfic/

ESG commitment

Thriving communities and vibrant economies depend on a diversity of people being able to live, learn, work and play to create great places.

Without affordable housing, there are significant barriers for lower-income households to participate in and contribute to social and economic opportunities. This increases inequality and risks the long-term success of our communities, economy and places.

SGCH is committed to being a sustainable business that creates and protects financial and non-financial value and shares the benefits with our customers, partners and the communities in which we work.

ESG objectives are at the core of our strategy to create great places and how we approach the creation and protection of value for our customers, the communities we serve, our partners and stakeholders.

ESG reporting standards for Australian community housing providers

In 2022, SGCH published its first Impact Report and our FY22 Annual Report adopted an integrated reporting methodology. The reports were part of our approach to increasing transparency of our ESG performance. This year we have adopted the Australian Community Housing Standards as a reporting framework. FY22/23 is the first year the new standards have been in existence.






In late 2021, CHIA commissioned the development of the first ESG reporting standard for Australian community housing. An ESG reporting standard

for community housing providers (CHPs) demonstrates ESG credentials and promotes transparency, consistency and comparability.

SGCH partnered with CHIA, in consultation with key stakeholders, including CHPs, lenders, investors and government, to develop the reporting groundwork. The standards were launched in March 2023, aligned to the UN Sustainability Goals and based on industry-specific reporting standards developed in the UK (the first in the world). A transition period has been granted for CHPs to adjust to these standards and SGCH is committed to evolving its reporting to enhance alignment with the standards over time.

ESG Roadmap

Throughout the year, we will obtain feedback from stakeholders to identify gaps and opportunities in our ESG approach. SGCH is currently developing an ESG Roadmap that will expand upon the work we have already done in this area and then define a reasonable timeline for its implementation. We have adopted the CHIA ESG reporting standard and the metrics on the following pages represent our initial work in transitioning to this new system.

Theme	Strategic outcome	Areas of focus	CHIA Standard	Benefits	Contributing to UN SDGs
Environmental	More sustainable homes in thriving communities	<ul style="list-style-type: none"> Carbon footprint Energy efficiency Resilient design Resource management 	E1 Climate Change E2 Ecology E3 Resource Management	Communities, Investors	 
Social	Sustainable tenancies as a foundation for opportunity	<ul style="list-style-type: none"> Support coordination Community-led place planning Health, wellbeing and connection Sustaining tenancies Access to services 	S1 Affordability and Security S2 Building Safety and Quality S3 Resident Voice S4 Resident Support S5 Placemaking	Customers	  
Governance	A vibrant, sustainable business	<ul style="list-style-type: none"> Corporate governance Financial performance Regulatory compliance, risk, reputation Culture, values and behaviours Employee engagement 	G1 Corporate and Governance G2 Board and Trustees G3 Staff Wellbeing G4 Supply Chain	Stakeholders, Staff	

ESG overview

SGCH is on an ESG journey, working collaboratively with partners, stakeholders and customers to realise our commitments.

We understand that through partnering with others during this initial stage we are better able to meet evolving compliance and regulatory requirements, new reporting standards and growing stakeholder expectations. SGCH will consistently aim to meet the needs of all stakeholders and to further refine our ESG ambitions.

Scope 1 and 2 emissions

SGCH engaged Pangolin Associates Pty Ltd (Pangolin Associates) to conduct a comprehensive assessment of the greenhouse gas (GHG) emissions accountable to the Australian operations of St George Community Housing Limited for the Financial Year 2022 for our offices, community rooms and common areas of SGCH properties.

The report covers Scope 1 & 2 (S1&2) emissions, plus indirect scope 3 contributions from employee commuting and working from home (WFH).

A key finding from this assessment is that the data management needed for thorough, accurate, useful Greenhouse Gas reporting requires further rigour. There is a paucity of data inputs from SGCH on primary Scope 1 and 2 activities, such as stationary fuels and natural gas, limits the identification of both risks and opportunities from GHG emissions sources.

Primary statement of emissions (tCO2-e) & energy consumption

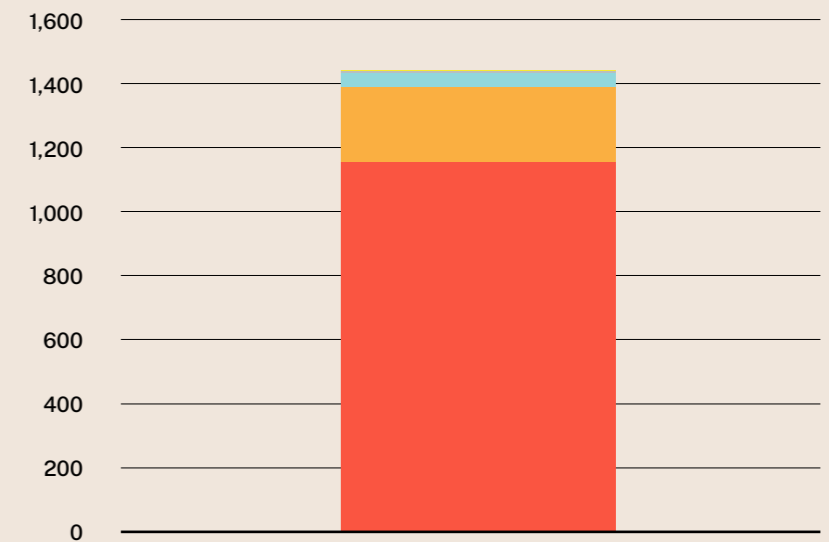
Operational boundary	Examples of inclusions	(tCO2-e)
Scope 1	Direct emissions such as those resulting from fuel use or refrigerant leakage.	51.6
Scope 2	Purchased electricity	1,154.3
Scope 3	The only scope 3 sources measured in this engagement were from employee commuting and working from home (WFH)	229.3
Scope 1, 2 & 3 (Full Scope)		1,435.3
Scope 1 & 2 (S1&2)		1,206.0
Energy (TJ)		6.2

Total carbon emissions for SGCH in 2022/23 were 1,435.3 tonnes of carbon dioxide equivalents (tCO2-e).



The following table provides a summary breakdown of GHG emissions by subunit and emissions category for SGCH.

- Synthetic Greenhouse Gases
- Stationary Fuels
- Business Travel
- Employees
- Electricity



ESG Reporting Standard

This year we have adopted the ESG Reporting Standard for Australian community housing providers as a standard tool for measuring, managing, reporting and interpreting community impact generated by the Australian community housing sector.

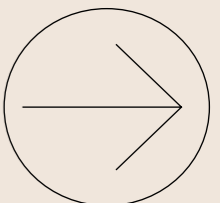
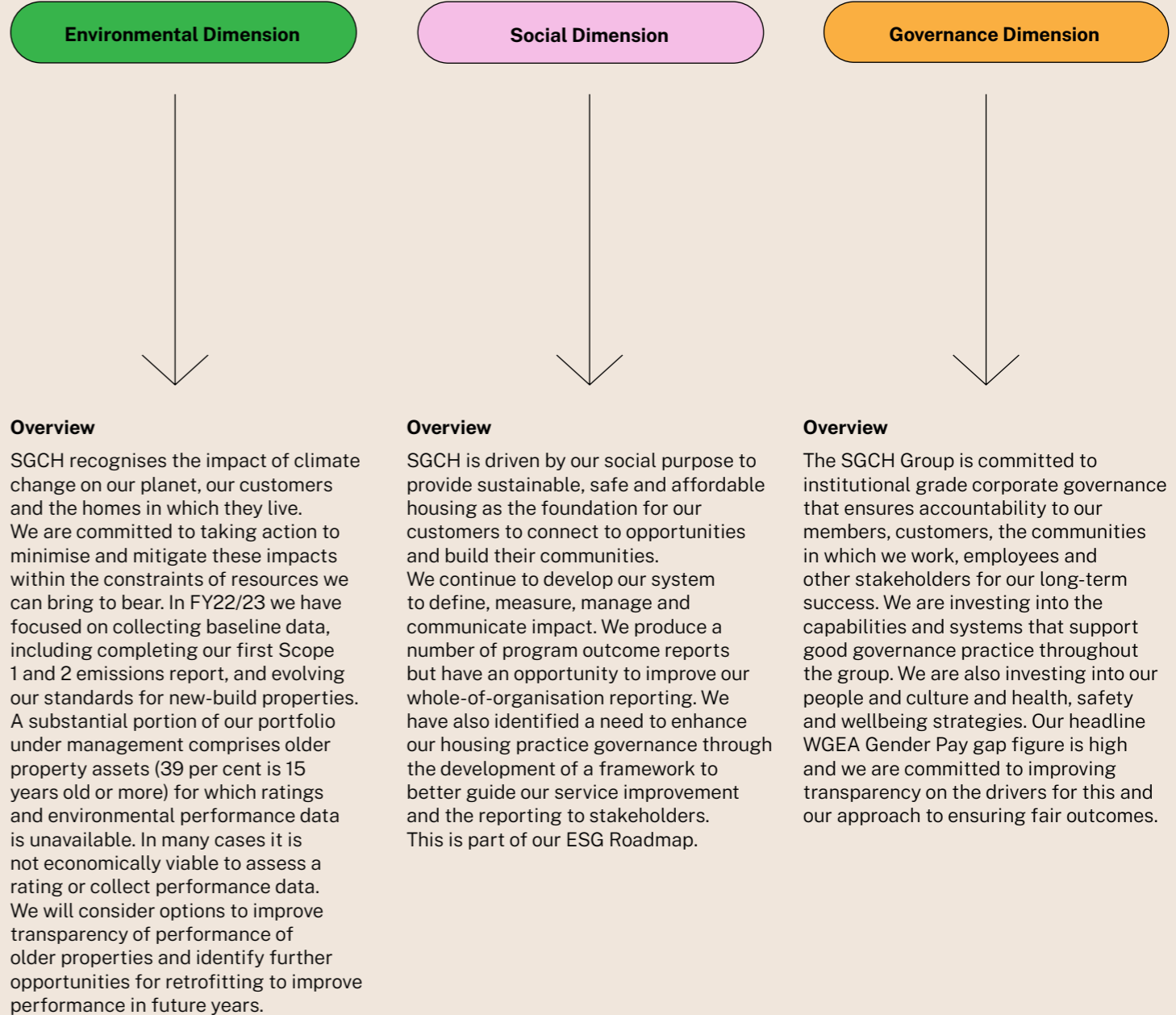
More information on the ESG Reporting Standard for Australian community housing can be found here: <https://www.communityhousing.com.au/environmental-social-and-governance-esg-reporting-standard/>

Criteria in the ESG Reporting Standard are designated either Core or Enhanced. Core data is that which is more easily, or already, collected and should therefore be required reporting. Enhanced categories may contain metrics that are more challenging to obtain and could potentially set the bar for future reporting.

SGCH is committed to improving the transparency of our performance and using these insights to guide our plans.

The table in the following pages summarises SGCH performance against the three dimensions and 41 reporting criteria. We have included summaries against each criteria and links to other sections of this Annual Report that expand on detail. Further information can be found on the SGCH website or may be available upon request.

In preparing this report, we have identified a number of opportunities to improve our data collection and reporting in future years. We have also identified strategic opportunities to improve outcomes. These will be incorporated into our ESG Roadmap and we will provide updates on our progress in future reports.



Environmental Dimension

I. Climate Change

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C1	What number and % of homes have been assessed against an energy ratings scheme (such as BASIX, NaTHERs) and, of those assessed, provide a portfolio breakdown by ratings performance (e.g. proportion of <6 star compared to 6-7, 7-8 and 8+ star)	Core	<ul style="list-style-type: none"> – SGCH targets a minimum 7-star NatHERs ratings for new-build properties. – Current new-build properties in portfolio with NaTHERs rating: 966 (13.6% of portfolio under management). Average 6.99-star rating. – Properties that received a Home Energy Action Plan (HEAP) upgrade: 1516 (18.6% of portfolio under management). Upgrades included insulation, draught proofing, heat pumps, solar or lighting upgrades.
C2	Report Scope 1, Scope 2 (core) and Scope 3 (enhanced) greenhouse gas emissions separately	Core	<ul style="list-style-type: none"> – 2022/23 was the first year SGCH has reported on Scope 1 and 2 emissions (see page 37). – Though our report estimates Scope 3 emissions, we have noted the limitations of data and estimates. – The estimated total carbon emissions for SGCH was 1,435.3 tonnes of carbon dioxide equivalents (tCO₂-e).
C3	Report what energy efficiency actions the housing provider has undertaken in the last 12 months and what are the related energy savings?	Core	<ul style="list-style-type: none"> – We have evolved our design specifications for new builds to an aspirational 8-star NatHERs and to achieve carbon neutral operation. – In our partnership with AXA IM Alts, we are committed to 5-star Green Star in operation. – In our new-build portfolio, an average 6.99-star NatHERs rating is estimated to reduce demand for power consumption which – depending on resident usage patterns – saves approximately \$700 (1 bedroom) to \$1000 (2 bedroom) per year compared to units delivered to a minimum standard.
C4	Report what energy efficiency actions and investments in renewables the housing provider has planned for the following 12 months?	Enhanced	<ul style="list-style-type: none"> – SGCH is committed to developing a mitigation strategy for Scope 1 and 2 emissions, to be implemented over following years. – Considering opportunities for additional PV and virtual power plant installations to support energy transition in the ESG Roadmap.
C5	What is the share of homes with rooftop solar installed?	Enhanced	– 10.2%.

I. Climate Change

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C6	Report how the housing provider is mitigating the following climate risks: <ul style="list-style-type: none"> – Increased flood risk – Increased risk of bush fires – Increased risk of homes overheating – Increased weather risk 	Core	<ul style="list-style-type: none"> – SGCH's Safe and Sustainable Homes Standard sets our approach to investment in retrofit and upgrades of existing properties. For example, we have been installing gutter guards as a preventative measure given increased severe weather events. – In the process of developing our ESG Roadmap we will work with advisors to review climate risk ratings for the portfolio.
C7	Report if and how the housing provider informs residents about correct ventilation and mould prevention, heating, waste recycling etc.	Enhanced	<ul style="list-style-type: none"> – Customers are provided with fact sheets and communication updates on preventing mould. – Customers of new-build properties receive a building handbook that includes information on ventilation, heating and cooling, rubbish and recycling.

II. Ecology

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C8	Report how the housing provider is expanding green space and promoting biodiversity on or near their homes.	Core	<ul style="list-style-type: none"> – Access to quality private open space is a core design requirement for SGCH new-build projects. – SGCH does not maintain public open space however works collaboratively with local councils, particularly Fairfield in the context of the Bonnyrigg Estate renewal project. – SGCH supports tenant groups with the development of common area gardens, for example at Riverwood. We have been working with Community Greening, an initiative set up by Department of Communities and Justice in conjunction with the Royal Botanic Gardens to support social housing tenants to create and maintain community gardens and engage in greening activities.

Environmental Dimension

II. Ecology

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C9	Report if the housing provider has a policy in place to actively manage and reduce all pollutants? If so, report how does the housing provider target and measure performance?	Enhanced	<ul style="list-style-type: none"> – SGCH does not have a policy in place, noting that SGCH-controlled sites are typically zoned residential and there is limited storage of known pollutants on site. – Containment or remediation of pollutants in construction is dealt with through construction contracts. – SGCH will consider further requirements at its next procurement policy review.

III. Resource Management

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C10	Report if the housing provider has a policy in place to use or increase the use of environmentally friendly sourced building materials? If so, report how does the housing provider target and measure performance?	Core	<ul style="list-style-type: none"> – SGCH does not have a policy in place. – We have assessed that we do not have sufficient market power to lead product innovation, however we will seek to collaborate with design, development and construction partners to adopt materials and construction methods that minimise whole-of-life environmental impacts. – Opportunities for improvement will be considered in the review of our design standards and the ESG Roadmap.
C11	Report if the housing provider has a strategy for waste management incorporating building materials? If so, report how does the housing provider target and measure performance?	Core	<ul style="list-style-type: none"> – SGCH does not have a policy in place. – We will seek to collaborate with development and construction partners to adopt materials and construction methods that minimise whole-of-life environmental impacts. – Opportunities for improvement will be considered in the review of our procurement policy and the ESG Roadmap.
C12	Report if the housing provider has a policy for water management? If so, report how does the housing provider target and measure performance?	Core	<ul style="list-style-type: none"> – SGCH does not have a policy in place. – SGCH will commit to the development of a policy in our ESG Roadmap.

Social Dimension

I. Affordability and Security

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C13	What is the % of tenants in social housing (rents charged calculated at 30% or below of income) affordable housing (<75% of market rents), market rent and other (including disability housing, crisis accommodation, other rental support)?	Core	<ul style="list-style-type: none"> – Estimated \$93.8m in annualised rent savings for customers (compared to market equivalent rent). This figure represents SGCH's contribution to a rent saving and not all the customers' rent savings (for example, it doesn't include Commonwealth Rent Assistance). – 86.8% of tenants in social housing – 13.2% of tenants in affordable and key worker housing.
C14	Report the share and number of existing homes (owned and managed) completed (in terms of construction) before the last financial year allocated to tenure (eg. general needs, transitional housing, specialist disability accommodation, housing for indigenous/First Nations people among others). Include homes acquired in the last financial year that were constructed before the last financial year.	Core	<ul style="list-style-type: none"> – 91.5% - 6259 x General –social/affordable – 1.3% - 86 x First Nations targeted – 1% - 72 x Disability (targeted group –disability units & Group home/SDA) – 6.2% - 418 x Transitional (assistance type = transitional)
C15	Report the share and number of new homes (owned and managed) completed (in terms of construction) in the last financial year allocated to tenure (eg. general needs, transitional housing, specialist disability accommodation, housing for indigenous/First Nations people among others). Include homes acquired in the last financial year that were constructed in the last financial year.	Core	<ul style="list-style-type: none"> – 101 new homes were completed in FY22/23: – 11% - 11 x social – 14% - 14 x affordable housing – 75% - 76 x key worker
C16	Report how the housing provider is supporting residents to manage their energy bills for heating and cooling? For example, ventilation systems, smart devices etc.	Core	<ul style="list-style-type: none"> – Customers of new builds receive a tenant handbook with information about their new home that covers energy efficiency, ventilation and building operation. – Opportunities for improvement will be considered in the ESG Roadmap.
C17	Report the distribution of rental homes per tenure.	Enhanced	<ul style="list-style-type: none"> Length of tenure by percentage across our portfolio is: – 2% of homes with tenure <1y – 67% of homes with tenure 1-3y – 7% of homes with tenure 3-10y – 24% of homes with tenure >10y

Social Dimension

II. Building Safety and Quality

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C18	Report what % of homes with a gas appliance have an in-date, accredited gas safety check?	Core	<ul style="list-style-type: none"> – SGCH maintains gas appliances in accordance with maintenance standards. – SGCH does not have a program of gas safety checks. During FY24 we will review the need for a proactive assurance program for gas safety checks.
C19	Report what % of homes have an in-date and compliant Fire Risk Assessment?	Core	<ul style="list-style-type: none"> – 100% Annual Fire Safety Statements completed.

III. Resident Voice

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C20	Report what arrangements are in place to enable residents to hold the housing provider accountable for provision of services?	Core	<ul style="list-style-type: none"> – Formal complaints and appeals policy and processes are in place. – Customers are provided information about complaints and appeals at the time of allocation. – Appeals and complaints information is available on the SGCH website. – Customer Feedback Manager reports to a group function to give independence from business units. – Outcome of complaints and appeals is reported to Executive and Board. – Board receives quarterly reporting on customer complaints and appeals and has access to verbatim complaints. – Customers can access the NSW Civil and Administrative Tribunal or the Housing Appeals Panel.
C21	Report how the housing provider measures and acts on Resident Satisfaction (external provision, comparability) and how Resident Satisfaction scores have changed over the last three years?	Core	<ul style="list-style-type: none"> – SGCH commissions an independent survey conducted by CHIA NSW for the annual Tenant Satisfaction Survey (see page 66). – Overall tenant satisfaction with SGCH in 2023-81% (FY22 79%, FY21 75%).

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C22	Report the total number of complaints that have been captured by the relevant State or Territory residential tenancy tribunal in the last 12 months? Report if and how these complaints have resulted in change of practice by the housing provider?	Core	<ul style="list-style-type: none"> – We will endeavour to put in place mechanisms to capture this data in future, but we do not have figures for the number of tenant complaints before NCAT in FY22/23. – SGCH's Service Outcomes and Improvement Team utilise a range of customer feedback, team feedback and performance details to inform our continuous improvement approach to our broad range of service delivery areas. – As part of our Tenant Satisfaction Survey action planning approach our Service Improvement team analyses the survey findings and then consults widely within SGCH and compares alternative data sources to confirm and prioritise improvement areas. For example –our 2022/23 action planning process identified the following service improvement/service delivery refinement approaches for key areas, including Sustaining Tenancies/Placemaking/Responsive and Planned Maintenance. – Specific approaches included developing a Community of Practice model to share tenancy management best practice between Sustainable Tenancies, Income Management, Connecting Communities and Pathways teams to develop continuous improvement in our practice. – We developed and delivered 'fix and mix' events at a range of high-priority blocks / property locations to address lower levels of satisfaction with repairs and maintenance service / property condition.

Social Dimension

IV. Resident Support

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C23	Report what support services the housing provider offers to its residents, including those through third party providers and co-designing with residents. How successful are these services in improving residents' quality of life?	Core	<ul style="list-style-type: none"> – 74% of tenants feel their lives have improved since living in a property owned or managed by SGCH (72% 2022, 67% 2021). – 521 referrals for support coordination. – 38 customers gained paid employment through Catalyst (see page 76). – 264 customers supported through \$240,500 of Strive Scholarships (see page 76). – Customer outcomes are showcased throughout the Annual Report. – Customers can access the NSW Civil and Administrative Tribunal or the Housing Appeals Panel.

V. Placemaking

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C24	Report examples or case studies of where the housing provider has been engaged in placemaking or place shaping activities, such as playgrounds, small commercial spaces, pedestrian zones, greenspaces, community areas, neighbourhood improvement or accessible property (among others).	Enhanced	<ul style="list-style-type: none"> – SGCH is heavily involved in placemaking activities with a view to creating a strong sense of community and place for our customers (see page 18). Program logics developed for programs centred on place-making activities. – Outcomes reporting framework developed for two key programs (Port Jackson Supported Housing Program and Bonnyrigg Estate Renewal) and a Place Plan developed specifically for Bonnyrigg. – Successful delivery of customer recycling information sessions and gardening programs. Community guided and led events (see page 80), tenant language groups, Tenant Coordination Panel and Aboriginal Reference Group.

Governance Dimension

I. Corporate Governance

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C25	Which Code of Governance does the housing provider follow, if any?	Core	<ul style="list-style-type: none"> – The SGCH Group is required to meet the Australian Charities and Not-for-profits Commission governance standards and the performance outcomes mandated in the National Regulatory System for Community Housing (NRSCH), against which it reports annually to demonstrate compliance and maintain registration as a Tier 1 community housing provider. – The SGCH Group benchmarks against the ASX Corporate Governance Council's Principles and Recommendations ('Recommendations') in continually assessing and improving its processes and policies. – Refer to page 124 for further information.
C26	Report if the housing provider has been subject to any adverse regulatory findings in the last 12 months (data protection breaches, bribery, money laundering, HSE breaches etc) that resulted in enforcement or other equivalent action?	Core	– None recorded.

II. Board and Trustees

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C27	Report separate turnover for both the executive board members and management team in the last two years	Core	<ul style="list-style-type: none"> – FY23: Two directors resigned and two were appointed as part of a planned succession. Three ELT members resigned and two appointed. – FY22: Two directors appointed. One ELT member resigned.

Governance Dimension

II. Board and Trustees

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C28	Report how the housing provider's Board manages organisational and financial risks	Enhanced	<p>The Board has overall responsibility for risk management, which includes annually reviewing and approving the Risk Management Framework and regularly reviewing strategic risks, risk appetite and operational challenges to achieve our overall strategic objectives. The Board and the Board's Audit and Risk Committee receives quarterly Risk and Internal Audit reports.</p> <ul style="list-style-type: none"> – Risk management framework that includes: <ul style="list-style-type: none"> – Strategic risk profile covering both financial and non-financial risk areas and their related controls and mitigations – Policies and Procedures – Board approved Risk Appetite and Risk Assessment Matrix – Governance and Compliance Framework – Safety, health and wellbeing culture and risk management – Risk and compliance culture – Critical Incidents and Crisis Management Protocol – Executive Management Team – Leadership Team – Operational level risk profiles and management plans and organisational Risk Register. – Risk control functions include: <ul style="list-style-type: none"> – IT and Cybersecurity – Legal, Governance and Risk – People & Culture – Learning and Development – Corporate Affairs – Project Management – Key risk and compliance controls include: <ul style="list-style-type: none"> – Registration and compliance – External audit – Internal audit and Risk – Compliance Framework

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C28	Report how the housing provider's Board manages organisational and financial risks	Enhanced	<p>SGCH follows the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – "Principle 7 - Recognise and manage risk" as follows:</p> <ul style="list-style-type: none"> – The SGCH Group's wholly independent Audit and Risk Committee assists the Group Board to monitor the effectiveness of the Group's systems of internal controls, risk management and compliance, and monitoring the effectiveness and integrity of the internal and external audit functions. – The Audit and Risk Committee each year reviews the Risk Management Framework (which includes the Risk Policy) and reports to the Group Board, and external reviews are also conducted periodically. – The Internal Audit function works to a Board approved audit plan for assessing compliance, focused on key and strategic risks, and monitors management's responsiveness to audit findings. – The Internal Audit function has a reporting line to the Chair of the Audit and Risk Committee. – Annually, the Internal Audit function is self-assessed and reports these findings to the Audit and Risk Committee. The effectiveness of the function is periodically reviewed by an external auditor to ensure the function is conforming with the mandatory requirements of the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors, including the International Standards for the Professional Practice of Internal Auditing and the IIA Code of Ethics.
C29	Has the housing provider submitted a Modern Slavery Statement to the Australian Government or voluntarily elected to prepare a Modern Slavery Statement?	Enhanced	SGCH has lodged and published Modern Slavery Statements for FY21 and FY22. The Modern Slavery Statement for FY23 will be lodged by 31 December 2023.
C30	Report, where applicable, the maximum tenure for a Board member	Core	Directors are appointed for a term of 3 years and a maximum of three terms. This is determined by our Group Board Charter and Corporate Governance Policy.

Governance Dimension

II. Board and Trustees

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C31	Report the number of board members on the Audit Committee with recent and relevant financial experience	Core	— All members of the Audit and Risk Committee have recent and relevant financial experience. The Charter of the ARC has a requirement for each member to be financially literate, at least one member to have financial expertise and at least one member to have an understanding of the businesses in which SGCH Group operates. The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations recommend that the committee should be of sufficient size and independence, and its members should between them have the accounting and financial expertise and sufficient understanding of the industry in which the entity operates.
C32	Report for how many years the housing provider's current external audit partner has been responsible for auditing the accounts?	Core	— 1 year.
C33	Report the month and year of the last independently-run, Board-effectiveness review, as well as by whom it was conducted	Core	— Hattonneale completed a board effectiveness review in October 2022.
C34	How does the housing provider handle conflicts of interest at the board?	Enhanced	— SGCH has a Director's Code of Conduct and a Conflict of Interest policy which details how conflicts are declared and managed. Directors complete an annual conflict of interest declaration and on each occasion that there is a change to their interests. A Conflict of Interest Register is maintained. At the beginning of each board and board committee meeting the Chair discusses conflicts of interest and obtains a verbal declaration as to whether there is any conflict to declare. If a director declares a conflict of interest, they will not participate in consideration of the relevant matters and may not be present during discussion of the matters, and any other actions are taken as required by the Chair in accordance with the Conflict of Interest Policy and any other director conflict protocols in place with respect to the particular matter.

III. Staff Wellbeing

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C35	Does the housing provider pay a Real Living Wage and/or is there the ability for staff to bargain collectively to improve conditions of employment?	Core	— Yes. SCHADS Award applies and contract staff are engaged on a better off overall contract basis. — SGCH supports the presence of the Australian Services Union (ASU) as the principal union for employees.
C36	Report the median gender pay gap	Enhanced	— Workplace Gender Equality Agency 2023 gender pay gap: 18.5% (favours men). See page 113.
C37	Report how the housing provider supports the physical and mental health of their staff	Enhanced	— EAP embedded and Health Safety & Wellbeing Strategy 2023-2026 approved (see page 109).
C38	Report the average staff turnover in the last 12 months	Core	— 11%, see page 104.
C39	Has the housing provider adopted a Reconciliation Action Plan (RAP), approved by Reconciliation Australia?	Enhanced	— SGCH is developing a Reflect Reconciliation Action Plan.
C40	Report the proportion of the Board and employees who identify as Aboriginal and/or Torres Strait Islander	Enhanced	— In FY22/23 we had one staff member in an identified role and two further employees who identify as Aboriginal or Torres Strait Islander (total 1.1% of employees). No Board members identify as Aboriginal or Torres Strait Islander.

IV: Supply Chain

Criteria #	Criteria	Type	SGCH Performance Metrics and Comments
C41	Report if and how ESG credentials of suppliers are considered when procuring goods and services?	Enhanced	— Incorporated in the principles of our Modern Slavery Statement and our Procurement Policy.

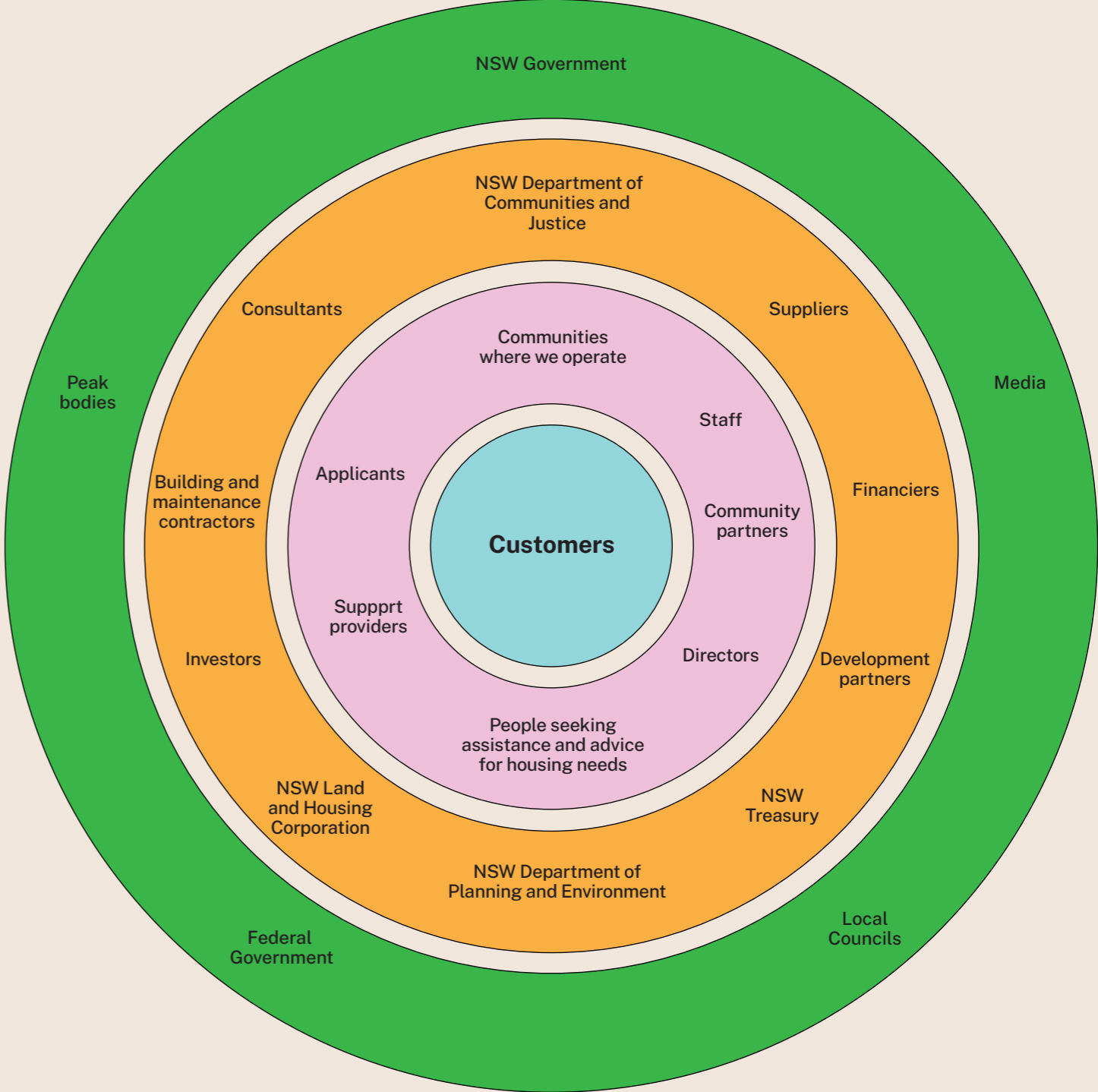
Stakeholders

Drawing on the knowledge, experiences and perspectives of our customers and other stakeholders enables SGCH to navigate the increasingly complex and interconnected issues that influence the wellbeing of the communities and the natural environment in which we operate.

To successfully achieve strong outcomes for the people and communities we serve, we strive to be an organisation that listens, understands and communicates. Our customers are our largest group of stakeholders and where we have the most opportunity to create impact.

We recognise SGCH needs the support and expertise of others to be effective and achieve all aspects of our strategic plan. We acknowledge that we cannot achieve this on our own and we partner with specialist services to connect our customers to the support they need.

We also partner with stakeholders that support us to meet our strategic vision, purpose and objectives and seek to identify, build, develop and maintain relationships with stakeholders that contribute to achieving our goals and create shared value, driving service excellence.



I am so grateful to St George Community Housing. I live on very little money and could be homeless without all they do for me. St George is the most important thing in my life.

— Tenant Satisfaction Survey 2023



Partnering

To achieve strategic partnerships and stakeholder management that ensures we are fostering strong relationships with values-aligned partners.

- Advocate to, and influence, government on funding and initiatives to deliver an increased supply of social and affordable housing.
- Increase our new partnerships with the private sector, to deliver more social and affordable housing.
- Commitment to transparency about the way we do business through outcomes and ESG reporting
- Reviewing brand offering with a focus on positioning as an identifiable, outcomes focused, industry leader and trusted partner.

SGCH will partner with all levels of government, institutional and financial investors to grow the community housing sector and to put keys in doors for those in need.

FY 22/23 stakeholder activities include:

- Partnership with AXA IM Alts as it launches its Australian Build-to-Rent strategy with a focus on social and affordable housing. The National Housing and Finance Investment Corporation (NHFIC) provided a \$151.8 million umbrella facility to the partnership.
- Lighthouse Infrastructure expanded its partnership with \$61 million to be provided to SGCH for the acquisition of 76 apartments in Parramatta, Western Sydney, for low-income key workers. This follows Lighthouse Infrastructure’s 2021 deal with SGCH, where it provided \$59 million for key worker housing located at Westmead.
- Successfully named as one of the CHPs that will benefit from the City of Sydney Affordable Housing Contributions Distribution Plan, and therefore will receive monetary contributions under the City of Sydney Affordable Housing Program.
- Events with Clover Moore, City of Sydney Mayor, Dai Le, Independent Member for Fowler, David Pocock, Independent Senator for the ACT, Rose Jackson, NSW Minister for Housing and Homelessness, and Julie Collins, Federal Housing Minister, among others.



Dai Le, the Member for Fowler, joined in 2023 Easter celebrations organised by the Bonnyrigg Youth Collective, a group supported by SGCH.



Michelle’s story

Michelle walked away from her marriage because of domestic violence.

“I left with the clothes on my back. I had nowhere to live,” she says. Because she had some savings, Michelle’s application for social housing was rejected and she and her daughter found themselves living in hotels or staying with friends and family.

The balance of her savings soon plummeted – especially after Michelle lost her job during the Covid lockdowns – and she found herself on a priority housing list. “Then one day I was lucky enough to get a phone call to say there was a property for me with SGCH, if I was interested,” she says.

That call changed the course of Michelle’s life: “My ex was using my housing situation against me in court – that was his whole case, that I couldn’t provide stability to our daughter because I had moved a couple of times. So to be offered this place, I was like ‘now I can prove to the court I can provide a stable, safe home for my daughter.’” Today, after three-and-a-half years in court, a shared custody arrangement is in place.

Putting the key in the door of her apartment in Sydney’s east for the first time was a heartening experience for Michelle: “It meant that my older son, who’d moved out of home because he couldn’t handle the violence, would be happy to come back and live with me again. My next goal, once I had a roof over my head, was to find employment.”

Michelle undertook a social housing cadetship (she graduated in August) and is now working full time with another community housing provider. “It feels so great to start enjoying life again and having fun with my children.” Also this August, Michelle moved out of her SGCH property and into an apartment she has bought.

“I feel proud – very, very proud – that I have been able to purchase my own unit and to go from being a renter to a property owner. It was important to me to show my children that I could do it.”

And for Michelle there was immense satisfaction in handing back the keys to SGCH. “Being able to relinquish this unit and make it available to another family out there who could be in the same situation that we were ... yeah, I honestly do feel amazing.”

To be offered this place, I was like ‘now I can prove to the court I can provide a stable, safe home for my daughter’.

– Michelle

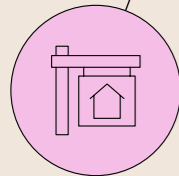


Customer Service Standards

Our Customer Service Standards represent our commitment to providing an excellent customer experience, consistently.

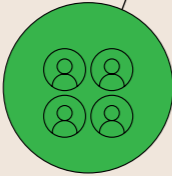
Our Standards support and contribute to our strategy to offer efficient, customer-centric services and align with our organisational values: Empowerment, Trust, Honesty, Inclusion and Creativity.

We provide access to affordable homes and high quality services for you



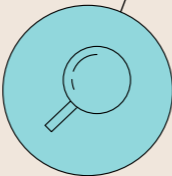
- We maintain your home to a reasonable standard
- We complete urgent repairs as quickly as possible
- We support you to achieve your desired goals and improve health and wellbeing.

We listen and value your views



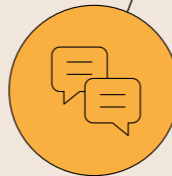
- We seek your feedback on our customer service
- We work with you and support services to link you to programs or services that meet your needs
- We support you to form or be involved in your local resident group.

We explore new and better ways of doing things



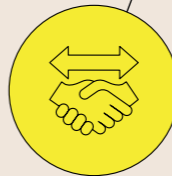
- We provide excellent customer service through continuous improvement and best practice, all guided by your feedback
- We are guided by our customer's experience when developing new processes.

We do what we say we will do



- We strive for first-time resolution
- We finish what we start. We keep the customer informed and check that the customer is satisfied with the resolution
- We admit when we make a mistake and act to resolve the issue.

We respect you



- We provide prompt, friendly, courteous and efficient customer service
- We are transparent about our process, limitations and what we can offer you
- We provide you with a safe and culturally appropriate environment
- We respect your privacy and manage your personal information in line with legislation.

- 01 Overview
- 02 Approach
- 03 Performance**
- 04 Financial report



Customers

SGCH manages the largest portfolio of community housing tenancies in Sydney. Our portfolio comprises a mix of social housing, transitional housing, affordable housing and Specialist Disability Accommodation.

We are a recognised industry leader in tenancy management, with a practice that places tenant outcomes at the centre of our work.

We work with a range of partners to deliver services and programs in collaboration with, or on behalf of, the NSW Government including the Social and Affordable Housing Fund, and the Social Housing Management Transfer, Port Jackson Supported Housing and Together Home programs.

Together, we support SGCH customers to sustain their tenancies and connect to the services and supports they need. In addition to tenancy management services, our team supports our customers with a range of services detailed in the chart below.

Support coordination

Housing Plus services

Placemaking

Connecting customers to services including financial services, health, mental health, homelessness, domestic and family violence, drug and alcohol dependence, youth and aged care and disability services.

Providing our customers with the opportunity to engage in training and education through our Catalyst Program, Strive Scholarships, no-interest loans and DigiConnect program, aligned to our core social impact outcomes of: Empowerment, Economy, and Education and Training.

Offering local activities and events that promote social connection and engagement, aligned to our core social impact outcomes of Home, Safety, Health, Community, Economy and Empowerment. We support tenant groups and partner with a range of local organisations to deliver programs and services that meet customer needs and interests.

Increasing housing options for Aboriginal people

SGCH has been delivering on our commitment to increase access to community housing and sustaining tenancies for Aboriginal and Torres Strait Islander peoples. Our Gibbons Street, Redfern, property had an allocation target for a minimum 25% of housing for Aboriginal and Torres Strait Islander peoples. We have exceeded that and achieved a 40% occupancy rate.

Our Community Housing for Aboriginal People (CHAP) commitments continue, with key achievements including increased allocations and partnership networks with local Aboriginal and Torres Strait Islander organisations.

The initial CHAP program had three key objectives and five deliverables.

The three key objectives were:

- Continuing the upward trend of the percentage of Aboriginal and Torres Strait Islander peoples accessing mainstream community housing
- Sustaining Aboriginal and Torres Strait Islander tenancies subsequent to the targets reached within the Nation Building Economic Stimulus Program
- Strengthening relationships between mainstream community housing providers and Aboriginal housing providers.

The five key deliverables for the program were to:

- Develop cultural competency standards for the community housing sector
- Develop strategies which focus on sustainable Aboriginal and Torres Strait Islander tenancies
- Local partnerships for capacity development and mutual benefit between Aboriginal Community Housing organisations and CHPs

- Maintain an upward trend for Aboriginal and Torres Strait Islander households in the community housing sector
- Promote employment opportunities for Aboriginal and Torres Strait Islander staff in the community housing sector.

Key achievements in 2022-23

- We appointed an Aboriginal Housing Engagement Coordinator, supported by the City of Sydney, to work closely with the community to increase the number of Aboriginal and Torres Strait Islander affordable housing tenancies in the inner city. City of Sydney has provided funding for the role to extend until 2024 (shared across SGCH, Bridge Housing and City West Housing).
- SGCH held a Sorry Day event at Bonnyrigg in May that was led by the local Aboriginal community. A key Elder was commemorated through the unveiling of permanent seating around a tree that she loved.
- Also for Sorry Day, we unveiled a plaque at our 11 Gibbons Street, Redfern, building that tells the story behind the work of the late Aboriginal artist Joe Hurst, which is one of the building's most beautiful and unique design features.
- We are currently organising a refreshed and expanded Aboriginal Reference Group (ARG) across the organisation. This will give local Aboriginal customers and stakeholders a place to discuss SGCH Aboriginal customer service initiatives, review progress on our Reconciliation Action Plan (RAP) and to make suggestions on how we can do better.
- The Board and Executive took part in cultural immersion sessions with our partner organisations.
- After Board sign-off, SGCH commenced work on our Reflect RAP journey.

Our Reflect RAP Vision, approved in June 2023, is as follows:

We recognise Aboriginal and Torres Strait Islander peoples as the world's oldest living, continuous culture with unique languages and spiritual relationships to the land and seas.

We also acknowledge our regret for past practices and policies which have impacted on the social and emotional wellbeing of Aboriginal and Torres Strait Islander peoples, their homes and their communities.

We are committed to listen and to learn from Aboriginal and Torres Strait Islander peoples, to recognise the important contribution they make, and to offer a quality service to Aboriginal peoples and their communities.

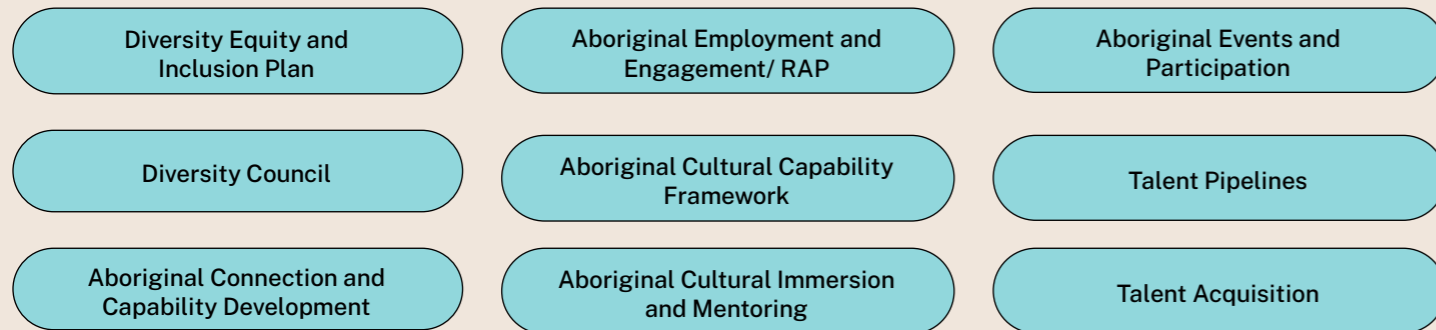
SGCH will undertake practical action aimed at building the physical cultural, spiritual, and family wellbeing of Aboriginal and Torres Strait Islander peoples through our role as community housing providers and as an inclusive employer of choice where Aboriginal and Torres Strait Islander peoples are culturally safe to thrive.

SGCH is actively committed to achieve reconciliation between Aboriginal and Torres Strait Islander and non-Aboriginal peoples.

Caring for community

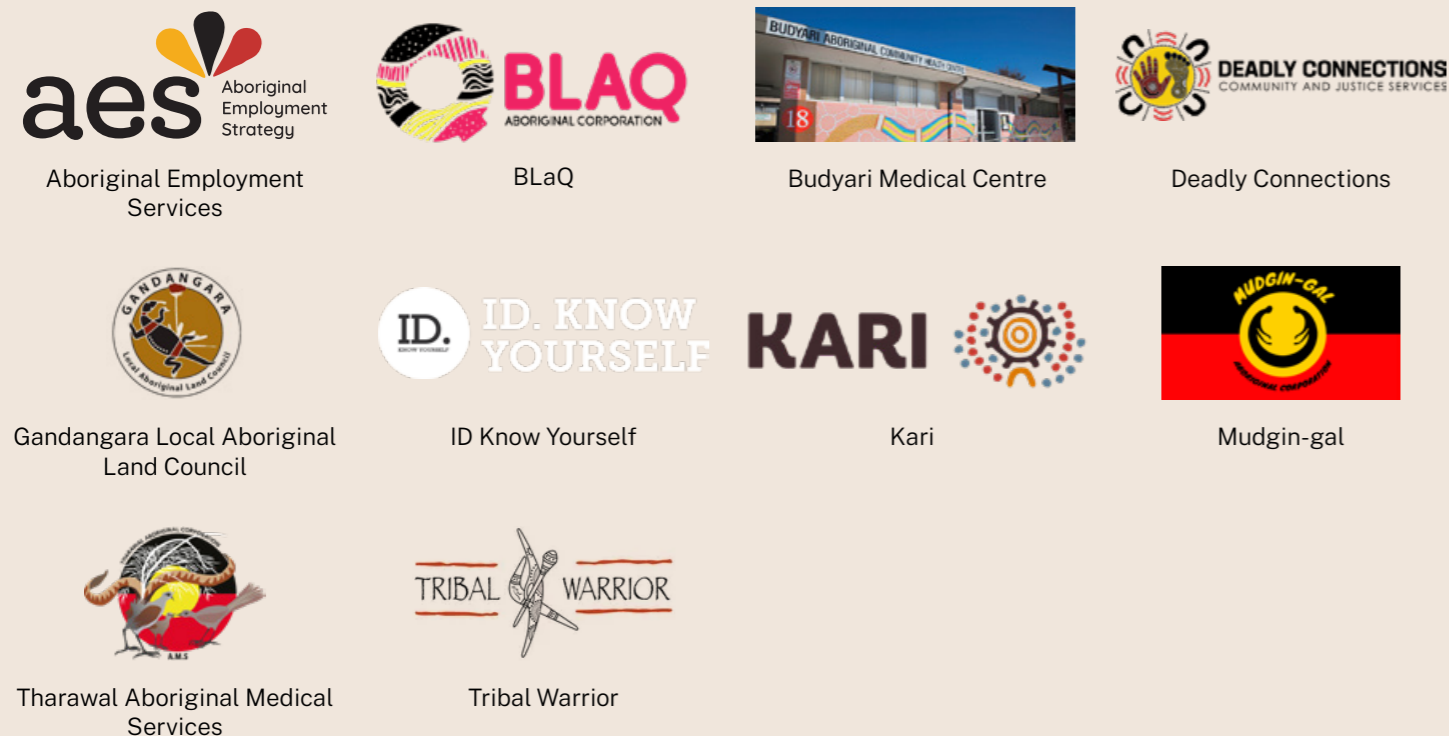
Our strategy

In February 2023, our Board endorsed our 2023-2026 SGCH People and Culture Strategy. Our key focus areas, strategies and activities, designed in line with the SGCH vision specific to working with and for Aboriginal and Torres Strait peoples, include:



Partnerships

We have ongoing partnerships at our Gibbons Street property and, more broadly across the organisation, with:



A very important member of the Bonnyrigg Aboriginal community, Aunty Yvonne, was honoured in a ceremony held to coincide with Reconciliation Week. A tree she loved was not just saved, it has been turned into a beautiful spot where her family can gather to remember her.

The ceremony to unveil a new seat around the tree was deeply moving and respectfully conducted by SGCH's Communities, Place and Partnership team. The event was wholly given over to Aunty Yvonne's family, so they could honour her memory and celebrate her importance to family and the broader Bonnyrigg community.

Students from Bonnyrigg Public School conducted a Welcome to Country, which was followed by a poignant smoking ceremony that was, as Aunty Yvonne's grandson Malcom said, about "helping her on her journey to the Dreaming".

Three traditional dances were performed to songs sung in Wiradjuri language and then Aunty Freda, who hosted the event, spoke of her reverence for, and love of, Aunty Yvonne. She welcomed two of Aunty Yvonne's sons - Dallas and Arthur - to speak about their mother.

"She was the third eldest of 14 kids," says Dallas, "and she was one of the six kids that was taken away to the homes - the Stolen Generation." She had the biggest heart, he adds. "It didn't matter if we had one friend sleep over or 32, she made everyone feel welcome. She was a deadly soul."

Speaking about the tree on Bradfield Crescent, Dallas said his mum felt so strongly about it, she was prepared to tie herself to the tree. "She said to the Council, "you're not taking this one, this one is mine". And she got it. I just wish she was here ... but she's here in spirit. Thank you, Mum."

It took Charly, who was then a member of the SGCH maintenance team, eight days to build the seat around the tree - it was a project that he says was extremely meaningful to him.

"Every day someone would stop to have a chat about what I was doing and to tell me how important the tree is," he says. "I learnt how special the community in Bonnyrigg is."

Sarah, who heads up our Communities, Place and Partnership team for South West Sydney region, said: "The theme for this year's Reconciliation Week was 'Be a Voice for Generations' and we hope that this event showed that SGCH is here to listen to all voices, across all generations, in the community."



Aunty Yvonne's tree.

Every day someone would stop to have a chat about what I was doing and to tell me how important the tree is. I learnt how special the community in Bonnyrigg is.

— Charly



Customers snapshot FY22/23

We are committed to delivering flexible, customer-centric services that are relevant, meaningful and responsive to needs.



74%

Report that since securing housing with SGCH, their life feels more stable*



56

Languages spoken other than English; Arabic, Chinese and Vietnamese are the most common

81%

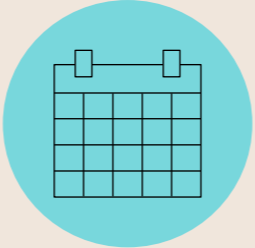
Overall satisfaction
(up 2% points*)

98%

Of tenancies sustained <2% eviction rate

24.8

Days turnaround time for vacancies
(0.36 days over benchmark)



91%

Report they understand their rights and responsibilities as a tenant*

61.8%

Of social housing allocations to priority target groups

1,509

People in affordable housing



9,891

People in social housing

4,054

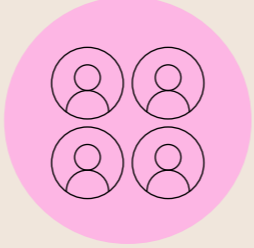
Single-person households

784

Aboriginal and/or Torres Strait Islander households

11,400

Customers



1,936

Children in our properties

*Tenant Satisfaction Survey, 2023

Customer insights

Tenant Satisfaction Survey 2023

Each year all households managed by SGCH are invited to participate in a survey to tell us about their satisfaction and experience with SGCH over the past year. This helps us learn and improve what we do and deliver better outcomes for people and communities.

Our 2023 survey was open between 5 June and 14 July. In total, 1,703 customers took part, which represents a response rate of 25%.

The survey was run by Community Housing Industry Association (CHIA) NSW. The core questions used in the survey were developed through consultation between CHIA NSW and the community housing sector, as well as guidelines laid out by the National Regulatory System for Community Housing. Many of the questions are asked across multiple community housing providers, which enables CHIA NSW to provide a benchmark for comparison to other organisations and to drive improvements through mutual learning.

In addition to the core questions, this year SGCH added a number of outcome measures to the survey to begin measuring the social outcomes defined through our Social Impact Framework. This included the reintroduction of the Personal Wellbeing Index (PWI), which is a score developed by Deakin University¹ to measure subjective wellbeing. The PWI contains seven items, each one corresponding to a quality-of-life domain: standard of living, health, achieving in life, relationships, safety, community-connectedness, and future security. Scores can range from 0 to 100, with higher scores reflecting greater satisfaction with life.

The survey provided promising baseline data that will allow us to monitor changes over time.

Domain	Key findings	Customer quotes
 Home	<ul style="list-style-type: none"> 84% are proud of their home (up 4 percentage points from 2022) 81% agree their home is suitable to their circumstances (up 2 percentage points from 2022) 78% are satisfied with the condition of their home (up 4 percentage points from 2022) 	<p>"I'm very happy because in the last two weeks the team have been here, fixing and renovating my home. I'm loving it and I am proud to live with St George Community Housing."</p>
 Safety	<ul style="list-style-type: none"> 85%² feel safe in their home by themselves during the day PWI safety score = 71.4 (baseline) 	<p>"I feel safe and secure knowing I'm living in a place that's run and operated by SGCH."</p> <p>"Thank you so much for putting me in a safe neighbourhood. I feel extremely safe and part of the community."</p>
 Health	<ul style="list-style-type: none"> 74% agree life has improved since living at a SGCH property (up 2 percentage points from 2022) PWI overall score = 63.9 (baseline) PWI health score = 59.4 (baseline) 	<p>"I am very grateful to SGCH for taking my mental and physical health into consideration and providing my daughter and me with a place we can settle, feel safe and move forward with our lives."</p> <p>"Since SGCH took over, all aspects of my health, housing and life in general are better."</p>
 Community	<ul style="list-style-type: none"> 79% are satisfied with their neighbourhood as a place to live (up 2 percentage points from 2022) PWI community score = 62.4 (baseline) 	<p>"SGCH goes above and beyond to try to establish a sense of community in our building and to elevate our standard of living through student scholarships, running local events, and initiatives for our Indigenous tenants. Anyone who works for SGCH should be so proud of the work they do."</p>
 Economy	<ul style="list-style-type: none"> 69% agree they can afford most of the things they need (down 1 percentage point from 2022) PWI future security score = 63.7 (baseline) 	<p>"In this time of economic uncertainty — post-pandemic and with inflationary pressures on groceries, utilities etc — affordable housing has really allowed me to focus on my studies and what I want from my career."</p>
 Education and skills	<ul style="list-style-type: none"> No measures included in Tenant Satisfaction Survey — will be measured in program-specific surveys 	<p>"The support services that are offered helped me out a lot when my child was younger, through scholarships and whitegoods loans in my time of need. There are good initiatives for helping people get back into the workforce too."</p>
 Empowerment	<ul style="list-style-type: none"> 81% agree since having stable housing they can focus on the future and things that are important to them (down 1 percentage point from 2022) 68% are satisfied that SGCH listens to tenants' views and acts on them (up 1 percentage point from 2022) 	<p>"My tenancy at SGCH has been the best thing to happen to me in a long time. I am thankful every day that I have somewhere safe, stable and affordable to stay. I hope that one day in the future I can give back to this organisation."</p> <p>"I am so thankful to be with SGCH because the housing crisis terrifies me and I fear homelessness. I am beyond grateful to not have to worry about enormous sudden rent increases."</p>

¹International Wellbeing Group (2013). Personal Wellbeing Index: 5th Edition. Melbourne: Australian Centre on Quality of Life, Deakin University. <http://www.acqol.com.au/instruments#measures>

²Please note that slight amendments were made to the safety survey question in 2021 and 2022 to improve data accuracy.

Continuous improvement

Each year, the insights provided by our customers through the Tenant Satisfaction Survey provide an opportunity to understand what we are doing well and where we need to improve.

In 2022, our Service Outcomes and Improvement team analysed the survey results to identify key findings, consulted with our internal teams and our customers to develop a range of proposed actions to improve and increase our customer service and satisfaction. There continues to be variations between program types across the Social Housing Management Transfer (SHMT) portfolio and non SHMT portfolio. However, we are seeing an improved increase in satisfaction for SHMT tenures.

Coming together across the organisation to understand how different regions and teams delivered services helped with cross-skilling our people and improving our understanding of customer needs, which has led to a consistent trend of improvements in satisfaction from 2022 to 2023 (Tenant Satisfaction Survey 2023).

SGCH are an amazing support to low/moderate income earners. I myself am a single parent to three young girls and being able to rent with you has been a saving grace over the past few years. I've felt secure and content renting from you and feel lucky enough to be able to. Always answering questions that I may have, repairs are done within reasonable times and rent prices are good and affordable, which makes life easier for me to be able to have some money to do things with my daughters. Thank you!

— Tenant Satisfaction Survey 2023



In 2022 we found	What we did	And in 2023 our results were
<p>79% Overall satisfaction. We are reassured to see a continual improvement in key areas of satisfaction across our portfolios and programs.</p>	<p>Gathered our Sustainable Tenancies, Income Management, Placemaking and Housing Pathways teams from all regions along with our colleagues from the Homes team to workshop best practice service delivery with specific reference to the issues identified by the Tenant Satisfaction Survey 2022 results.</p>	<p>81% (up 2 percentage points*)</p>
<p>74% Overall satisfaction with our tenancy management/services. The survey revealed significant improvement had been achieved since the 2021 survey in relation to the difference in satisfaction between regions, ranging from 60% in Northern Sydney to 79% in Western Sydney.</p>	<p>The Community of Practice model is in place to share tenancy management best practice between Sustainable Tenancies teams, with a focus on continuous improvement and consistency in service provision.</p>	<p>76% (up 2 percentage points) In Northern Sydney the satisfaction levels remained the same.</p>
<p>67% Satisfaction with SGCH listening to tenants' views and acting on them. There was a wide variation between regions.</p>	<p>Our Communities, Place and Partnership teams are continuing to deliver more community engagement opportunities, creating more avenues for customers to engage with us and provide feedback.</p>	<p>68% (up 1 percentage point*) In Northern Sydney we saw a 1 percentage point* increase</p>
<p>74% Satisfaction with SGCH involving tenants.</p>	<p>Linked to the above point, our Communities, Place and Partnership teams are regularly consulting with our customers through various Tenant Coordination Panels and local block meetings.</p>	<p>75% (up 1 percentage point*) In Northern Sydney we saw a 1 percentage point* increase.</p>
<p>67% Satisfaction with how easy it is to get answers, information and help from SGCH.</p>	<p>Our Customer Care Hub has been operational since 1 July 2021, with a central team who aim to provide first-resolution responses to customer enquiries.</p>	<p>68% (up 1 percentage point*)</p>
<p>68% Overall satisfaction with repairs and maintenance services. Our lowest satisfaction levels were in Northern Sydney where the contract was not managed by SGCH.</p>	<p>To help raise tenant satisfaction around repairs, the Communities, Place and Partnership team carried out a range of 'Fix and Mix' events across Northern Sydney region. More than 90 customers attended the three 'Fix and Mix' events and at least 74 repairs were completed on the same day.</p>	<p>68% (remained the same) In Northern Sydney we saw a 3 percentage point* increase and a 14 percentage point* increase since 2021.</p>
<p>78% Satisfaction with how easy it is to report a repair.</p>	<p>Customer Care Hub continues to make it easy for our customers to report a repair.</p>	<p>81% (up 3 percentage points*)</p>
<p>78% Satisfaction that the behaviour of our contractors who attended to the repairs was respectful towards our customers and the property.</p>	<p>Our Maintenance team continues to identify positive areas of service delivery to ensure consistency in practice.</p>	<p>82% (up 4 percentage points*) In Northern Sydney we saw a 5 percentage point* increase.</p>

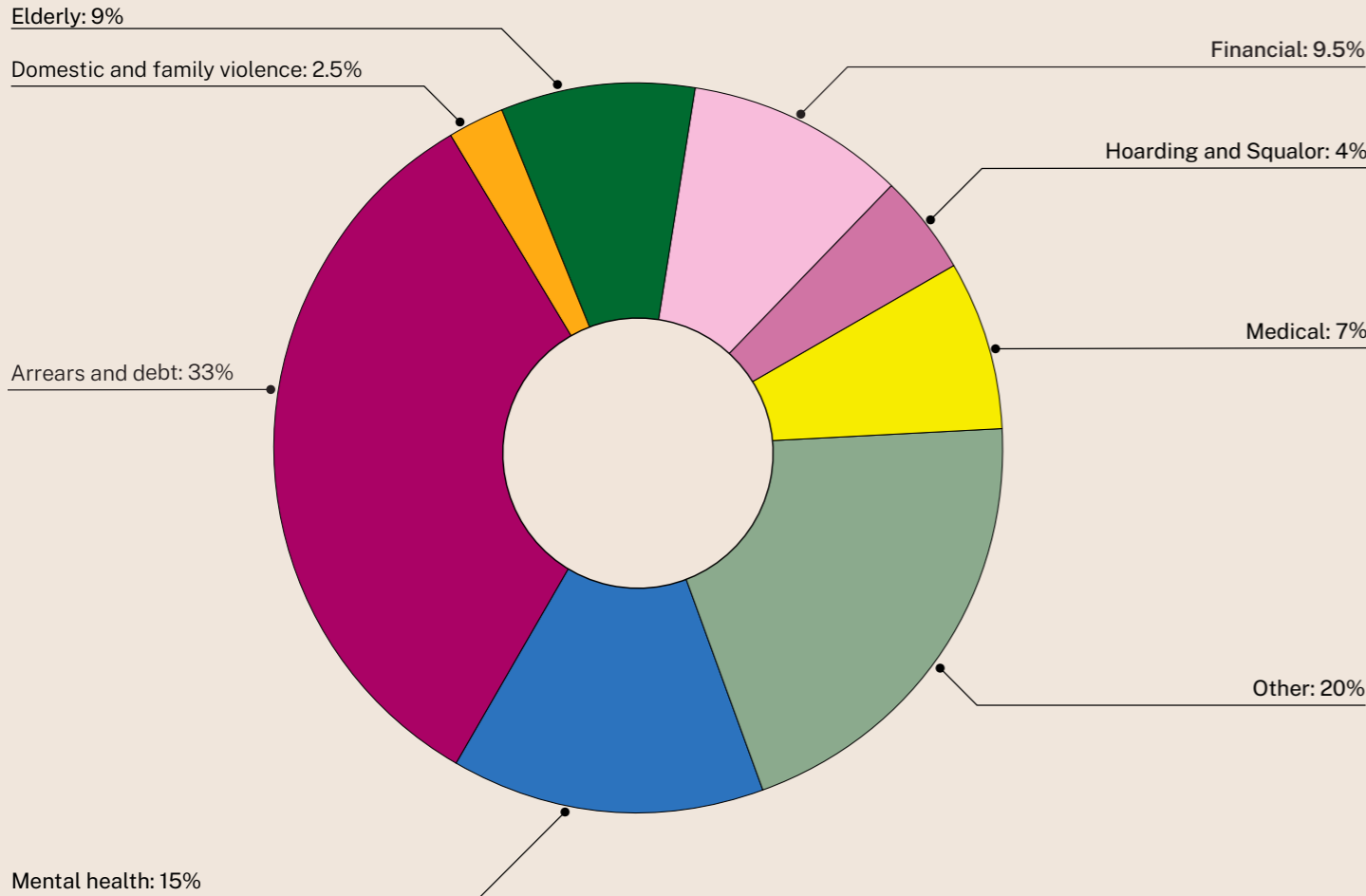
* Statistically significant difference

Supporting our customers

Within SGCH, we have a team of dedicated support coordinators who play a crucial role in assisting our customers to access comprehensive wraparound support services.

Our support coordinators take the initiative to identify and cultivate strong relationships with our customers. By adopting a person-first approach, they skillfully dismantle barriers that might hinder customers from reaching essential services and assistance.

Reasons for referral



Support coordination under our SAHF program

602 tenants and their household members collaborated with the Support Coordination team to complete an annual needs assessment under the Social and Affordable Housing Fund (SAHF) program to achieve:

- Improved health and wellbeing through access to good quality housing and links to appropriate services
- Greater social and economic independence to support community connections and participation
- Sustained tenancies and, where appropriate, to transition out of social and affordable housing through access to services that improve their education and employment opportunities.

Tailored support: an example

Casula SAHF customer Zakir and his wife acknowledged that they wouldn't be residing at SGCH's property long-term and were transparent about their wish to transition out of affordable housing. After receiving a pay increase Zakir, an accountant and the sole breadwinner at the time, achieved the goal of buying a house in Harris Park, which is nearer to family.

My tenancy at SGCH has been the best thing to happen to me in a long time. I am thankful every day that I have somewhere safe, stable and affordable to stay, especially when I see the news about the rental and housing crises. I am able to live in a neighbourhood I never would have been able to afford otherwise, that has incredible access to local retail, green space, public transport, study and employment opportunities.

– Tenant Satisfaction Survey 2023



Key findings SAHF

21

Customers were engaged with Community Support Connections*

23

Customers were connected to new Community Support Services

13

Customers had identified support needs managed by connecting with a Support Coordinator

*Customers identified existing informal Community Support Connections for social inclusion like family and friends, home and community care, religion and social



Ally's story

"I'm an Indigenous person from the Torres Strait Island – I come from a very cultural place," says Ally. "I left because when you grow up in a village you need to experience things. Seeing the same people, the same everything... it's not exciting!" Ally moved to Sydney in the late 1980s and has been living with SGCH in the city's south west for about 14 years now.

Our Support Coordination and Property Care teams have been closely working with Ally since 2020. "It had been reported to me that Ally might need some help from us," says Lavina, who was a Property Care Specialist at the time. "The problem was that she didn't want to engage with us, because she'd been let down by other services over the years."

By approaching Ally compassionately and slowly building a rapport with her, Lavina was able to gain Ally's trust. "Once she felt comfortable around me, we could start addressing the damages to the property and to help Ally with some hoarding and squalor issues." Support Coordinator Belinda worked alongside Lavina to connect Ally to specialised supports, including an NDIS support worker, a de-cluttering specialist, a clinical psychologist and a community care worker.

Today, Ally expresses her deep gratitude to both Lavina and Belinda for the difference the pair have made to her life. "I was in a very dark place. When I was finally able to ask for it, I got the support I needed. I had my place fixed up and it was done in one week. You know that saying that Rome wasn't built in a day? If someone says that to me, I will look at them with a straight face and say 'sometimes it is possible, you know? If you get the right support'."

Ally adds that people around her have noticed a visible change in her: "They say to me, 'you don't look the same, you don't look so gloomy.' I wouldn't say I'm fully healed – I'm still on a journey – but I am looking forward to things now."

Belinda, in particular, is very special to Ally: "She feels like a friend – no, actually, more than that, Belinda is a kindred spirit. We understand each other."



Ally in her south-west Sydney home.

I had my place fixed up and it was done in one week. You know that saying that Rome wasn't built in a day? If someone says that to me, I will look at them with a straight face and say 'sometimes it is possible, you know? If you get the right support'.

– Ally



Key findings Support coordination

1070

Customers supported

521

New referrals for support coordination

71

Carried over from FY21/22

265

Engaged with external support services

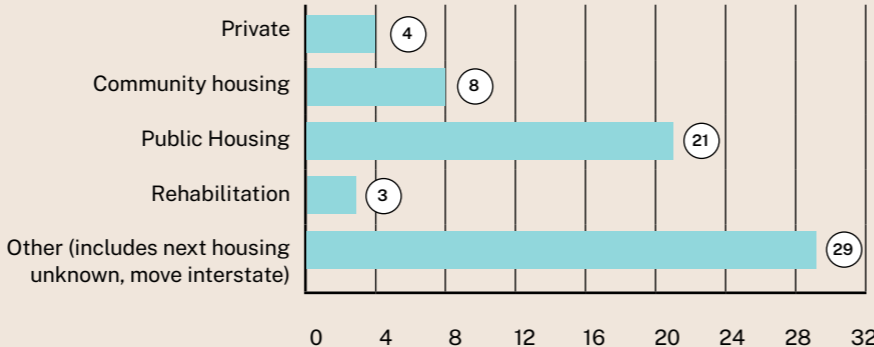
Together Home

We continue to deliver the Together Home program, providing 80 homes for people who have experience of chronic homelessness. Participants are linked with wraparound support services provided by the Newtown Neighbourhood Centre, the Salvation Army and St Vincent de Paul. We are working closely with our Together Home support partners to successfully transition participants into long-term social housing.

In January 2023, we went 'live' with the tenancy management in a block of 10 social housing units in Petersham. SGCH received a \$2.75 million grant from the Department of Communities and Justice Together Home Transition Program in May 2022 and co-contributed funds to complete the acquisition of the property. The Together Home program centres on providing people with a trajectory away from homelessness and into long-term, stable housing – enabling them to improve their overall wellbeing. The building was fully tenanted by February 2023.

Port Jackson Supported Housing Program

Port Jackson Supported Housing Program (PJSHP) is managed by SGCH to provide transitional housing tenancies for people who require a high level of support to stabilise their lives and develop the skills needed to maintain longer-term tenancies when they exit the program. We partner with 22 specialist services that deliver support to 214 households in the program across five Local Government Areas (LGAs). In the 2022/23 financial year, 54% of customers exiting the program were male and 46% were female. 50% of the customers were aged between 18 and 35 years of age. In this period, 65 customers exited the Port Jackson program, with 51% leaving for longer-term housing options. The program works with a very complex cohort of people and while there are those who do not have strong outcomes, this data is representative of the value of Port Jackson in offering real housing opportunities.



Ben's story

Ben, a 49-year-old Wiradjuri man from Cowra, NSW, was referred to SGCH (under the Together Home Transition Program) by the Salvation Army's Foster House. A partner to SGCH's Port Jackson Supported Housing program, Foster House provides short-term crisis and supported accommodation for homeless men in Sydney's inner city.

"I have been in and out of prison over the last number of years. And I was on the NSW Housing Register as a high-priority homeless person when my case worker at Foster House put my name forward for a property with SGCH. At that time, I had been homeless on and off for two years."

The Together Home program aims to support people experiencing homelessness with stable housing and wraparound support. It is through funding from this program that SGCH is able to assist customers like Ben to move out of homelessness and into long-term accommodation. This provides them with a solid foundation upon which to connect to opportunities and build their communities.

Ben resided in a SGCH Together Home Transition Program leasehold property for six months, before moving to Petersham – an SGCH capital property.

Shifting from a leasehold to a capital property was a good move for Ben. "It is such a relief having a permanent place to stay now, having been homeless for so long. It has been quite a trek and process to get here, but knowing I have a permanent place to call home is such a relief and helps me with my mental health. SGCH has done a wonderful job."

Knowing I have a permanent place to call home is such a relief and helps me with my mental health. SGCH has done a wonderful job.

— Ben



Ben was one of the first customers to move into our Petersham property.



Housing Plus

Catalyst

Our Catalyst program supports customers to meet their training and employment goals with personalised coaching and funding.

Strive Scholarships

Strive Scholarships provide money for educational and extra-curricular costs based on the student's level of study.



Key findings Catalyst

162
Customers supported

57

Customers assisted into training and/or paid employment*

38

Employment placements

23

Accredited training placements

*4 customers placed into both



Key findings Strive Scholarships

264
Customers supported

\$240,500

Total scholarships awarded

103

Primary students each awarded \$500 Kindergarten – Year 6

105

Secondary students awarded \$1,000 Year 7 – Year 12

56

Tertiary scholarships awarded \$1,500 each



Lilly's story

Lilly, 18, knew exactly what she would put part of her Strive Tertiary Scholarship towards: noise-cancelling headphones. "Sometimes I get overwhelmed in loud places, especially when I'm walking to and from college. So now I've got my headphones and they're really good for helping me move about without hearing all the shouting and traffic you get in the inner city."

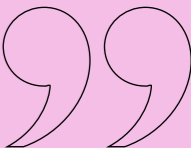
Lilly was one of 55 tertiary students to receive a \$1,500 Strive Tertiary Scholarship in 2023. She currently resides at Foyer Central, an innovative youth housing model that SGCH operates in partnership with Uniting and Social Ventures Australia. It provides 53 self-contained units for young people (aged 18-22), who are exiting out-of-home care and are at risk of homelessness.

Foyer Central Youth Development Coach Amba was the person who suggested Lilly should apply for a Strive Tertiary Scholarship. "I'm glad she did," says Lilly, "because the extra money helps me be less worried about being able to afford stuff I need for my studies. It makes a difference."

Lilly is studying a diploma of theatre production and hopes to work as a stage manager once she's finished her course. "It's something I have always wanted to do."

The extra money helps me be less worried about being able to afford stuff I need for my studies. It makes a difference.

– Lilly





Trent's story

Hunters Hill resident Trent is excited about what tomorrow might bring: "I can see a future now," he says. "I'm in a very different place to where I was in December 2020."

That was when there was an increase in rent on the property where he lived in Sydney's east – and he and his flatmate, who suffers from bipolar disorder, found themselves facing homelessness. "I contacted St George Community Housing and we were placed in temporary accommodation before we were offered the apartment we now have, in Hunters Hill."

Trent was initially referred to Catalyst, our employment support program, in October 2021, but due to alcohol dependency he became disengaged. "I had problems with alcohol and marijuana," says Trent, "but even when things were really hard, I knew I had some better quality in me." By the end of 2022 Trent had got himself sober via Alcoholics Anonymous and had resumed his study – he is currently in the process of completing a Certificate IV in Community Services.

"Trent re-engaged with Catalyst and we were able to help him with a wifi dongle, so he could do his assignments at home, and in securing a work placement at Wayside Chapel," says Carrie, who as Housing Plus Manager oversees the Catalyst program. "Carrie has helped me a lot, she's made all the difference," says Trent. "I am very grateful that I went back to Catalyst. Carrie never gave up on me."

His work placement is "awesome", he adds, and he's continuing to do well in his TAFE studies. "I can't wait to get finished so I can work with homeless or Indigenous people. I'm in a really good place now and I want to give back." The only 'issue' Trent has now with his studies is that sometimes the view beyond the window is too enticing. "We overlook the river and it's so peaceful – it makes me want to get out there!" he laughs.

When he's not studying or working, Trent enjoys gardening and has a new raised bed into which he's planted spinach, peas, beans and radishes. "I'm so happy when I'm gardening – I find it very calming and I'd recommend it to anyone."



Trent is nearing the completion of his studies at TAFE.

Even when things were really hard,
I knew I had some better quality in me.

– Trent



Place-based approaches

We focus on connecting customers to a range of localised training and educational workshops, and social, health and wellbeing activities and events.

During 2022/23, SGCH delivered dozens of community events that centred on maintaining and improving the health, wellbeing and sustainability knowledge of our customers.

In our Metro North East region, customer activities included:

- A recycling information session, held in conjunction with our partner Wastefree
- A Safety During La Nina information session, in partnership with the SES
- Ongoing community garden initiatives, including new beds installed at Cammeray, Artarmon and Hunters Hill, plus customer gardening workshops and a gardening safety project. Run in conjunction with Community Greening (a project of the Department of Communities and Justice and Royal Botanic Gardens)
- Various education and information sessions (including on BPAY rental payments, mental health, scam and crime prevention, strokes and oral health)
- Wellbeing expos to make customers aware of local services
- Day trips (Botanic Gardens, Art Gallery of NSW) to foster social connection
- Strength and balance programs (gentle exercise, yoga and tai chi)
- Clean Sweep property clean-up days, plus ‘fix and mix’ events to enable fast resolution of minor repairs
- Local Tenant Groups and Block Meetings

In our South West Sydney region, customer activities included:

- Job skills training for youths
- Ongoing horticulture and computer training courses, offered in conjunction with TAFE
- Zumba, yoga and aqua fitness sessions

- Day trips (Mt Annan Botanic Garden, Nan Tien temple) to foster social connection
- Regular Services Australia representation at our Bonnyrigg office
- Various education and information sessions (including on BPAY rental payments, mental health and police liaison)
- Ongoing support of breakfast clubs at Bonnyrigg Public School and Riverwood Public School
- Ongoing support of weekly barbecue run by the Residents Organisation at Riverwood (ROAR)
- Ongoing support of Marrabang Wagagee Aboriginal dance troupe and Bonnyrigg Youth Collective
- Clean Sweep council clean-up days
- Various community gardening initiatives and workshops
- Language groups and local tenant groups – providing educational sessions on rent review, repairs, Centrelink assistance and energy-saving workshops
- Block meetings

Connection through art

Through 2022 and 2023, customers across both SGCH regions have embraced art workshops. In the Metro North East region, we offered an eight-week art and wellbeing program to customers in Cammeray and surrounding sites. Its goal was to improve the participants’ emotional wellbeing and sense of connection to community while providing them with an opportunity to develop art skills and creativity.

Meanwhile, our customers in South West Sydney have been taking part in Indigenous art classes, led by Maureen, a long-time SGCH resident (see page 82). The classes were so enthusiastically received by the community that they were extended and changed from fortnightly to weekly.



- 1 Customers in our Metro North East region were able to experience the true joy of creating art this year. They took part in an eight-week art-healing program facilitated by Mara Lyone of Healing Colours.
- 2 Our Indigenous art sessions at Bonnyrigg’s SGCH office were initially run once a month, but were so popular they were made fortnightly – and are now weekly, with the possibility that they may soon be offered in other suburbs. See over for more.



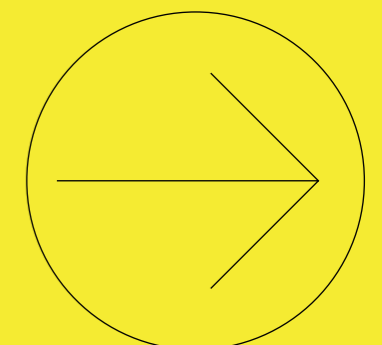
Key findings
Place coordination

12

Local tenant groups

\$103,609

In community grants





Maureen's story

"Art is healing for me," says Maureen, who has been an SGCH customer for nine years. For the past 12 months, she has been running Indigenous art classes at the Bonnyrigg office. These sessions were initially supposed to run monthly during the school term, but they were so well received they're now ongoing –and they've switched from fortnightly frequency to weekly.

"I think art is one of the best ways people can connect," she says. "It might be an Indigenous art class, but I've always stressed that absolutely everyone is welcome. It's not only about the art either. We have a yarn and a cuppa, and we share our experiences –whether they be happy or sad ones –and we have people from all cultural backgrounds join in."

One of the most satisfying things for Maureen is seeing positive changes in those she paints with. "There's one lady who told me she hardly ever comes out of her bedroom unless it's a Wednesday and she's going to the art class. That makes me feel good, to know I have helped her. And the artwork she produces is amazing. I always think, 'you ought to be teaching me!'"

Maureen is one of the Forgotten Australians, who grew up in out-of-home care in the 1980s. She moved to the area to live with her aunty when she was a teen and attended Bonnyrigg High School, where her daughter is now a student. "Nikyah is 13 and she's joined the Bonnyrigg Youth Collective, which is supported by SGCH. It's a great way for her to engage and connect with other local youths."

Nikyah received a 2023 Strive Scholarship –and she wasn't the only family member to be awarded one: "I received a tertiary Strive Scholarship, too, to help me with the Certificate IV in Community Services that I'm doing," says Maureen. "This is something I've dreamed of studying for so long. I've got lived experience and I am keen to give back."

Maureen credits her involvement with our Catalyst employment program with boosting her confidence. "The help I have received from [Employment Opportunities Coordinator] Joanne has been absolutely awesome. She is a beautiful person." It was Support Coordinator Belinda who initially referred Maureen to Sarah and Taylor on SGCH's Communities, Place and Partnership team and suggested she could lead art sessions. "Both Sarah and Taylor were very supportive –and continue to be –of the art class."

At present, Maureen is involved in setting up SGCH's new Aboriginal Reference Group for South West Sydney and she was recently commissioned by the new developer of the Bonnyrigg Estate, Traders In Purple, to produce art for their project marketing material. "St George has opened so many doors for me. My life has changed significantly and for this I am so grateful."



Maureen's art classes are much loved by members of the Bonnyrigg community.

I think art is one of the best ways people can connect. It might be an Indigenous art class, but I've always stressed that absolutely everyone is welcome.

— Maureen



Community grants FY22/23

Grant	Amount
Metro North East:	
Petersham Leagues Club Inner West Club Grants – Youth Dance Program	\$1,800
Ashfield RSL Club Grant – Marrickville Youth Get Active	\$6,000
North Sydney Council Small Grants – Keeping the Strength	\$1,100
Lane Cove Council Community Assistance Grant – Tech2Connect	\$1,936
Lane Cove Council Club Grants – NEST Bushlands	\$1,650
Inner West Council Community Wellbeing Grant – Marrickville Neighbour Day	\$2,233
Hunters Hill Council – Building Balance at Blandville	\$1,000
South Sydney West:	
Club Grants Bonnyrigg Youth Council Leadership Camp	\$9,680
Bonnyrigg Town Centre Funds - Bonnyrigg Christmas Party	\$3,500
Bonnyrigg Town Centre Funds - BYC Youth Week	\$3,000
Bonnyrigg Town Centre Funds - Bonnyrigg Under The stars	\$3,300
Bonnyrigg Town Centre Funds - Bonny's Amazing Race Easter hunt	\$2,200
The World in One Place	\$9,210
Reconnecting over 55s	\$7,000
Joint grant for both regions:	
Department of Communities & Justice Youth 4 Unity	\$50,000



Vidya and David's story

Vidya moved to the Bonnyrigg area about 25 years ago and shares her SGCH townhouse with three of her four sons – one of whom, David, 30, is an autistic person. “Not too long ago, David would not participate in any social events – it meant that both he and I became isolated,” says Vidya. “But he has really changed a lot.”

The reason for this change in David is that he has steadily become more comfortable attending some of the community events that SGCH offers. A combination of good support workers and less medication has helped him handle social interactions better, Vidya says, but she also credits Taylor, SGCH's Community Engagement Coordinator, with gently bringing David out of his shell. “David just loves Taylor!”

It was Taylor who initially reached out to Vidya to encourage her to participate in some of SGCH's events. At first Vidya was reluctant – “I was worried about people's judgement of David” – but then she received an NDIS package that enabled her to take David out more often, exposing him to social situations he might not otherwise have experienced.

Vidya eventually decided to sign herself and David up for SGCH's free aqua classes at Prairiewood Leisure Centre. “In the beginning David didn't want to get in the pool but now he will stay in the water for hours,” says Vidya. “And he's getting fitter too.” Improving their fitness even further, Vidya and David then joined SGCH's Zumba sessions. “I have dropped two dress sizes,” laughs Vidya, “and it's been great for David, because he loves the music. It has been a breakthrough, I love to see him having fun.”

Vidya has also embraced the opportunity to study a Certificate IV in Horticulture – the classes are run by TAFE in conjunction with SGCH. “I love studying and learning new things.” It's her goal to continue keeping David socially engaged.

“The more he is out and about, the more he is comfortable in the presence of people he doesn't know. I have seen so much change in him, it's like he's adjusting to our world and this makes me happy.”



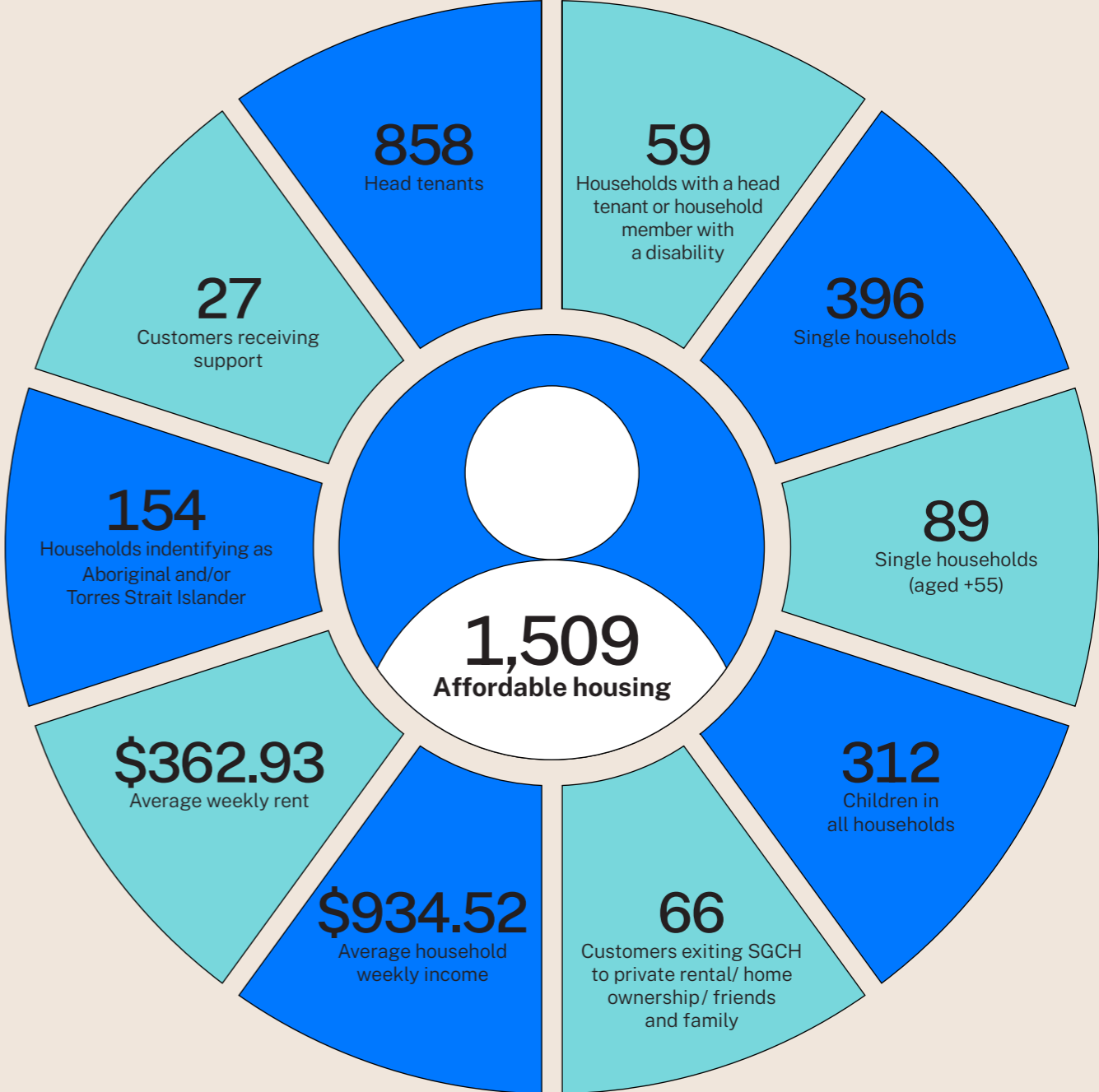
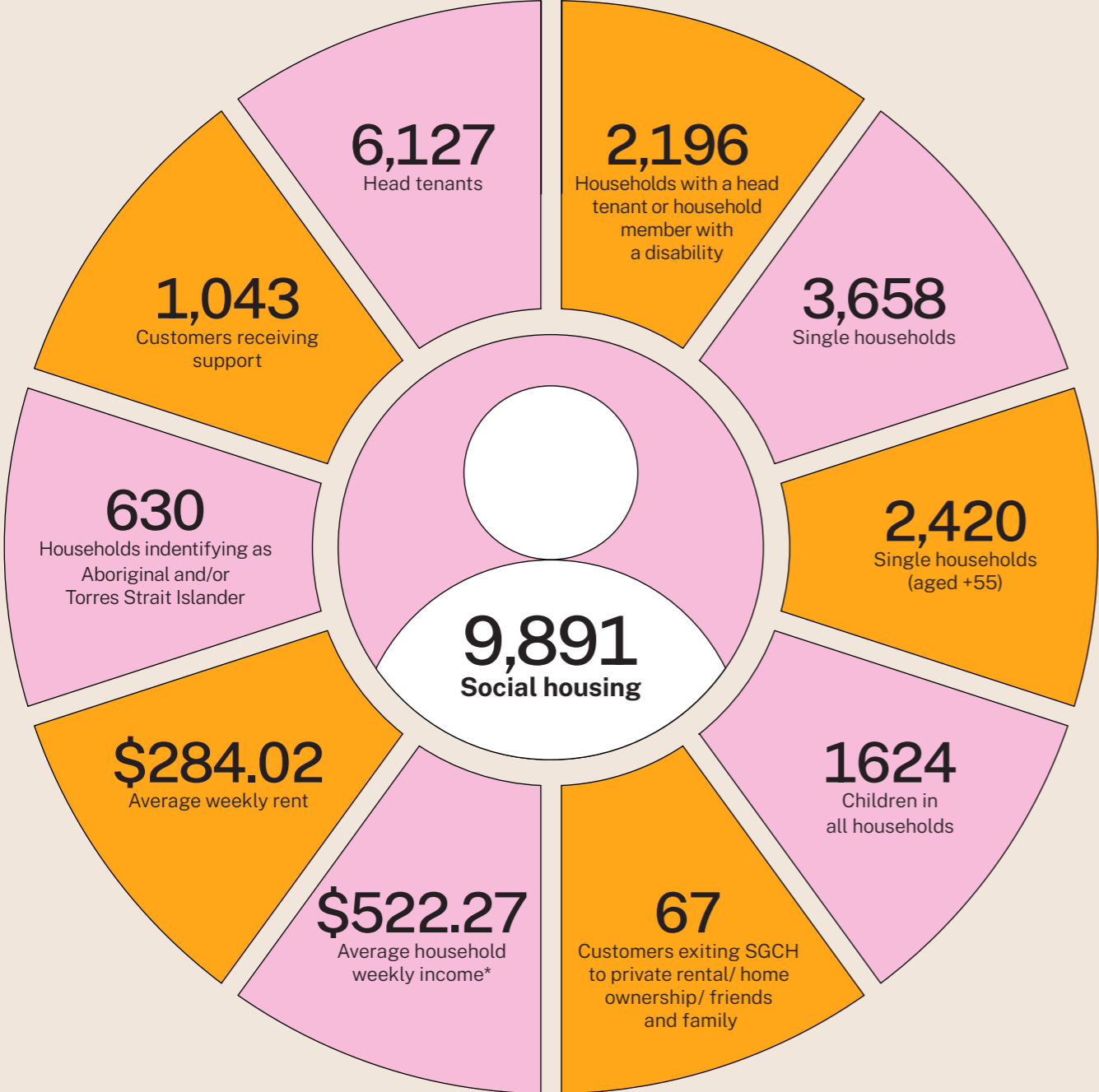
I have seen so much change in him, it's like he's adjusting to our world and this makes me happy.

– Vidya



Both David and Vidya take part in community activities now.

Customer profiles



*Based on customers who apply for a subsidy.



Aisea and Veronica's story

Riverwood customers Aisea and Veronica don't need to see studies that prove living in an interconnected community is one of the keys to happy and healthy ageing. They know it is, because they are living proof.

Aisea, who turned 90 this year, and his wife Veronica, 76, help out at the SCGH-supported Residents' Organisation At Riverwood (ROAR) weekly community barbecue. The pair turn up every Friday to prepare the food, and Aisea might later pick up his guitar and join his fellow ROAR members to entertain those who come along to the barbecue.

"Living in a multicultural society, people tend to keep to their own little cliques," says Aisea. "What they don't realise is that there is a lot to be gained by everyone getting together, sharing their experiences, that will eventually make the place they live better for all."

Originally from Fiji, the couple moved to Riverwood from Blacktown in 2014. "Back then, Riverwood didn't have a good reputation," adds Veronica, "but it has grown and changed so much. When we moved here, we met and talked to everyone—especially the elderly, who we tried to get out of their apartments. Back home in Fiji, families take good care of the elderly and loneliness is rarely an issue for anyone at all. Being involved in your community is good for everyone."

The couple's involvement in the local community doesn't stop at the ROAR barbecue either. Aisea is a member of the SGCH's Tenant Coordination Panel plus others, and he and Veronica are founding members of the Riverwood Community Choir. "We are also involved in the community garden and in pretty much any event organised by the members of our community," says Veronica. That's part of the reason the couple is widely known and adored throughout Riverwood.

Having reached his 90s, Aisea is in a great position to pass on his wisdom about the importance of ageing well. "It boils down to surrounding yourself with friendly people who have a good attitude in life, especially those who aspire to inspire others." It's this approach to life that saw Aisea make an appearance in *Limitless with Chris Hemsworth*, a TV series where the actor explores the secrets to longevity.

"Getting old is a blessing in disguise and nothing to be afraid of," says Aisea. "I'm privileged to reach this ripe old age. It enables me to pass on to younger generations my life's experience and what I learnt during my younger days. It also enables me to better serve the community I live in, irrespective of how hard the task may be."

Getting old is a blessing in disguise and nothing to be afraid of. I'm privileged to reach this ripe old age. It enables me to pass on to younger generations my life's experience and what I learnt during my younger days.

— Aisea



Veronica and Aisea are beloved members of the Riverwood community.

Social impact

SGCH is committed to measuring and managing the impact of its work and the value we create for customers and stakeholders.

For SGCH, our social impact is all the outcomes for people, communities and places resulting from our work, including:

- short-and long-term outcomes
- positive and negative outcomes
- direct and indirect outcomes
- intended and unintended outcomes.

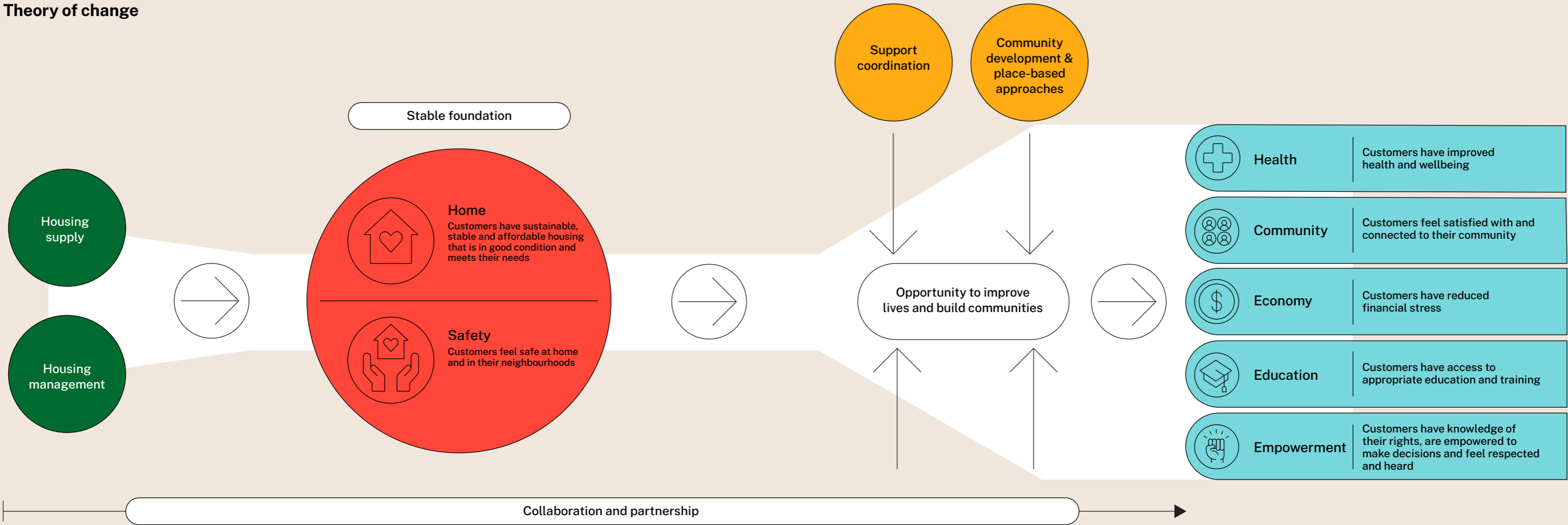
Launched in 2022, our Social Impact Framework is the 'S' in our ESG commitment. SGCH has worked to embed the Framework and our outcomes focus into our operations, increasing capacity and capability of our staff to enhance results.

SGCH's Social Impact Framework guides our approach across four interconnected areas of work:

1. **Defining impact:** ensuring we are clear about our intended impact
2. **Measuring impact:** ensuring we measure what matters
3. **Managing impact:** embedding an impact-focused culture and systems
4. **Communicating impact:** ensuring accountability to our key stakeholders.

The framework includes our Theory of Change and our Core Social Outcomes, which guide all aspects of our approach to social impact, including our Strategic Plan and our ESG Approach and reporting. The framework also guides how we measure our core outcomes by setting out indicators, measures, and agreed principles. It is aligned to the NSW Human Services Outcomes Framework, to evidence changes across a core set of domains in Home, Safety, Health, Social and Community, Economic, Education and Skills and Empowerment.

Theory of change





Samantha's story

“Support must be unwavering,” says Samantha, who lives with her two children in an SGCH leasehold property in Sydney’s north. “And that's exactly the kind of support SGCH has offered me.” Today, she is studying a Master of Development Studies at University of NSW and attributes much of the success behind her educational journey to Carrie, manager of SGCH's Housing Plus program.

Through our Catalyst program, led by Carrie, Samantha has been able to access career planning, help to obtain a Commonwealth Supported Place for university enrolment and a \$5,000 Service NSW Return to Work grant, plus support to get her an extension on assignments when close family members overseas faced severe illnesses.

“Carrie goes above and beyond expectations,” says Samantha. “She possesses an innate ability to identify an individual's strengths and she consistently follows through. That's what truly sets her apart. My experience with Carrie differs significantly from other employment services I've encountered.”

Arriving in Australia in 2008, Samantha had the initial intention of spending a year here to improve her English skills. She was armed with a degree in Economics from a Colombian university and corporate experience gained from her employment with a prominent telecommunications company.

Samantha's ties to Australia deepened after she got married and had her first child. Motherhood and the love for her family saw her defer her aspirations to commence a PhD program at the University of Sydney. A few years later, a second child joined the family, but Samantha remained steadfast in her desire to pursue further studies.

Her dreams faced more postponement when her now-ex-husband suffered a stroke. Caring for him and their two young children took a significant toll on Samantha's physical and mental wellbeing. “I was in a compromised state –mentally and physically. Without family support in Australia, how could I have possibly navigated my way through? We all need a helping hand and guidance.”

Two years ago, Samantha and her children were referred to SGCH through a Service NSW Rent Choice program run by a women's service. Shortly after settling into their new home, Samantha established a connection with Carrie and embarked on her Master's degree. “I aspire to inspire others to seek assistance when physical and emotional pain strikes. There is always a way out, a reason, a motivation to move forward with your dreams and goals,” says Samantha. “Especially for women, education is the key to opening the door to success. We can empower ourselves with knowledge.”

Returning to work and overcoming difficult life circumstances can be daunting, she adds –“in my case, it was after 12 years of not being in the workforce. But, for me, being the primary caregiver for my family has been an honour and has enabled personal growth and a deep understanding of humanity.”

Samantha is now filled with optimism for the future: “I am confident I can meet my dreams and my happiness by setting a proud example for my children, showing them what we all are capable of achieving when the right support, help and love is received.”



Samantha is studying a Master of Development Studies.

I am confident I can meet my dreams and my happiness by setting a proud example for my children, showing them what we all are capable of achieving when the right support, help and love is received.

— Samantha

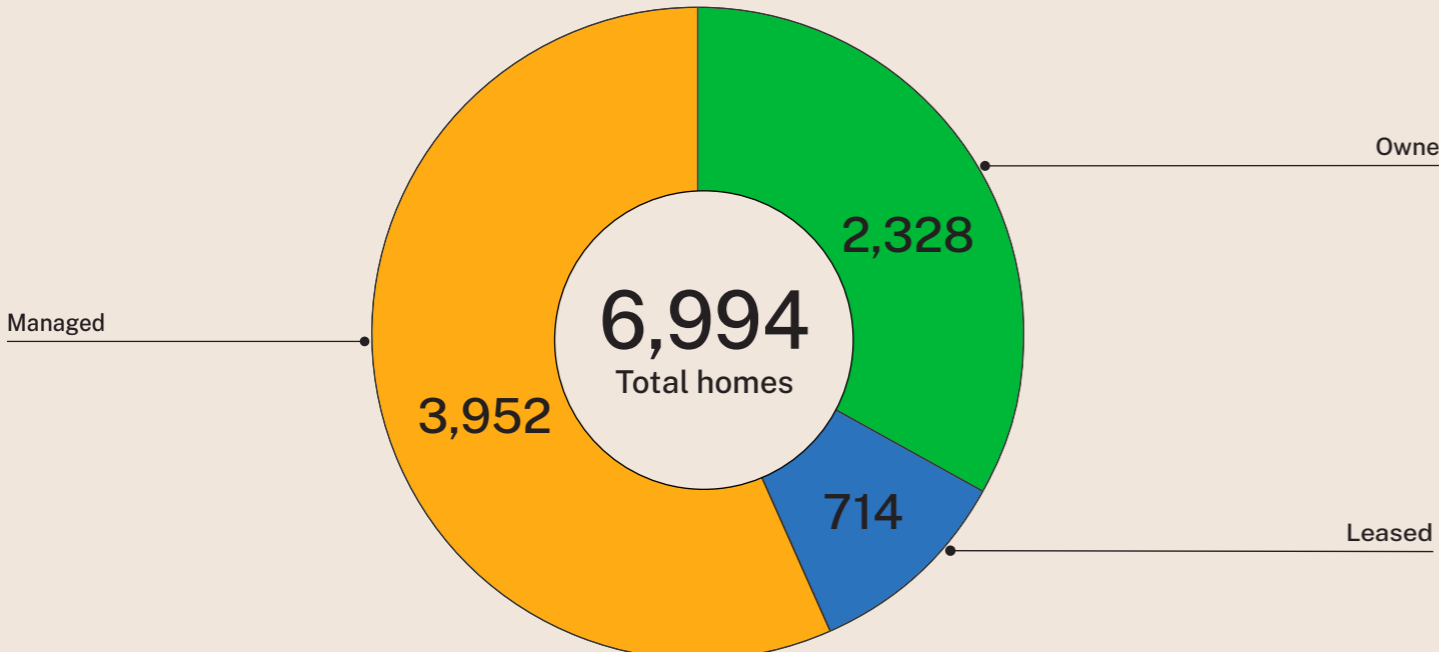


Safe and sustainable homes

SGCH manages a portfolio of property assets with a value of approximately \$3.9 billion, including \$1.3 billion total assets on our balance sheet. We invest in quality new buildings and improve the safety and sustainability of our existing portfolio.

Our homes include a mix of properties we own, and properties we manage on behalf of the NSW Land and Housing Corporation, local councils, private investors and private landlords. We have experience providing asset management services for a range of housing types from single cottages through to 18-storey high-rise apartment buildings. As stewards of significant community resources, we understand our responsibility to deliver and maintain resilient, quality social and affordable homes. We proactively maintain the

assets for the public benefit to meet community needs now, as well as acting to preserve the underlying asset value, over the longer term. SGCH has well established systems and processes for planning, budgeting, and monitoring the performance of asset maintenance services for a large-scale portfolio of 6,994 homes.



Property assets	Year	2018	2019	2020	2021	2022	2023
Owned		1,542	1,659	1,828	2,164	2,242	2,328
Leased		616	665	657	700	758	714
Managed		2,595	4,078	4,072	4,063	4,068	3,952
Total homes		4,759	6,402	6,557	6,927	7,068	6,994
Social housing		4,432	6,011	6,075	6,340	6,269	6,135
Affordable housing		324	391	482	587	799	859



Stephanie's Story

“My job is very reactive,” says Stephanie, Senior Tenancy Manager at our Riverwood office. “It can be challenging at times, but there’s nothing like a good challenge.”

She has held a couple of different positions since she joined the social housing sector in 2012. In her current role, the work can be intense and the days long, but what drives Stephanie is the daily opportunity to make a difference to people’s lives: “It gives me real purpose knowing that every day I can help someone.”

It’s this personal philosophy that has generated many memorable experiences that mean the world to a customer and that create lasting meaning for Stephanie. “I had a customer who was living in a one-bedroom property, which meant his five-year-old son had to stay with his grandparents. We relocated the father to a two-bedroom property so his son could live with him. The boy sent me a picture of himself with a thumbs up and it said, ‘thank you so much for giving my dad a home so I can live with him’. It was priceless.”



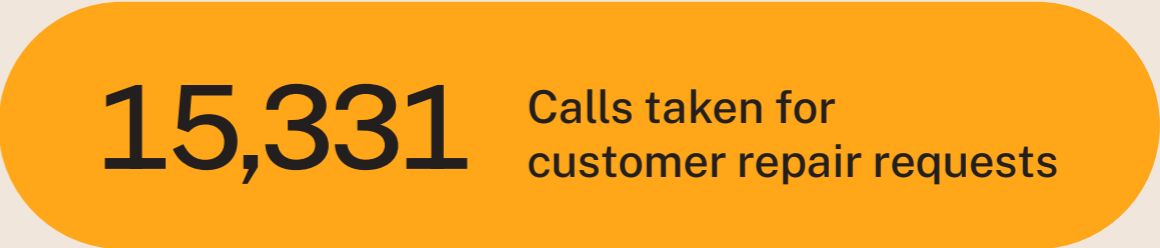
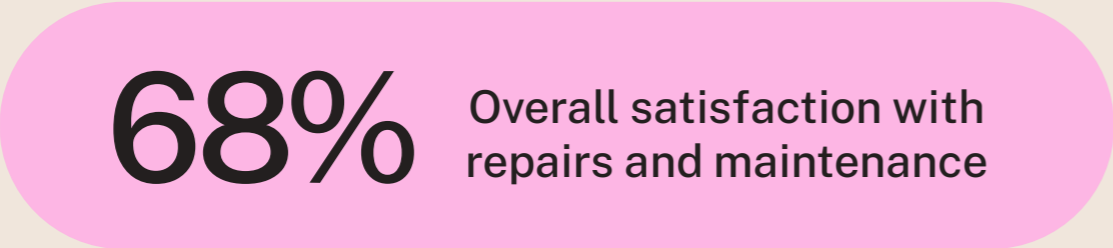
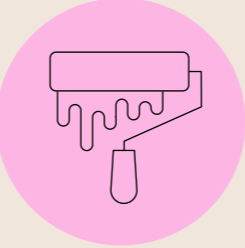
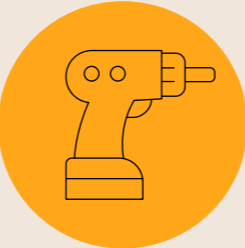
It gives me real purpose knowing that every day I can help someone.
— Stephanie



Stephanie enjoys the sense of purpose her work brings her.

Homes snapshot FY22/23

This snapshot includes key findings from our Tenant Satisfaction Survey and an overview of the activities undertaken in our Homes portfolio.



Maintaining homes

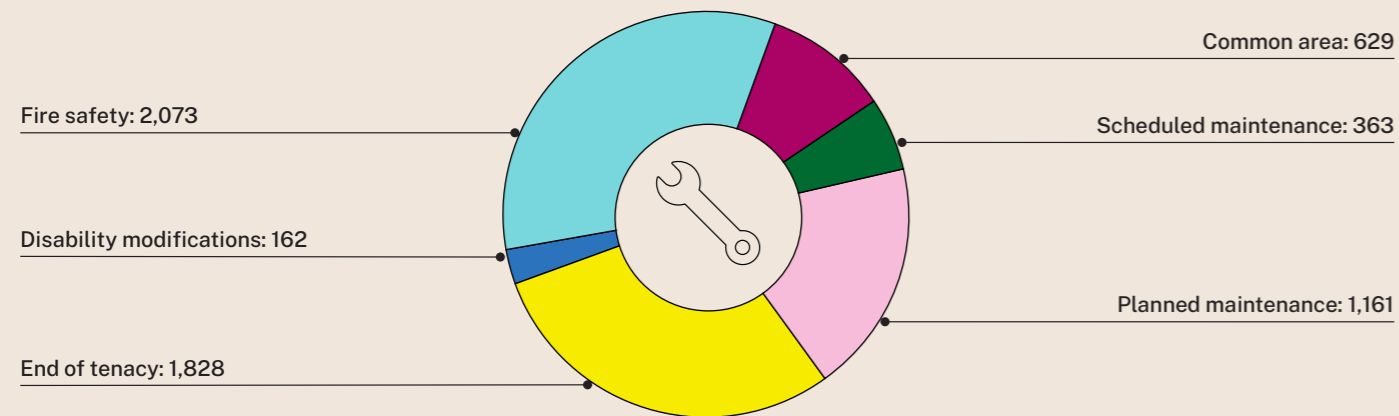
Our focus is both on asset maintenance planning and investment in quality innovation to make sure our homes are fit for purpose now and will remain so into the future.

We deliver asset maintenance services to respond to customer needs. Our primary model of delivery for asset maintenance services is via good working relationships with two multi-trade contractors working across two regional portfolios, Asset Group Services and SR Constructions. They deliver responsive and planned maintenance, and regular common area maintenance, such as cleaning, lawn mowing and servicing bin rooms.

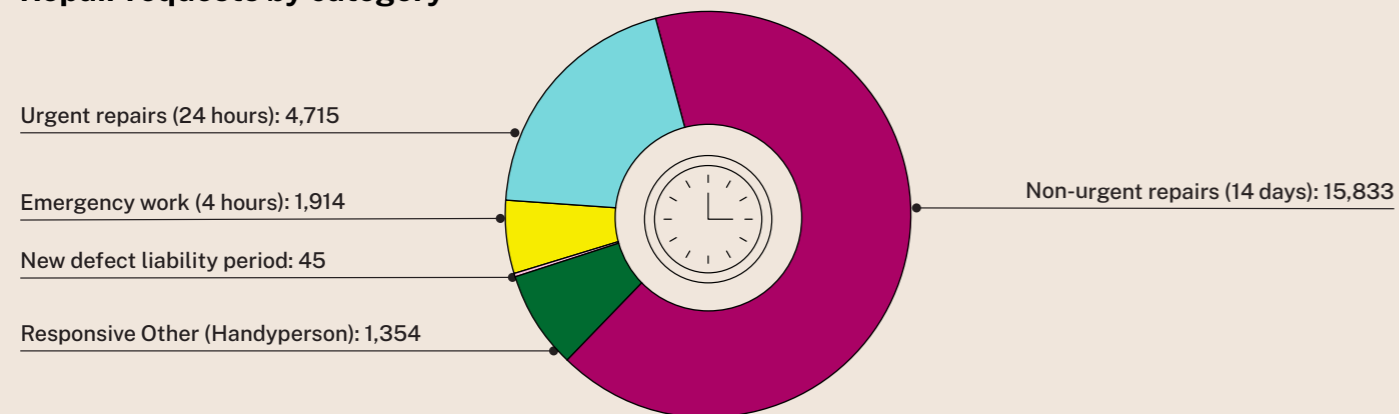
Our annual capital upgrade program is data-driven and informed by our Property Assessment Surveys. We prioritise our investment by balancing performance, cost and risk. Our own

Safe and Sustainable Homes (SASH) standard highlights our approach to upgrading existing properties in a more strategic, financially and environmentally responsible way. It includes an asset standard focused on compliance with fire, safety and the Building Code of Australia (BCA) regulations. Its implementation helps us lift the standard of housing to be consistent with the broader social and affordable housing community, if not higher. It also incorporates NSW Land and Housing Corporation (LAHC) Asset Performance Standards, which set the operating and compliance framework for the portfolio managed on behalf of the NSW Government.

Works by maintenance category



Repair requests by category



Karen's story

When Karen and her husband, Ray, were told they needed to relocate from their Bonnyrigg home as part of the suburb's redevelopment, they were worried. "It was all a bit daunting," says Karen, who's lived in Bonnyrigg since 1982. But now she says couldn't be happier, having shifted from a three-bedroom house into a new townhouse on the estate that she absolutely loves.

"It proved to be a godsend," she says, "because in 2022, not long after we moved in, Ray became very ill with his second bout of cancer and passed away. Having ground floor access was very handy in his final months, as was the walk-in shower."

For Karen, there's much to love about her new home: "It's fantastic that there's no mowing, but still a nice, long courtyard for me to have lots of pots—I love to garden. I also really like that the place is nice and secure, which is great for me now I live on my own. Knowing that I would be safe was something that gave Ray a lot of comfort before he passed away."

Some aspects of the redevelopment have been difficult for Karen—"I've never driven so when construction means that roads are closed off to buses that isn't great for me"—but on the whole she is very pleased with the changes she's seen in Bonnyrigg over the past 40 years. "It feels safer, it looks better and I love the community here," she says. "I know almost everyone in my building and we all look out for each other."



Karen with her faithful companion, Roxy.

It feels safer, it looks better and I love the community here.

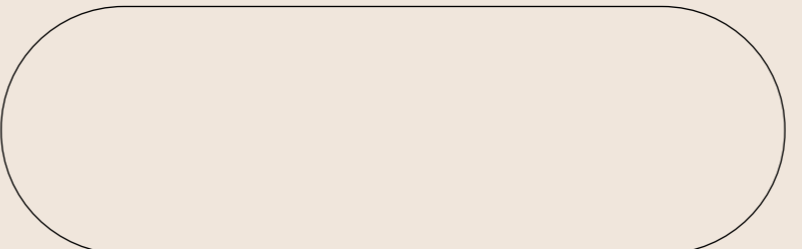
— Karen



New homes FY22/23

SGCH is the largest community housing provider and developer of social and affordable housing in New South Wales.

We have a proven track record of working with government and the private sector to deliver more social and affordable housing. SGCH has a dedicated in-house team experienced in development and project management, across residential and major urban regeneration projects. Since 2014 we have delivered 1,096 new units across Greater Sydney, building to a minimum 7-star NatHERS rating target. In the past year alone, we have delivered 101 new homes with a further 585 in various stages of construction, planning or through an acquisition program.



*Riverwood construction project

New homes

The Lennox, Parramatta

With funding from investment partner Lighthouse Infrastructure, SGCH acquired 76 apartments valued at \$50.24 million, which are within the Lennox development completed by Sydney developer Aoyuan International and builder EQ Construction. The Lennox is in close proximity to Parramatta train station, Westfield, CommBank Stadium and Parramatta Park. It is within 3km of Westmead Hospital, the largest Health Precinct in the Southern Hemisphere, and provides easy access to multiple schools and tertiary education providers. The tenancies are managed by SGCH, with key worker tenants meeting the criteria of low-to-moderate income bands and working in designated sectors such as emergency services, health and education.



①

Palace St, Petersham

SGCH was successful in a funding submission via the Together Home Transition Program (THTP) through the Department of Communities and Justice (DCJ). Funding from DCJ was matched by SGCH, enabling us to purchase and upgrade an existing ten-unit block in Palace Street, Petersham. All of the units are provided as social housing, in accordance with the funding criteria. SGCH has housed a range of households, including three from the

Together Home program, two priority housing applicants and a range of other households in need of safe, affordable housing in this area. The block comprises six one-bedroom and four two-bedroom units, which have been refurbished to bring them up to SGCH's high standard. The refurbishment included work to bathrooms, kitchens, communal areas both internal and external. Our customers have been living in their new homes since January 2023.



③

- ① SGCH's Lennox apartments assist key workers to access the education and employment opportunities they need at a rent they can afford.
- ② Units in our Chandos St property offer customers light-filled living areas.
- ③ All the kitchens in our Petersham property were updated.

Chandos St, St Leonards

Completed in July 2023 by our private development partner Australian Village Management, Chandos Street is a five-storey modern building delivering 26 new sustainable and affordable homes, 10 affordable and 16 social, to the St Leonards community. There is a mix of studio (8), one (10), two (4) and three (4) bedroom units, rooftop common area space and a bike storage room.



②

Homes in our pipeline

Secured and under construction	Date of project completion	Social Housing	Affordable Housing	Key Worker Housing	Total new homes
Barangaroo (Lendlease)		0	50	0	50
Westmead (AXA)		0	198	199	397
St Leonards (AVM)	September 2023	16	10	0	26
Marrickville (AVM)		49	12	0	61
Riverwood (SGCH)		51		0	51
Total new/in development		116	294	199	585

People and culture FY22/23

Our people are vital to our success. We are focused on attracting, retaining and developing an engaged and capable team which delivers together with passion and purpose, guided by our values of Empowerment, Trust, Honesty, Inclusion and Creativity.



4,666 Enrolments across 62 eLearning modules

637 Attendees at 11 different Health, Safety and Wellbeing training sessions



4 Reports made to our external whistleblower reporting service*

*Each report was reviewed, actioned and closed out according to the appropriate avenue for resolution based upon the details and nature of the report.



254
Employees

171 Team members attended 50 external learning opportunities

89%
Retention rate

56

Team members who attended conferences

145 Team members attended Social Impact Awareness sessions

3.88 Employee Engagement score Gallup Q12



Paul's story

SGCH's Bonnyrigg-based Groundskeeper Paul sees the work he does daily as part of a larger mission. "I believe that everyone should have a roof over their head," he says. "It's great to be part of a team helping people to achieve and afford this basic right."

Paul is a member of the SGCH Handyperson team and believes that a community, at its core, is a physical area full of thriving people. He takes great pride in maintaining and improving this physical space: "For my part, it's the satisfaction of cleaning, tidying and making the Bonnyrigg area visually more appealing and safer for the community to be proud of and enjoy."

He finds himself always looking for ways to improve the suburb to build a better community. "To me, community means people harmoniously living together in the same place. People are comfortable, secure, safe and proud of the place they live in, no matter their age, heritage, cultural or socioeconomic backgrounds."

Paul's day-to-day generally begins at the end of the previous day. "I will pick an area to work on the next day. I'll drive past or walk around the area, assessing any concerns or possible risks and equipment needed to complete that work," he says. "In the morning, I'll refuel and run through daily checklists on the machinery, then load the van and/or trailer accordingly with the equipment and PPE needed for that day. Then I head out and complete the task I have set for myself."

In the course of carrying out his work duties, Paul has become an inextricable part of the community he works diligently to maintain. "I've had many memorable experiences with customers. People thanking me and telling me I'm doing a good job, even in cases where there is a language barrier. A smile, a thumbs up or an acknowledging nod of the head are all fairly universal gestures."

"I am happy in the fact that people feel that they can easily approach me. Whether that is to express their concerns or to say hi and have a chat, or in one case just to open a jar for them."



Paul in the SGCH workshop at Bonnyrigg.

Community means people harmoniously living together in the same place. People are comfortable, secure, safe and proud of the place they live in, no matter their age, heritage, cultural or socioeconomic backgrounds.

— Paul



People and culture

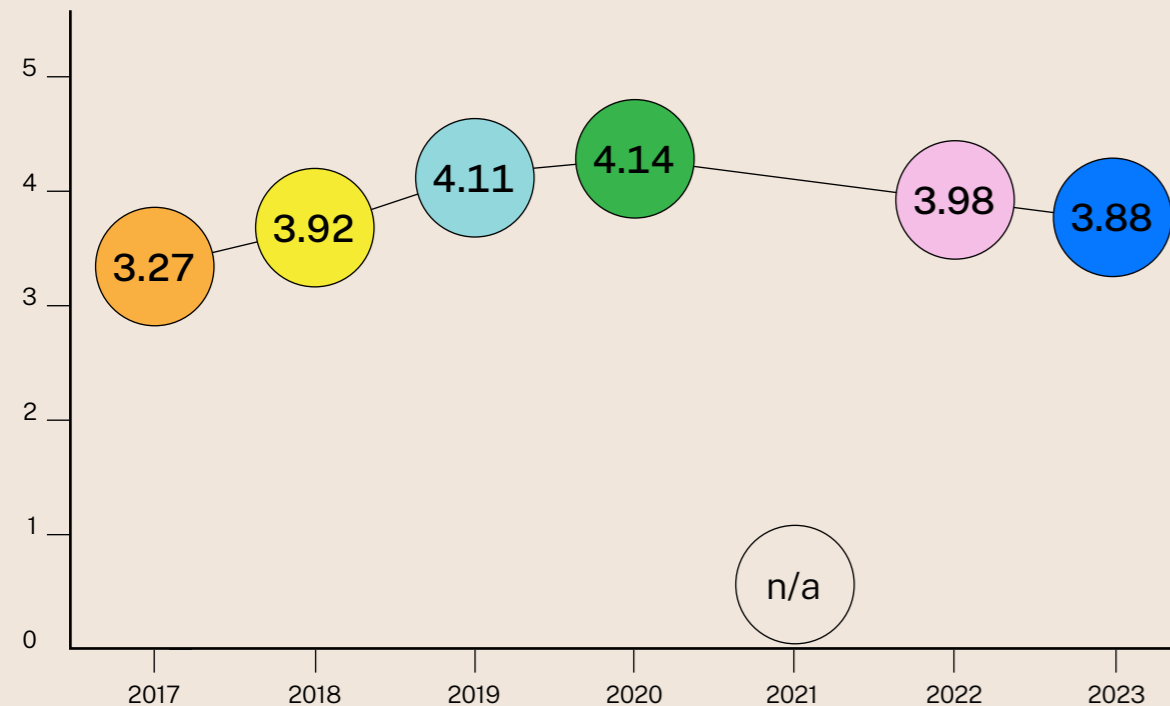
The SGCH People and Culture Strategy 2023-2026 was approved in February 2023 with the purpose of ensuring sufficient capable, competent and professional resources to sustainably deliver the agreed strategic outcomes in the SGCH Strategy Blueprint 2022-2025.

The People and Culture Strategy specifically aims to deliver a vibrant, sustainable business by understanding first what makes SGCH a great place to work for today and tomorrow. It aims to help business leaders identify pragmatic solutions, aligned with its growth and cost strategy, to transform SGCH into a highly recognised, reputable and sustainable place to work, and to create an even better cultural environment to achieve SGCH's purposes.

Key deliverables include:

- Remuneration Framework
- Values and Behaviours Reset
- Aboriginal Connection and Capability Development
- Aboriginal Employment and Engagement/Reconciliation Action Plan
- Strategic Workforce Planning
- Integrated Talent Framework

Employee engagement score over time



Engaged employees

SGCH has been measuring employee engagement through the Gallup Q12 Employee Engagement Survey since 2017.

The Gallup approach identifies 12 core elements that link powerfully to key business outcomes and best predict employee engagement and performance.

We ran the Gallup Q12 Employee Engagement Survey between 25 August and 11 September 2023, recording a response rate of 79% and receiving a Gallup Q12 Mean Score of 3.88 out of 5. Our results indicate SGCH has more engaged staff than the global and Australia/New Zealand benchmarks, with our engagement results reflecting the general market. The most outstanding responses were that 89% agreed/strongly agreed with the statement 'I know what is expected of me at work' and 80% agreed/strongly agreed that 'My manager, or someone at work, seems to care about me as a person'.

Reward and recognition

We promote positive engagement and retention, with a focus on rewards and recognition. While performance is key, we also promote our values, encouraging team members to live our organisational behaviours. Rewards and recognition include our Values awards, GEM (Going the Extra Mile) award, Thank You program and Manager's appreciation incentives.

Our teams are employed under either the Social, Community, Home Care and Disability Services Industry Award (SCHCADS) or an individual employment contract. SGCH pays above award minimum rates.

Learning and development

SGCH fosters a culture of continual learning and development for team members through a range of formal and informal training and learning opportunities. Our online Learning Management System, Apollo, provides flexibility and choices for staff to manage their own eLearning experience. In the past financial year, other activities included:

- Social Work Supervision program
- Liberated Leaders program
- Community Housing Industry Association Cadetship Support
- Business Writing
- Sustainability Workshops
- Privacy Training
- Crucial Conversations
- Corporate Performance Training
- Mandatory Reporting Training

Health, safety and wellbeing

We are committed to creating a great workplace environment where the health, safety and wellbeing (HSW) of our people, partners, stakeholders and customers is considered in every decision we make about how, when and where work is done.

We are a values-based and driven organisation. Everything we do – including tackling the big challenges facing our communities like homelessness, climate change and supporting vulnerable groups including First Nations communities – relies on the effectiveness of our people. This effectiveness hinges on our people feeling healthy, safe and well.

Our approach is solidified by the endorsement of the 2023-26 HSW Strategy by the SGCH Safety and Sustainability Committee and review of our SGCH HSW Framework.

Subsequently, we have restructured the SGCH HSW team, expanding on roles and functions, and incorporating our Facilities Team for a portfolio approach ensuring consistent services are proactively delivered across our place-based facilities, addressing all aspects of HSW. This has given rise to a number of significant projects, including the launch of the Safety Module, the review of the SafeTCard program, and soon to come Safety Culture Index review.

We recognise the impact of societal change (in the way we work) and continue to support and foster flexibility in the workplace. Our HSW strategy takes us beyond risk mitigation of physical harm as it incorporates objectives to mitigate risk of psychosocial harm. As such, we will soon commence a deep dive risk-profiling exercise centred around psychosocial risk in our workplace together with a review of our Employee Assistance Program (EAP) provider to support our team members to maintain overall wellbeing.

We all have the right to return home safe every day and to feel empowered to speak up about the health, safety and wellbeing of our people and community.

We also recognise the potential for societal impact on our customers. We provide ongoing training, development and specialist support for our people to better serve our customers.



Sririsay's story

Sririsay was raised in Bonnyrigg, an area of Sydney where St George Community Housing plays a pivotal role in the suburb's renewal through tenancy management, property maintenance and community development. Now, decades later, Siri is a Project Change Manager for SGCH – a role that directly contributes to how our organisation operates in her local community.

"It's my job to manage the impact of change on SGCH team members. I help them be prepared, informed and therefore able to accept and move through changes in the workplace more easily – then they are freed up to support our customers to thrive in stable, safe homes or to advocate for increasing housing supply and reducing homelessness."

"I'm the middle child out of five kids. My family emigrated to Australia from Laos when I was two-and-a-half years old," she says. "We initially lived in a flat in Cabramatta and then moved to the Bonnyrigg estate in 1980. I still live locally and enjoy the diversity, culture, sense of community and connection to family I have in the area."

Growing up in Bonnyrigg means Siri can draw on personal experiences to shape her understanding of that community. "I have fond memories of exploring the neighbourhood with a great group of friends who accepted each other's differences, cared about one another and knew how to have fun. The cultural diversity of the Bonnyrigg neighbourhood also opened my eyes and taught me to appreciate people's differences. I vividly remember the wonderful aromas and different dynamics of each home."

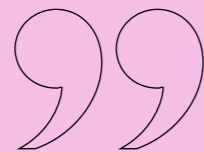
When Siri isn't working at SGCH she enjoys spending time with family. She is a mother to four, with a large extended family who love to get together and celebrate – from sporting events to birthdays and all the seasonal festivities ("We celebrate four different new years, among other culturally significant events!"). And that is the goal of connected communities and our work at SGCH: "Community is a place we can all thrive through learning, empathy and acceptance, regardless of your background or circumstance," she adds.



Siri is proud of her deep connections to the Bonnyrigg area.

The cultural diversity of the Bonnyrigg neighbourhood opened my eyes and taught me to appreciate people's differences.

– Sririsay



Workforce insights

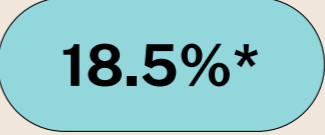
Under the Workplace Gender Equality Act 2012 (WGEA), non-public sector employers with 100 or more staff must report annually against six gender equality indicators. The reporting results are a snapshot of a point in time, in this case representing SGCH in May 2023.

On occasion, SGCH will require flexibility to remunerate above the median for non-Award specialist skills/niche roles owing to the demands of the business at any time. These roles can create a spike in the remuneration data favouring male or female employees and should be factored in for consideration when assessing the trends of the gender pay gap. Currently, SGCH has several specialist roles affecting our gender pay gap.

Indicator	Overview			
Workplace overview	YES Formal policy and/or strategy in place to support gender equality overall	NO Formal policy or strategy in key performance indicators for managers relating to gender equality	YES Formal policy or strategy in recruitment	YES Formal policy or strategy in promotions
Action on gender equity	YES Specific pay equity objectives included in your formal policy and/or formal strategy	YES Formal policy and or/ strategy on remuneration generally	YES Analysis of payroll to determine if there are any remuneration gaps between women and men	
Employment support	YES Formal policy and/or strategy to support employees experiencing family or domestic violence	YES Provision of employer funded paid parental leave, regardless of carer's status and in addition to any government funded parent leave scheme	YES Formal policy and/or strategy on sex-based harassment and discrimination prevention	
Flexible work	YES Formal policy and/or strategy on flexible working arrangements			
Governing body	YES Governing body for this organisation	YES Formal selection policy and/or strategy for governing body members	YES The SGCH Board has a set policy target of 40/40/20 and is currently gender balanced*	

Gender pay gap

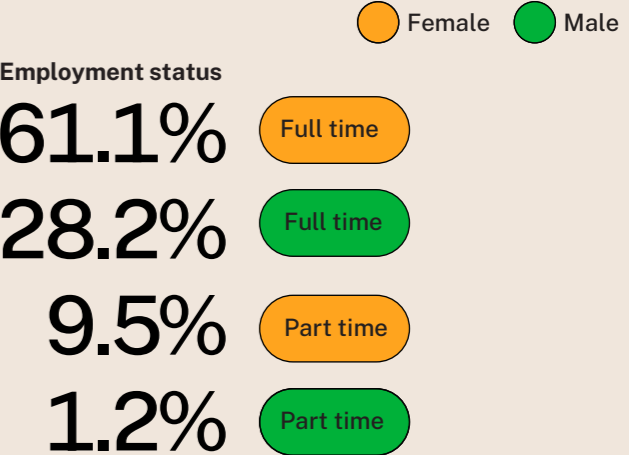
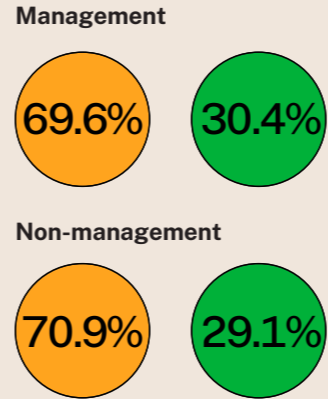
Organisation-wide gender pay gap for total remuneration



Pay gap favours men

*The gender pay gap excludes voluntary salary data submitted for the CEO, Head of Business(es), and KMP/HOBs. It also excludes employees who did not receive any payment during the reporting period. Gender X is excluded while the Agency establishes the baseline levels for this new data point.

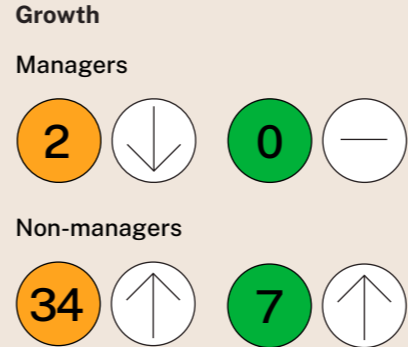
Workforce composition



Top occupation by gender



Employee growth and promotion



Our values

We recently asked staff members to help customise SGCH's Values, Customer Service Standards and four Vital Behaviours at seven in- person workshops.

180 team members identified how our Values and Behaviours will be lived every day and provided feedback on the need to simplify our values, behaviours and other standards. Feedback and data from the Board and team sessions was then synthesised to identify the wording for our refreshed values.

Our new values and behaviours

With a business head and a social heart, we are customer centric, delivering quality and efficient services connected to our social purpose, guided by our values.



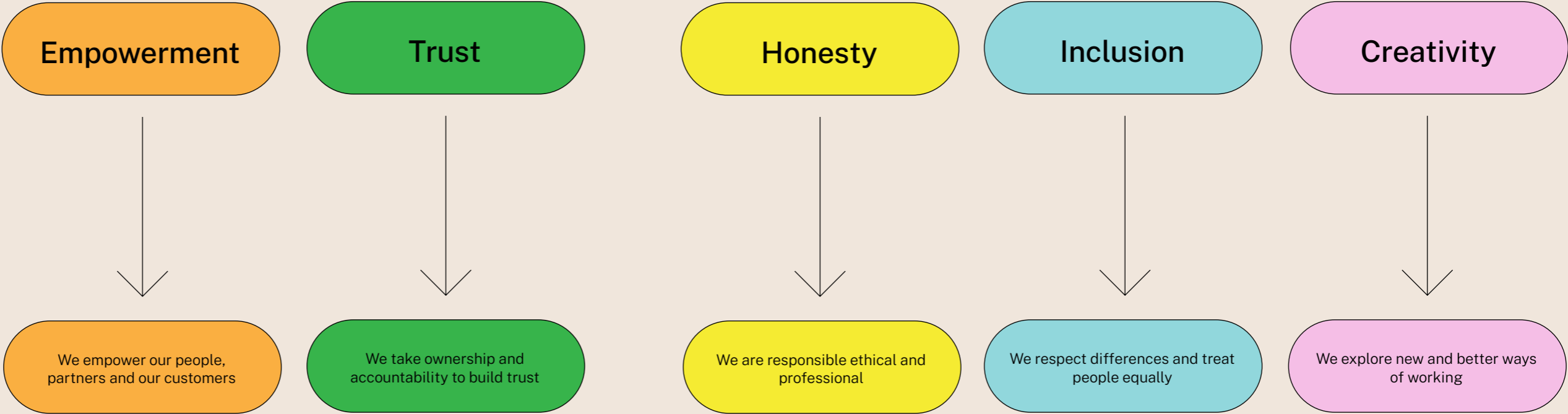
Our values

Important beliefs that motivate people to act one way or another and serves as a guide for human behaviour.



Our behaviours

Actions that are specific observable, repeatable and passes the test of "did they do it or not."





Ashley's story

There are many keen gardeners among SGCH's customers – but also a few who are just a little too keen. “Our Legge Street building in Roselands definitely fell into that category not so long ago,” laughs Ashley, the Tenancy Manager for that property, which takes in 12 apartments and is home to 13 people.

“When I began looking after Legge Street it quickly became clear to me that some of the customers there had taken over the communal garden area – and not in a good way.” While their enthusiasm was definitely to be admired, there were some obvious problems. They'd put in unstable garden structures, there were trip hazards everywhere and bricks were piled up in an attempt to contain the piles of soil and overgrown gardens. “It was my job to deliver the bad news: that the gardens, in that form, had to go,” says Ashley.

For years, customers had been paying for plants and other equipment for the garden. “They were pretty devastated that all the hard work they'd put into it over many years would be gone.” And, as unruly as the gardens had been, they'd added character to Legge Street. So when Ashley saw the plants pulled up and the space they'd once occupied looking sad and empty, she knew she had to do something. Her solution was to reinstate the gardens – but in a way that would be beneficial for everyone.

Ashley worked with her colleagues to organise the garden area being included in the property's next regular ‘Clean Sweep’ clean-up day. “Our Maintenance and Community, Place and Partnership teams were there on the day, along with me and representatives of Canterbury Bankstown Council,” says Ashley. “All the broken pavers, excess garden items and overgrown plants were removed.” Some of the neater garden beds were able to be saved and to remain on the site, complemented by three brand new raised-garden planters.

Community Greening – a partnership between the Department of Communities and Justice and the Royal Botanic Gardens – has held a session at Roselands to encourage customers to reignite their passion for growing plants. “But from now on, the gardens will be beautiful to look at and better for everyone to live with,” says Ashley. “And that means they can flourish into the future.”



Ashley has picked up some gardening tips from her Legge Street customers.

From now on, the gardens will be beautiful to look at and better for everyone to live with. And that means they can flourish into the future.

– Ashley

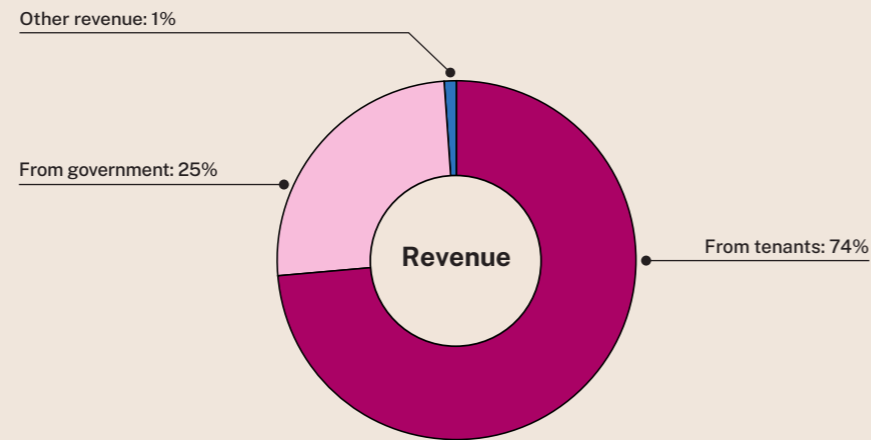


Financial sustainability

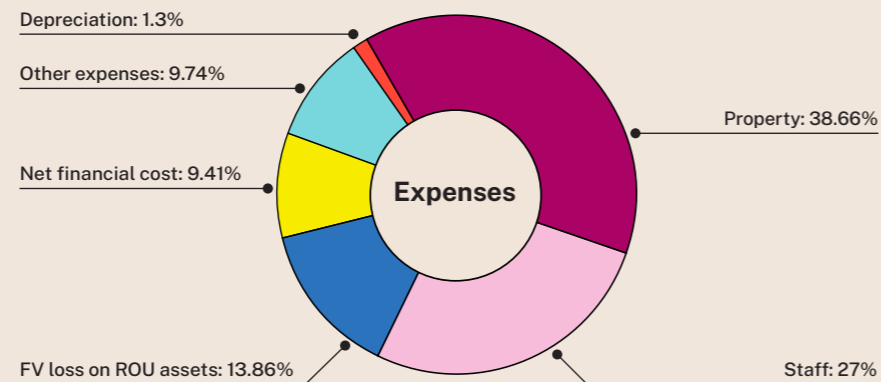
As a for-purpose organisation with a Board of professional non-Executive Directors, we ensure strong financial performance to reinvest our surplus towards delivering strategic outcomes. We focus on leveraging partnerships to solve complex challenges.

We take a strategic and holistic approach to managing financial resources to ensure the most effective, efficient and economical services for our customers. We combine our social purpose and commercial expertise to provide sustainable, safe and affordable homes. We apply this thinking across our entire operations and strive to be a vibrant, sustainable business.

Revenue	\$'000
From tenants	89,978
From government	30,893
Other revenue	1,040
Total	121,911



Expenses	\$'000
Property	42,336
Staff	29,597
FV loss on ROU assets	15,174
Net financial cost	10,308
Other expenses	10,671
Depreciation	1,425
Total	109,511



Financial performance

This year, we have grown to around \$1.3 billion in assets on balance sheet and approximately \$3.9 billion in total owned and managed assets. Our overall performance has been very strong. For detailed information about SGCH Group financial performance, please refer to the Directors' Report and Summary Financial Statements 2023/24 (page 132).

Our growth over time	2018	2019	2020	2021	2022	2023
Homes	4,756	6,402	6,557	6,927	7,068	6,994
Customers	9,185	11,048	11,292	11,371	11,437	11,400
Staff	178	202	205	225	236	254
Annual maintenance spend	\$12,862,658	\$12,194,909	\$20,053,169	\$23,482,284	\$19,042,801	\$24,487,543
Total revenue	\$70,754,091	\$86,784,457	\$95,881,700	\$109,014,050	\$114,639,000	\$121,911,000
Total expenditure	\$67,999,072	\$60,074,944	\$82,645,996	\$72,290,736	\$85,746,000	\$94,333,000
Surplus (Deficit)	\$14,871,658	\$47,924,433	(\$18,620,791)	\$23,700,281	\$9,471,858	\$29,359,000
Total assets	\$713,884,410	\$886,037,697	\$1,070,654,120	\$1,257,887,515	\$1,283,435,623	\$1,321,883,000

Commercial approach

SGCH has a demonstrated track record of successfully raising capital at scale and delivering outcomes based on complex transactions. This is evidenced by the financial strength of SGCH Group, which has an annual revenue of \$122 million, assets valued at \$1.3 billion on balance sheet and net assets of \$706 million.

We understand that solving the challenges of our housing system requires both public and private participation, and requires the innovation and ideas of different industries.

We see our role as being a crucial partner with the capability, expertise and vision to draw in a range of complementary organisations to achieve change and improve outcomes for individuals and communities.

Increasingly, social and affordable housing is recognised as an asset class offering the benefits of low-volatility, long-term demand and the assurance of being highly regulated.

Our aim is to:

- unlock land owned by governments or aligned partners for affordable housing in the right locations. To access this land, we use available planning and tax concessions to maximise value through the delivery of affordable housing as stand-alone assets or as part of larger developments;

- manage development risk and create construction and whole-of-life operational efficiencies. To do this, we use our expert in-house development team to drive long-term value for money through design and construction, and the adoption of innovative procurement practices;
- deliver efficiencies in operations and maintenance through our growing scale and concentration in Sydney, using our proven capability to optimise operating phase efficiencies;
- accelerate the creation of innovative financing structures that utilise efficient access to capital, priced to reflect the steady returns and low volatility.

01 Overview
02 Approach
03 Performance
04 Financial report



Summary consolidated financial statements 30 June 2023

22
23

Corporate governance principles	124
Corporate governance	128
Committees	129
Group structure	130
Risk	131
Directors' report	132
Discussion and analysis of the summary financial statements	141
Summary consolidated statement of profit or loss and other comprehensive income	142
Summary consolidated statement of financial position	143
Summary consolidated statement of changes in equity	144
Summary consolidated statement of cash flows	145
Notes to the summary financial statements	146
Independent auditor's report	152
Directors' declaration	154
Content elements	155

Corporate governance principles

The SGCH Group is required to meet the Australian Charities and Not-for-profits Commission governance standards and the performance outcomes mandated in the National Regulatory System for Community Housing (NRSCH), against which it reports annually to demonstrate compliance and maintain registration as a Tier 1 community housing provider. Additionally, the SGCH Group benchmarks against the ASX Corporate Governance Council's Principles and Recommendations ('Recommendations') in continually assessing and improving its processes and policies.

Principle 1

Lay solid foundations for management and oversight

- Corporate Governance Policy-principal – the features of the Group's governance framework include the role of the Group Board and its Committees, matters reserved to the Group Board, the mechanism for delegation to management, company secretary accountability to the Group Board, directors' access to independent advice, the customer's voice in decision making, and processes for evaluating the performance of the Group Board and directors.
- Continuous evaluation of Board Committees.
- Annual review of the CEO's performance. The CEO is responsible for evaluating the performance of the executive management team each year and the People and Culture Committee of the Group Board annually reviews this process and the development and maintenance of succession plans.
- The Group has a Diversity and Equal Employment Opportunity Policy. The Group Board has equal female and male representation, achieving its gender diversity targets. The SGCH Group is a "relevant employer" under the Workplace Gender Equality Act. The Gender Equality Indicators are reported on page 113.
- The Tenant Coordination Panel is made up of up to 10 tenants from either a local tenant group, or from a cultural group (eg the Chinese Group). The panel connects tenants with the SGCH management team and other tenant groups. The panel meets at least four times a year and is guided by its Terms of Reference.
- Management frameworks underpinned by the Risk Management Framework.
- Policies including: Code of Conduct and Ethics; Conflict of Interest; Anti-bribery, Corruption, Gifts and Benefits Policy; Whistleblower Policy; Compliance Policy.

Principle 2

Structure the Board to be effective and add value

- All directors are independent non-executive directors and all Committees are independent.
- The People and Culture Committee assists the Group Board in considering the matrix of skills of directors, which is continually updated to ensure that the Group Board's composition reflects necessary areas of expertise and experience.
- Appointing directors against an assessment of skills required for the Board. In 2022 two new directors were appointed to the Group to replace directors at the end of their maximum terms.
- Annual evaluations of the Board and assessment of directors. The Group undertook an independent external Board review in 2022 and an action plan was adopted based on the recommendations, for the evolution of board practices for the continuous effective functioning of the Group Board into the future.
- Program for inducting new directors and continuous review of directors' education and professional development.

Principle 3

Instil a culture of acting lawfully, ethically and responsibly

- The SGCH Group clearly articulates and discloses its values to staff, customers and stakeholders. In 2023 the SGCH Group engaged in extensive consultation with staff in connection with a proposed refresh of its organisational values.
- Code of Conduct and Ethics and Conflict of Interest Policy and all employees and directors declare their compliance at least annually.
- Conflict of interest, related party transaction and gifts registers are maintained.
- Material breaches are reported to the People and Culture Committee and/or the Audit and Risk Committee.
- Publicly available Whistleblowing Policy where reports are investigated and reviews of de-identified reports are conducted by the Audit and Risk Committee and the Board.

Principle 4

Safeguarding the integrity of corporate reports

- Wholly independent Audit and Risk Committee of which a key function is to oversee the integrity of the Group's financial reporting and associated processes, including the appointment of the external auditor.
- Annually, the Group CEO and CFO provide the Board a declaration that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group and each of the companies and the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Corporate governance principles

Principle 5

Make timely and balanced disclosure

- Compliance with all applicable regulatory requirements to make notifications and disclosures and keeps its stakeholders and customers informed of material information.

Principle 6

Respect the rights of members

- SGCH encourages customer participation and feedback in various ways including the Tenant Coordination Panel.
- The Annual General Meeting is conducted in accordance with the Recommendations for substantive resolutions being decided by a poll and the option to receive and send communications to SGCH electronically.
- Regular communication with customers is achieved in various ways via communications and updates and regular and personal engagement by our tenancy managers. Customers can contact us via a central Customer Care Hub. Our website and other publications (including the Annual Report) provide a high degree of detailed information about SGCH, its governance and avenues for communication with SGCH.

Principle 7

Recognise and manage risk

- The SGCH Group's wholly independent Audit and Risk Committee assists the Group Board to monitor the effectiveness of the Group's systems of internal controls, risk management and compliance, and monitoring the effectiveness and integrity of the internal and external audit functions.
- The Audit and Risk Committee each year reviews the Risk Management Framework and reports to the Group Board, and external reviews are also conducted periodically.
- The Internal Audit function works to a Board-approved audit plan for assessing compliance, focused on key and strategic risks, and it monitors management's responsiveness to audit findings.
- The Internal Audit function has a reporting line to the Chair of the Audit and Risk Committee.
- Annually, the Internal Audit function is self-assessed and reports these findings to the Audit and Risk Committee. The effectiveness of the function is periodically reviewed by an external auditor to ensure the function is conforming with the mandatory requirements of the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors, including the International Standards for the Professional Practice of Internal Auditing and the IIA Code of Ethics.

Principle 8

Remunerate fairly and responsibly

- The People and Culture Committee's role is to assist the Board in setting the level of remuneration for directors and the Group CEO and approving the remuneration of senior executives.
- The People and Culture Committee oversees succession planning and advises the Board on annual performance targets and annual evaluation of the Group CEO's performance.



Corporate governance

We are committed to corporate governance that ensures transparency and accountability to our stakeholders.

The SGCH Board sets and guides the strategic direction of the organisation and oversees its activities with an appropriate level of governance and risk management.

The directors have an appropriate mix and balance of skills, expertise, experience, diversity, and independence to effectively govern the organisation for the benefit of the customers and communities we serve. For director profiles, see page 134.

We are committed to gender equality and recognise the benefits of diversity on the Board.

SGCH has met and exceeded its target of a 40:40:20 gender mix with the composition of its Board being 50:50 in 2023. SGCH regularly reviews the skills matrix of its Board to ensure alignment to strategy, sector evolution, purpose and customer and stakeholder need. All directors are independent. The assessment conducted in 2023 shows the SGCH Board has experience across all necessary skills areas identified, and in-depth expertise and speciality in many of these areas. Diversity considerations in the composition of the Board is a continued priority and focus area.

Skills matrix

Area of experience	Anna Buduls	Simon Shakesheff	Victoria Weekes	Annette Gallard	Karen Orvad	Barry Mann	Philip Fagan-Schmidt	Rajiv Viswanathan	Lianne Buck	Alexandra O'Mara
Prior non-executive director	●	●	●	●	●	●	●	●	●	●
CEO/Senior executive	●	●	●	●	●	●	●	●	●	●
Strategic finance/Accounting	●	●	●	●	●	●	●	●	●	●
Property/ Housing development/Procurement	●	●	●	●	●	●	●	●	●	●
Government / Social policy development	●	●	●	●	●	●	●	●	●	●
CHP industry / Social housing management	●	●	●	●	●	●	●	●	●	●
Information / Technology	●	●	●	●	●	●	●	●	●	●
Legal	●	●	●	●	●	●	●	●	●	●
Audit & risk	●	●	●	●	●	●	●	●	●	●
Community welfare	●	●	●	●	●	●	●	●	●	●
Asset management	●	●	●	●	●	●	●	●	●	●
Human resources	●	●	●	●	●	●	●	●	●	●
Infrastructure Investment (capital raising)	●	●	●	●	●	●	●	●	●	●
ESG	●	●	●	●	●	●	●	●	●	●

Committees

The SGCH Group has four Board Governance Committees that assist with the Board's duties to oversee strategic areas of business operation.

An overview of Committee responsibilities and follows further details about meetings in the reporting period and attendance are on page 138. Committee charters are available on our website.

Board Governance Committees



Audit and Risk

Karen Orvad
Chair (until 25 November 2022)

Lianne Buck
Chair (from 25 November 2022)

Oversees the integrity of the Group's financial reporting, monitoring the effectiveness of the Group's systems of internal controls, risk management and compliance, and monitoring the effectiveness and integrity of the internal and external audit functions.



Property Portfolio and Investment

Simon Shakesheff
Chair

Maintains oversight and strategic guidance of resources invested in homes. This includes review and oversight of strategy and systems for investment, review and recommending to the Board investment or development opportunities, monitoring the development pipeline, overseeing and monitoring strategic asset management, and long-term planning of portfolio asset management and investment. The charter includes reviewing safety systems and performance and environmental and sustainability initiatives with respect to development and maintenance activities and assets.

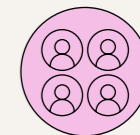


Safety and Sustainability

Victoria Weekes
Chair (until 24 June 2022)

Barry Mann
Chair (from 24 June 2022)

Monitors and reviews culture relating to safety, environmental and social sustainability. This includes the Group's approach to promoting and protecting health and safety of our workers, customers and others while pursuing strategic objectives, the environmental impact and strategies and initiatives adopted to improve environmental sustainability and the impact of our activities on customers, stakeholders and communities. The committee considers key risks, compliance and impact of relevant changes in the areas of safety, environmental performance and social impact.



People and Culture

Annette Gallard
Chair (until 25 November 2022)

Philip Fagan-Schmidt
Chair (from 25 November 2022)

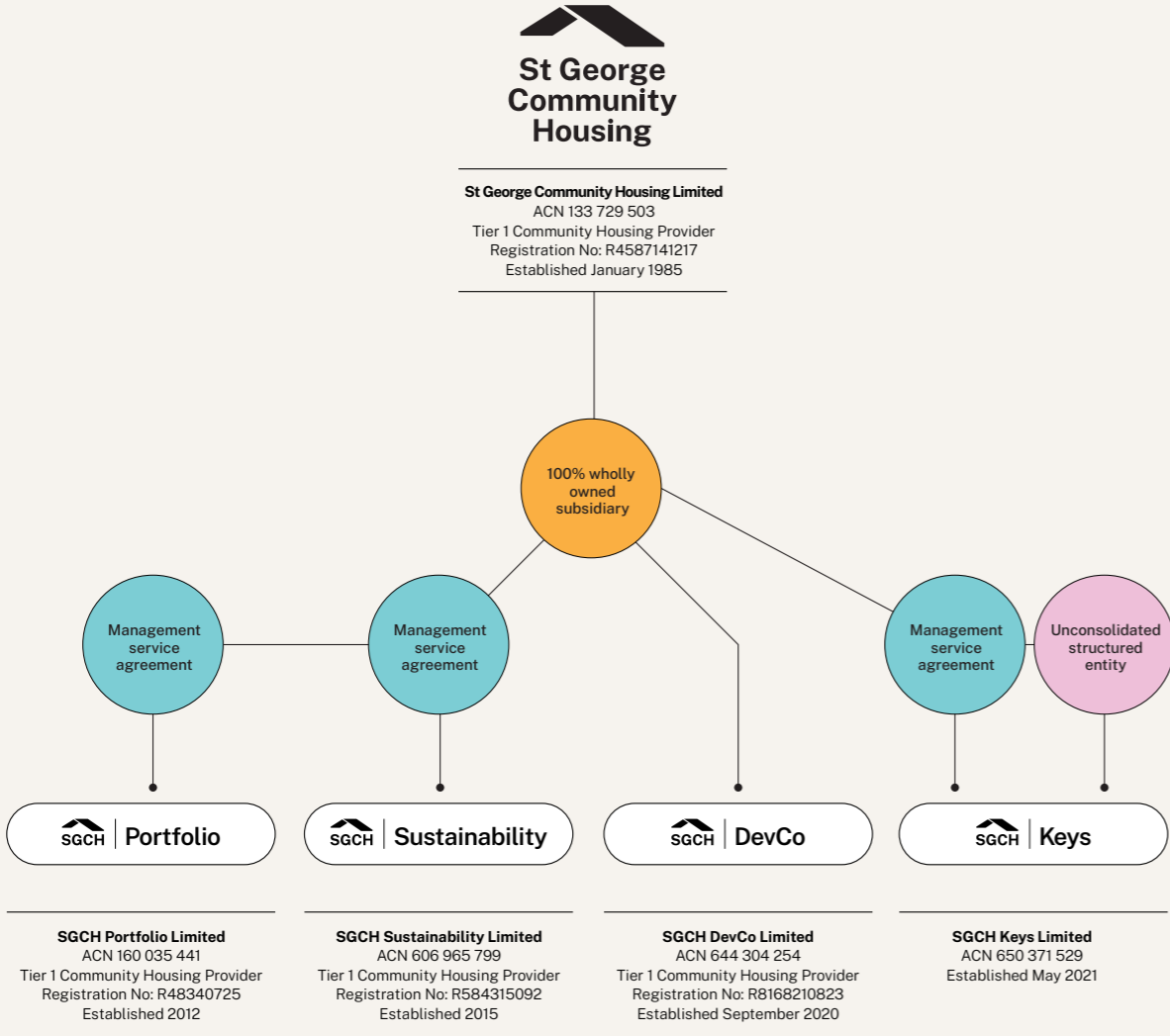
Assists the Board to fulfil its statutory, corporate governance and oversight responsibilities in relation to the people, remuneration and culture of the Group, contribute to the development and review of people and culture strategies, systems and processes and to monitor and ensure the effectiveness and performance of the Board.

Group structure

SGCH and its subsidiaries are registered with the Australian Charities and Not-for-profits Commission.

Additionally, the parent and subsidiaries SGCH Portfolio, SGCH Sustainability and SGCH DevCo are required to meet the governance standards and the performance outcomes mandated under the National Regulatory System for Community Housing, against which it reports annually to demonstrate compliance and maintain registration as a Tier 1 community housing provider. SGCH Keys is not registered in this system and it is an unconsolidated structured entity.

Our group structure



Risk

The Board has overall responsibility for risk management, which includes regularly reviewing strategic risks, risk appetite and operational challenges to achieve our overall strategic objectives.

We recognise the need to constantly monitor and effectively respond to risks in the context of a rapidly changing external environment including social, environmental, political and economic changes, all of which have the potential to impact our organisation.

Our risk management approach



Directors' report

SGCH Directors present their report on the consolidated entity (referred to hereafter as 'the Group') consisting of St George Community Housing Limited (referred to hereafter as 'the Company' or 'SGCH') and its wholly-owned subsidiaries, SGCH Portfolio Limited, SGCH Sustainability Limited and SGCH DevCo Limited for the year ended 30 June 2023 and the auditor's report thereon.

Directors

Karen Orvad

Annette Gallard PSM
(resigned 25 November 2022)

Anna Buduls AO

Victoria Weekes
(resigned 26 August 2022)

Simon Shakesheff

Barry Mann

Rajiv Viswanathan

Philp Fagan-Schmidt

Lianne Buck
(appointed 28 September 2022)

Alexandra O'Mara
(appointed 25 November 2022)

All Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretaries

Claudia Certoma

Scott Langford

Principal Activities

The principal activities of the Group during the financial year were the provision of housing services and assistance to low and moderate income earners. No significant change in the nature of these activities occurred during the year.

The Group is involved and has arrangements with many state and federal government agencies. Any change in the policies of these government agencies may impact upon the way the Group performs its principal activity.

Operating Results

The surplus of the Group for the year ended 30 June 2023 amounted to \$29.4 million (2022: \$9.5 million). The increase in the surplus compared to prior year was primarily driven by a \$15.2 million net increase in fair value in investment properties (2022: decrease of \$4.8 million) and an increase in rental income from tenants. The Group is exempt from income tax.

These consolidated financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures.



Directors' report



Karen Orvad
Non-executive Director & Chair
(appointed 25 November 2022)

Qualifications
GAICD, CAANZ, MBA(Exec), BComm
(Accounting)

Experience

Karen is a professional Non-executive Director and former KPMG Partner with a speciality in Governance, Risk Management and Internal Audit. Karen has over 25 years experience working with some of the world's most recognised brands in governance, risk, internal audit, board advisory and strategic human resources. She has worked with corporate, government and NFPs across sectors including health and human services, energy, transport, retail and financial services. Karen has held senior executive internal audit and risk roles within top ASX listed companies in Financial Services and Aviation. She is currently an independent member of the NSW Treasury Audit and Risk Committee and Deputy Chair of Aspect (Autism Spectrum Australia).

Special Responsibilities

- Chair of the Board from 25 November 2022
- Chair of the Audit and Risk Committee to 25 November 2022
- Member of Audit and Risk Committee
- Member of Safety and Sustainability Committee
- Member of People and Culture Committee



Annette Gallard PSM
Non-executive Director & Chair
(resigned 25 November 2022)

Qualifications
B.Soc.Stud, M.Comm, GAICD

Experience

Annette joined the Board of SGCH in 2013 after nearly 30 years in the NSW Public Service. Annette held executive positions in both the Housing and Community Services Departments culminating in having responsibility for public housing and later for child protection, out of home care and the funding of thousands of non-government services. After her retirement as Chief Executive Officer of Department of Community Services, she committed herself to supporting not-for-profit organisations to take on greater responsibilities for the delivery of services to vulnerable people. As well as being Chair of SGCH through to November 2022, Annette is also Chair of a national disability not-for-profit provider. She was awarded the Public Service Medal in 2012 for services to disadvantaged people including Aboriginal people.

Special Responsibilities

- Chair of the Board to 25 November 2022
- Chair of People and Culture Committee to 25 November 2022
- Member Audit and Risk Committee to 25 November 2022
- Member of Safety and Sustainability Committee to 25 November 2022



Anna Buduls AO
Non-executive Director & Vice Chair
(appointed 26 August 2022)

Qualifications
BA, M.Com

Experience

Anna is an experienced Non-executive Director with business, not-for-profit and government policy experience. She has worked in investment banking and provided consulting services to private and government entities. For over two decades she has been on both Government and public company boards across a broad range of industries and sectors, including not-for-profit. She also has deep knowledge of and expertise in homelessness and with disadvantaged communities, garnered from both her government policy work and personal philanthropy. In 2003 Anna received a Centenary Medal for her community contributions. She was made an Officer of the Order of Australia in 2018 for distinguished service to the business and finance sectors through her advisory roles, and as a supporter and advocate for policy development to reduce homelessness, as well as her contributions to the welfare and charity sectors.

Special Responsibilities

- Vice Chair of the Board from 26 August 2022
- Member of People and Culture Committee
- Member of Audit and Risk Committee
- Member of the Property Portfolio and Investment Committee



Victoria Weekes
Non-executive Director & Vice Chair
(resigned 26 August 2022)

Qualifications
BComm LLB, FAICD, SFFinsia

Experience

A professional Director with over 30 years of experience as a senior executive in the financial services sector, Victoria serves on several boards and was Vice Chair of SGCH from 2018 through to August 2022. Victoria is a current director and Chair of Pinnacle Housing Partnerships Limited and a current director of ASX listed Bendigo and Adelaide Bank and Alcidion Group. Victoria was formerly a director of ASX listed URB Investments Limited, Chair of the Audit and Risk Committee of Urban Growth Development Corporation, and Chair of NSW Treasury Audit and Risk Committee. Prior to her governance career, she held senior financial services executive positions with Westpac and Citigroup Australia and was formerly the Special Policy Advisor to the Australian Securities Commission.

Special Responsibilities

- Vice Chair of the Board to 26 August 2022
- Member of Safety and Sustainability Committee to 26 August 2022
- Member of People and Culture Committee to 26 August 2022



Simon Shakesheff
Non-executive Director

Qualifications
M.Com

Experience

Simon has over 30 years of analysis, advisory and operational experience in finance and real estate. He spent 19 years as the head of listed real estate analysis at Macquarie Bank and JPMorgan, before becoming a corporate advisor to listed real estate groups at UBS and Bank of America Merrill Lynch. He also has operational experience at Stockland Trust Group, where he was responsible for Strategy, Research and Stakeholder Relations, and a member of the Executive Committee. Simon is currently the Chair of HomeCo Daily Needs REIT (ASX: HDN), and Chair of Kiwi Property Group (NZX: KPG), and a non-executive director of Cbus Property and Assembly Funds Management. He has had a longstanding interest in housing and is a member of the National Housing Finance and Investment Corporation's research reference group.

Special Responsibilities

- Chair of the Property Portfolio and Investment Committee
- Member of the Audit and Risk Committee.



Barry Mann
Non-executive Director

Qualifications
GAICD, Graduate Diploma in Applied Finance and Investment (FINSIA), BE (Civil)

Experience

Barry has over 30 years' experience as a senior executive in the property industry. His experience includes over 20 years in listed Australian property companies including six years in international postings as Managing Director and Chief Operating Officer. He has local and state government experience including as the Chief Executive of the NSW Government urban renewal organisation. Barry brings to the Board extensive and diverse experience in urban renewal, property development, housing, major transactions, design and construction, infrastructure delivery, international business, joint venture management and government enterprises. He is currently the Independent Chairman of Firefly Funds Management, a Non-executive Director of Birribee Housing (formerly NSWALC Housing Ltd) and Auckland Real Estate (AKL.ASX and AKL.NZX), and an independent Advisor to the Boards of Ingham Property Group and Taylor Australia.

Special Responsibilities

- Member of Property Portfolio and Investment Committee
- Chair of the Safety and Sustainability Committee

Directors' report



Rajiv Viswanathan
Non-executive Director

Qualifications
BA LLB

Experience

Rajiv has over 20 years of experience across the public, private and community sectors, gained in diverse roles in New York, London and Sydney. He is currently with Adamantem Capital, a private equity firm, where he co-leads the Environmental Opportunities Fund. Prior to this, he was the CEO of Indigenous Business Australia (IBA), a commercially-focused statutory corporation that supports Aboriginal and Torres Strait Islander people to own their own homes, start and grow businesses, and make investments. He previously worked in various roles with the Macquarie Group, in business development and risk management. Prior to this, he worked as a corporate lawyer in London and Sydney. Rajiv has extensive experience across a range of commercial transactions, including establishing new businesses, acquisitions, joint ventures, investment funds and capital raising. He is an advisor to institutional investors on impact investment, and is a Non-executive Director of Life Without Barriers, the First Nations Foundation and Head Start Homes.

Special Responsibilities

- Member of Property Portfolio and Investment Committee to 25 November 2022
- Member of Audit and Risk Committee
- Member of Safety and Sustainability Committee from 25 November 2022



Philip Fagan-Schmidt PSM
Non-executive Director

Qualifications
BASW, MPA, GAICD

Experience

Philip is an experienced Board Director and Housing Advisor and former Government Senior Executive. Philip served as an Executive in Government for 23 years in a wide range of Executive roles across Premiers Department, Health, Community Services and Housing including 10 years as head of Housing SA. He has reported to and served on various Boards including SA Housing Trust, Australian Institute of Health and Welfare, Australian Housing and Urban Research Institute, Hutt St Centre, SGCH Group and Adelaide Workers Homes. Philip is a Graduate and Member of the Australian Institute of Company Directors. He was awarded a Queens Birthday Public Service Medal in 2015 for outstanding service in the area of social housing policy and practice. Today Philip is a professional non executive Director and Housing Advisor supporting organisations in a range of asset, strategy, policy and facilitation areas.

Special Responsibilities

- Member of Property Portfolio and Investment Committee to 25 November 2022
- Member of People and Culture Committee
- Chair of People and Culture Committee from 25 November 2022
- Member of Safety and Sustainability Committee from 25 November 2022



Lianne Buck
Non-executive Director
(appointed 28 September 2022)

Qualifications
GAICD, B Comm (Accounting)

Experience

Lianne is an experienced leader, combining current board and governance experience with a successful career as a senior investment professional, with over 20 years in Australian and global markets, focusing on infrastructure and real estate investments. She has experience in investment management, strategy, corporate finance, business transformation and government and stakeholder management. Lianne commenced her executive career in Canada as a Chartered Accountant with KPMG before working in various roles for Macquarie Group, Westpac Banking Corporation, Hastings Funds Management and NSW Treasury Corporation where she was Head of Direct Investments and Infrastructure and a member of their Investment Committee. She has a Bachelor of Commerce degree and is a graduate of the Australian Institute of Company Directors. Lianne is currently a Non-Executive Director of Argo Investment Limited, ISPT Property Group and AusNet Services Limited. Lianne also serves on the Investment Committee of the St Ignatius College Bursary Fund.

Special Responsibilities

- Chair of Audit and Risk Committee from 25 November 2022
- Member of Property, Portfolio and Investment Committee from 25 November 2022



Alexandra O'Mara
Non-executive Director
(appointed on 25 November 2022)

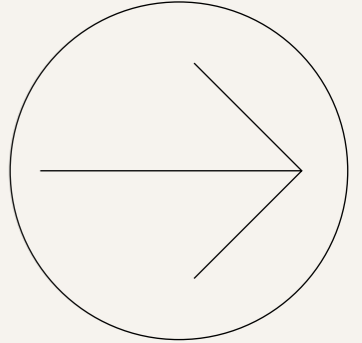
Qualifications
BA/LLB, MALP, GAICD

Experience

Alex is an experienced Board Director, senior executive and leader who has worked across a range of sectors including sustainability, Environmental, Social and Governance (ESG) and natural resource management, planning and infrastructure and the built environment, workplace health and safety, culture, place and public space. She has held a range of Senior Executive roles in the NSW Public Sector, including 5 years as a Deputy Secretary. In her most recent role, Alex was the Group Deputy Secretary, Place Design and Public Space in the NSW Department of Planning, Industry and Environment. She has been a member of Boards and Committees including Sydney Olympic Park Authority, the Central Sydney Planning Committee of the City of Sydney and the Australian Building Codes Board. Alex is now a Non-executive Director of Place Management NSW and Placemaking NSW Advisory Committee and the Chair of the White Bay Power Station Adaptive Reuse Committee. Alex is also a Director of Sustainable Solutions Advisory Pty Ltd which provides strategic advisory services.

Special Responsibilities

- Member of Safety & Sustainability Committee from 25 November 2022
- Member of People & Culture Committee from 25 November 2022



Directors' report

Meetings of Directors

During the financial year, 9 meetings of Directors were held. Attendance by each Director was as follows:

	Full Board	Audit & Risk Committee	Property Portfolio & Investment Committee	People & Culture Committee	Safety and Sustainability Committee
Annette Gallard PSM	4/4	1/1	—	2/2	2/2
Victoria Weekes	1/1	—	—	1/1	1/1
Anna Buduls AO	9/9	3/4	3/4	3/4	—
Simon Shakesheff	6/9	4/4	4/4	—	—
Karen Orvad	9/9	4/4	—	4/4	4/4
Barry Mann	8/9	—	4/4	—	4/4
Rajiv Viswanathan	9/9	3/4	1/1	—	2/2
Philip Fagan-Schmidt PSM	9/9	—	1/1	4/4	2/2
Lianne Buck	7/7	4/4	2/3	—	—
Alexandra O'Mara	5/5	—	—	2/2	2/2

/ = Meetings attended/Meetings eligible to attend
 — = Not a member of the stated Committee

Remuneration of the Directors

During the financial year the remuneration of the Directors amounted to \$266 thousand (2022: \$261 thousand)

Company Secretary's qualifications

Claudia Certoma
 BEc (Hons I), LLB (Hons I), GradDip ACG, AGIA ACG (CS, CGP), Solicitor (NSW, HCA)

Scott Langford
 MBA, PGradDip Prop. Dev., FIML, FAICD, MRICS

Strategy for achieving the corporate objectives

The Group's Strategic Plan identifies the three key outcomes we aspire to achieve, being: Sustainable Tenancies as a Foundation for Opportunity, More Sustainable Homes in Thriving Communities and A Vibrant, Sustainable Business. All projects and initiatives are assessed against achievement of these outcomes and are considered for social and financial return on investment in determining resource allocation and priority for implementation.

During the year, the Group, through leaseholds and acquisitions, delivered 25 units and has commenced delivery of 170 units which are under construction. Of the units under construction, 120 are expected to be completed before the end of the 2024 calendar year.

Together with capital partners, the Group, through SGCH Keys, delivered 76 units in Parramatta NSW via acquisition and through Pinnacle Housing Partnerships Limited, is poised to deliver 397 units in Westmead NSW by November 2025 which are currently under development.

In December 2021, SGCH Keys Limited (SGCH Keys), an unconsolidated structured entity in which St George Community Housing Limited (SGCH) is the sole member, commenced operating. SGCH Keys has to date, acquired Affordable Housing units (Key Worker Housing) at Westmead and Parramatta NSW funded via a loan arrangement with Lighthouse Affordable Rental Investments (LARI). SGCH has a Management Services Agreement with SGCH Keys to provide tenant and asset management and other services on a fee-for-service basis.

In October 2022, SGCH entered into a Managed Services Agreement with Pinnacle Housing Partnership Limited (PHPL), which is wholly owned by Pinnacle Housing Limited (PHL), an entity affiliated with AXA Australia. PHPL aims to provide affordable housing and is developing a 397-unit property in Westmead NSW which is targeted for completion in November 2025. Under the Managed Services Agreement, SGCH will provide corporate services, development management services, and upon completion of development, tenancy and property management services on a fee-for-service basis.

Future developments - short and long term objectives of the Group

SGCH is committed to being a sustainable business that creates and protects financial and non-financial value and shares the benefits with our customers, partners and the communities in which we work. Environment, Social and Governance (ESG) objectives are at the core of our strategy and how we approach the creation and protection of value for our customers, the communities we serve, our partners and stakeholders.

Our strategy identifies the strategic drivers of success that will help us achieve our desired outcomes. The Group is focused on; offering efficient, customer centric services; partnering to create opportunity with values-aligned organisations; attracting new capital into an affordable and social housing asset class and originating projects to create more homes; providing value for money asset management to ensure safe and sustainable homes are optimised for customers and capital partners; aligning high performing people, processes and systems; and, consistently delivering as a partner of choice at the forefront of a thriving industry.

We are investing into our strategy by pursuing projects and initiatives which are aligned to our goals and ESG commitments in determining resource allocation and priority for implementation. The Group is focusing on; improving the efficiency of service delivery whilst continuing to support customers and staff; and creating more homes by identifying suitable property opportunities for social and affordable housing and mobilising investment from partners.

Significant events after the reporting date

No matter or circumstance has arisen since 30 June 2023, that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' report

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Environmental issues

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory. The Group is governed by environmental regulations managed by local government as applied to residential properties. During the year the Directors are not aware of any particular or significant environmental issues which have been raised in relation to the Group's operations.

Indemnification and insurance for Directors, Officers or Auditors

Deeds of Indemnity have been entered into between the Company and Directors that indemnify them, to the extent permitted by law, from financial losses arising from the proper performance of their duties. The Company has paid premiums for Directors' and Officers insurance which provides cover for individual Directors and Officers, to the extent permitted by law, for liability arising out of the individuals' wrongful act or breach of duty.

The policy prohibits the disclosure of amounts paid.

No contractual indemnity has been entered into during or since the end of the financial period for any person who is or has been a statutory auditor of the Group.

Proceedings on behalf of the Group

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

Contributions on winding up

In the event of the Group being wound up, ordinary members are required to contribute a maximum of \$2 each. The total amount that members of the Group are liable to contribute if the Group is wound up is \$430, based on 215 current ordinary members.

Rounding off

Amounts in the consolidated financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors.



Karen Orvad

Chair
Sydney, 13 October 2023

Discussion and analysis of the Summary Financial Statements

Basis of preparation of the Summary Financial Statements

The Summary Financial Statements are an extract from the full financial statements for the year ended 30 June 2023. The financial statements and disclosures in the Summary Financial Statements have been derived from the 2023 consolidated financial statements of St George Community Housing Limited.

A copy of the full financial statements and auditors' report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the Summary Financial Statements. The discussion and analysis is based on St George Community Housing Limited's financial statements and the information contained in the Summary Financial Statements.

The financial statements are presented in Australian Dollars which is the Group's functional and presentational currency.

Statement of Profit of Loss and Other Comprehensive Income

Total revenue and other income increased by \$9.1 million to \$123.7 million (2022: \$114.6 million) mainly due to an increase in rent revenue and tenant reimbursements of \$6.0 million and increased government grant receipts of \$2.3 million.

In addition to the above, the increase in surplus of \$19.9 million to \$29.4 million (from \$9.5 million in 2022) was mainly driven by an increase the fair value of investment properties of \$15.2 million (compared to a decrease of \$4.8 million in 2022) and a decrease of net finance costs of \$3.0 m due to increased interest income from bank deposits.

Statement of Financial Position

Total assets increased by \$38.5 million to \$1,321.9 million (2022: \$1,283.4 million). The movement is mainly due to capital works added of \$15.9 million, increase in fair value of owned investment properties of \$15.2 million and a net increase in right of use assets during the year of \$9.0 million.

Total liabilities increased by \$9.1 million to \$616.0 million (2022: \$607.0 million). The increase is predominantly in relation to additional lease liabilities corresponding to right of use assets.

Statement of Cash Flows

Cash flow movements during the financial year were negative mainly due to increased cash outflows for short term investments, payments to suppliers and employees and payments for investment properties offset by increased rental and interest income receipts.

Statement of Changes in Equity

During the year ended 30 June 2023, \$15.2 million was transferred to the Investment Property Reserve, which reflects the fair value gain on investment property for the year.

Summary consolidated statement of profit or loss and other comprehensive income

	Note	2023 \$000	2022 \$000
Revenue	02	121,911	113,728
Other income	03	1,781	911
Expenses			
Property expenses		(42,336)	(35,661)
Employee benefits expense		(29,597)	(26,653)
Depreciation expense		(1,425)	(1,435)
Professional fees		(2,405)	(1,791)
Other expenses		(8,266)	(6,851)
Fair value (loss)/gain on investment property-owned		15,178	(4,755)
Fair value loss on investment property-right of use assets		(15,174)	(14,666)
Operating result		39,667	22,827
Net financial cost		(10,308)	(13,355)
Surplus for the year		29,359	9,472
Other comprehensive income for the year		—	—
Total comprehensive income for the year		29,359	9,472

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements.

Summary consolidated statement of financial position

	Note	2023 \$000	2022 \$000
Current assets			
Cash and cash equivalents		170,361	211,655
Short-term investments		73,358	35,800
Trade and other receivables		6,377	5,373
Other current assets		4,768	4,237
Total current assets		254,864	257,065
Non-current assets			
Other non-current assets		1,371	1,309
Loan to a related party		1,706	668
Property, plant and equipment		3,904	4,346
Contract asset		991	1,054
Investment property	04	1,059,047	1,018,994
Total non-current assets		1,067,019	1,026,371
Total assets		1,321,883	1,283,436
Current liabilities			
Trade and other payables		12,582	10,668
Employee benefits		3,517	3,699
Lease liabilities		17,406	16,563
Unexpended grants		3,924	4,878
Total current liabilities		37,429	35,808
Non-current liabilities			
Employee benefits		310	225
Borrowings		472,872	472,611
Lease liabilities		105,098	97,491
Unexpended grants		330	816
Total non-current liabilities		578,610	571,143
Total liabilities		616,039	606,951
Net assets		705,844	676,485
Equity			
Accumulated surplus		142,074	127,893
Investment property reserve		563,770	548,592
Total equity		705,844	676,485

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements.

Summary consolidated statement of changes in equity

	Accumulated surplus \$000	Investment property reserve \$000	Total equity \$000
Balance at 30 June 2021	113,666	553,347	667,013
Surplus for the year	9,472	—	9,472
Other comprehensive income for the year	—	—	—
Total comprehensive income for the year	9,472	—	9,472
Transfer to/(from) reserves	4,755	(4,755)	—
Balance at 30 June 2022	127,893	548,592	676,485
Surplus for the year	29,359	—	29,359
Other comprehensive income for the year	—	—	—
Total comprehensive income for the year	29,359	—	29,359
Transfer to/(from) reserves	(15,178)	15,178	—
Balance at 30 June 2023	142,074	563,770	705,844

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial statements.

Summary consolidated statement of cash flows

	2023 \$000	2022 \$000
Cash flow from operating activities		
Receipts from customers	99,717	94,426
Receipts of government grants (inclusive of GST)	30,089	31,782
Payments to suppliers and employees (inclusive of GST)	(88,968)	(78,421)
Interest received	6,615	502
Lease payments—interest	(5,174)	(4,641)
Finance costs paid	(11,488)	(8,956)
Net cash provided by operating activities	30,791	34,692
Cash flow from investing activities		
(Increase)/decrease in short-term investment	(37,558)	5,000
Payment for investment properties	(15,907)	(8,413)
Payment for property, plant and equipment	(593)	(173)
Net cash used in investing activities	(54,058)	(3,586)
Cash flow from financing activities		
Lease payments—principal	(16,990)	(16,265)
Loan to a related party	(1,037)	(668)
Net cash used in financing activities	(18,027)	(16,933)
Net (decrease)/increase in cash held	(41,294)	14,173
Cash at the beginning of the financial year	211,655	197,482
Cash at the end of the financial year	170,361	211,655

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements.

Note 01

Basis of Preparation of the Summary Financial Statements

The Summary Financial Statements have been prepared from the audited financial statements for the year ended 30 June 2023. The audited financial statements for the year ended 30 June 2023 are available on request from St George Community Housing Limited.

The financial statements are presented in Australian Dollars which is the Group's functional and presentational currency. All financial information presented in Australian dollars has been rounded to the nearest thousand, unless otherwise indicated.

The financial statements, specific disclosures and other information included in the summary financial statements are derived from and are consistent with the full financial statements of St George Community Housing Limited. The summary financial statements cannot be expected to provide a detailed understanding of the financial performance, financial position and financing and investing activities of St George Community Housing Limited as the full financial report.

The accounting policies have been consistently applied to St George Community Housing Limited and are consistent with those of the preceding financial year in their entirety.

Note 02

Revenue	2023 \$000	2022 \$000
Revenue from tenants		
Rent income	85,866	81,917
Reimbursements	4,112	2,013
Total revenue from tenants	89,978	83,930
Revenue from government		
CHLP-Tenancy management and maintenance funding (i)	10,910	10,668
SHMT-Tenancy management and property management	1,027	933
SAHF-Monthly services payments	12,674	11,878
National Rental Affordability Scheme Incentives	1,829	1,905
Other (ii)	4,453	3,254
Total revenue from government	30,893	28,638
Other revenue		
Insurance recoveries	15	118
Management fees	1,025	1,042
Total other revenue	1,040	1,160
Total	121,911	113,728

(i) The CHLP provides funding for tenancy management activities, the maintenance of property and a component that is intended to compensate the Group for the excess of the market rent payable to private landlords over the rent earned from tenants who occupy the leased property. In accordance with AASB 15, the funding is wholly allocated as consideration for the housing services to be delivered in accordance with the contract and is recognised as the services are delivered. In July 2018, the NSW Government announced that FACS (now DCJ) would provide a 10-year funding guarantee related to aspects of the Group's CHLP social housing funding. The Group has not recognised this guarantee in the statement of financial position and entitlement to this funding is reassessed annually.

(ii) During the year, a reconciliation of service fee claims was completed and agreed with the National Disability Insurance Scheme (NDIS) resulting in a credit to the NDIS' account. The net revenue is included in 'Other revenue from government'.

01

02

Note 03

Other income	2023 \$000	2022 \$000
Donation income	66	33
Fair Value Loan Adjustment	64	65
Sponsor Fee (ii)	1,230	603
Other income	421	210
Total	1,781	911

(i) St George Community Housing Limited received \$1.2 million (2022: \$603 thousand) from SGCH Keys Limited for assistance with the acquisition of Key Worker Housing accommodation and from Pinnacle Housing Partnerships Limited (PHPL) for the provision of development advisory and corporate services.

03

Note 04

Investment Property	2023 \$000	2022 \$000
Investment property– Owned		
Balance at the beginning of year	907,662	905,359
Capitalised subsequent costs	15,907	7,058
Change in fair value of investment property	15,178	(4,755)
Total	938,747	907,662
Investment property– Right of use leased assets		
Balance at the beginning of year	111,332	98,912
Additions of new properties to right of use assets	34,790	36,476
De-recognition of terminated properties from right of use assets	(10,648)	(9,390)
Change in fair value of investment property	(15,174)	(14,666)
Balance at the end of the year	120,300	111,332
Total	1,059,047	1,018,994

Included within Investment property is a balance of \$29.6 million (2022: \$17.9 million) which relates to capital works in progress.

The majority of investment properties are leased to tenants on low to moderate incomes. The lease terms vary depending on the property provider and range from 2 weeks to 25 years rolling contracts.

The borrowings of the Group are secured by a registered mortgage over the Group's investment properties.

04

Note 04

Valuation basis

The fair value of owned investment properties has been determined with reference to independent valuations performed by registered property valuation companies that hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property. The valuations are prepared in accordance with established valuation methodologies, international valuation standards and Australian Accounting Standard AASB 13 Fair value measurements using the market approach. Fair value is measured using the assumptions that market participants would use when pricing the asset, assuming they act in their economic best interests. The fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The fair value of leased property has been determined with reference to the present market rental earning capability under the leasehold interest (including for the non-cancellable period plus any further option to renew which is likely to be exercised), net of the present value of expected lessee obligations. The discount rate used is the Group's estimated incremental borrowing rate of 4.80-5.60% (2022: 4.00-5.00%). For private residential property leases negotiated on market terms, the carrying amount of the right of use asset reasonably approximates the carrying amount of the lease liability at the reporting date.

04



Independent auditor's report



Independent Auditor's Report

To the members of St George Community Housing Limited

Report on the Summary Financial Statements

Opinion

We have audited the **Summary Financial Statements** of St George Community Housing Limited (**the Company**) as at 30 June 2023. The Summary Financial Statements and related notes are derived from the audited financial statements of St George Community Housing Limited as at and for the year ended 30 June 2023 (the Audited Financial Report).

In our opinion, the accompanying Summary Financial Statements of the **Group**, complies with *Australian Accounting Standard 1039 Concise Financial Reports*.

The **Summary Financial Statements** comprises:

- Summary consolidated statement of financial position as at 30 June 2023
- Summary consolidated statement of profit or loss and other comprehensive income, Summary consolidated statement of changes in equity, and Summary consolidated statement of cash flows for the year then ended
- Related notes.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for Opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Concise Financial Report* section of this Auditor's Report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Summary Financial Statements in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Scope of the Summary Financial Statements

The Summary Financial Statements do not contain all the disclosures required by *Australian Accounting Standards* in the preparation of the Audited Financial Report. Reading the Summary Financial Statements and this Auditor's Report thereon, therefore, is not a substitute for reading the Audited Financial Report and our auditor's report thereon.

The Summary Financial Statements and the Audited Financial Report do not reflect the effects of events that occurred subsequent to the date of our auditor's report on the Audited Financial Report.

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18



The Audited Financial Report and our auditor's report thereon

We expressed an unmodified audit opinion on the Audited Financial Report in our auditor's report dated 13 October 2023.

Responsibility of the Directors for the Summary Financial Statements

The Directors are responsible for:

- preparing the Summary Financial Statements in accordance with *Australian Accounting Standard AASB 1039 Concise Financial Reports*.
- implementing necessary internal control to enable the preparation of the Summary Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the audit of the Summary Financial Statements

Our responsibility is to express an opinion on whether the Summary Financial Statements, in all material respects, complies with *Australian Accounting Standard AASB 1039 Concise Financial Reports* based on our procedures, which were conducted in accordance with *Australian Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements*.

KPMG

Shara Learmonth
Partner

Sydney
13 October 2023

19

Directors' declaration

The Directors of the Group declare that the summary financial statements of St George Community Housing Limited and the entities it controlled for the financial year ended 30 June 2023, as set out on pages 141-150:

(a) are an extract from the full financial statements for the year ended 30 June 2023 and have been derived from and are consistent with the full consolidated financial statements of St George Community Housing Limited and the entities it controlled.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by



Karen Orvad
Chair
Sydney, 13 October 2023

Content elements

Content elements	Reference	Page
Organisational overview and external environment		
What does the organisation do and what are the circumstances under which it operates?	Our purpose	08
	Our presence	16
	Approach	20
	Performance	60
External environment	Group Chair's report	12
	Group CEO's report	14
	Operating context	22
Governance		
How does the organisation's governance structure support its ability to create value in the short, medium and long term?	How we create value	24
	Corporate governance principles	124
	Committees	129
	Group structure	130
Business model		
What is the organisation's business model?	Our business model	26
	Stakeholders	52
	Directors' report	132
Risks and opportunities		
What are the specific risks and opportunities that affect the organisation's ability to create value over the short, medium and long term, and how is the organisation dealing with them?	Group Chair's report	12
	Group CEO's report	14
	ESG overview	36
	Financial sustainability	118
	Risk	131
Strategy and resource allocation		
Where does the organisation want to go and how does it intend to get there?	Strategy	28
	Group CEO's report	14
	Partnering with capital	32
	ESG commitment	34
Performance		
To what extent has the organisation achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals?	FY22/23 snapshot	10
	Performance	60
	Financial report	120
Outlook		
What challenges and uncertainties is the organisation likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance?	Operating context	22
	ESG overview	36
	Directors' report	132
Basis of presentation		
How does the organisation determine what matters to include in the integrated report and how are such matters quantified or evaluated?	About this report	03
	Strategy	28
	ESG overview	36



Annual Report 2023

Board approved 30/10/2023

**Group Chair and Group CEO
authorised for publication 30/10/2023**

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