Strategic Directions



PLIMACES E Più





Welcome

SGCH is a leading community housing organisation providing a place to call home for more than 11,000 people in 6,400 properties across the Sydney metropolitan region.

We work in partnership with communities, government, support providers, financiers, developers, investors and the community housing industry to deliver more social and affordable housing and better outcomes for customers.

Strategic Directions sets out how we plan to continue delivering strong outcomes for the customers and communities we serve.

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Our purpose

We collaboratively shape great places through sustainable, safe and affordable housing and connect people to opportunity to improve quality of life.



Our vision

A leading business, in a thriving community housing industry, providing great places for everyone.





Chair's message

Over the course of our 35 year history, SGCH's strategy has evolved to respond to changing environments whilst remaining linked by a continuous thread of service to customers and the community.

I am incredibly proud and privileged to work with the Directors and staff of SGCH, an organisation where each person contributes their values, skills and expertise to improve the quality of people's lives. We have a responsibility to the people and communities we serve to continue to deliver great outcomes and seek to grow our impact.

Foundational to a strong organisation is its strategy and leadership. In 2019, the Board began a process of review and renewal as we approached the end of our 3 year strategic plan set in 2016. The Board's approach was two-fold, we crafted a vision for the future, captured into our new strategy, and considered how to ensure the continuation of strong governance.

An independent review of the strengths, skills and expertise of our Board has substantially informed our planned succession approach. The review was an extensive process and has ensured we will continue to have the range of professional skills required of the Board with values aligned Directors, driven to shape our strategic direction as stewards of the organisation's purpose and resources.

We were also at the point in our planning cycle to review and update the strategy. Our Directors dedicated several months to the process of review and renewal, recognising we are primarily responsible for setting the strategic direction. I would particularly recognise the contribution of Director Graham Millett in shaping the approach through several co-facilitated workshops, bringing his valuable expertise in strategy and risk management.

Through this process we were guided by listening. We listened to customers and staff. We examined rich information sources including case studies, reports, direct feedback, surveys and invited presenters to meet with us and build a solid understanding of the opportunities the organisation could pursue.

We wanted to challenge assumptions and test a variety of scenarios for SGCH. We worked with Group CEO Scott Langford and his executive team to refine the Strategic Plan. We continue primarily on the same path towards the vision of 'great places for everyone' whilst also honing our articulation of key aspects of our strategy.

Purpose

The Board fundamentally believes that the work SGCH does improves the quality of life for our customers and other members of the community. Through providing safe, secure and affordable housing and connecting people to opportunity we increase independence and believe our purpose is ultimately to improve quality of life.

Vision

As the largest community housing provider in Sydney and one of the largest in Australia, we recognise our role in contributing to a thriving community housing industry. We are committed to partnerships and exchanges that will help strengthen our entire industry as we respond to the changing demands of the housing system.

Culture and values

We have articulated a culture statement 'Deliver together with passion and purpose'. This encapsulates the values and approach of our people. Our people continue to meet the responsibility to do all that we can with the resources we have. They are driven to find a better way. We recognise that the fundamental value of innovation drives us to do this, therefore we have added 'Innovation' to our established organisational values of Support, Accountability, Respect and Integrity.

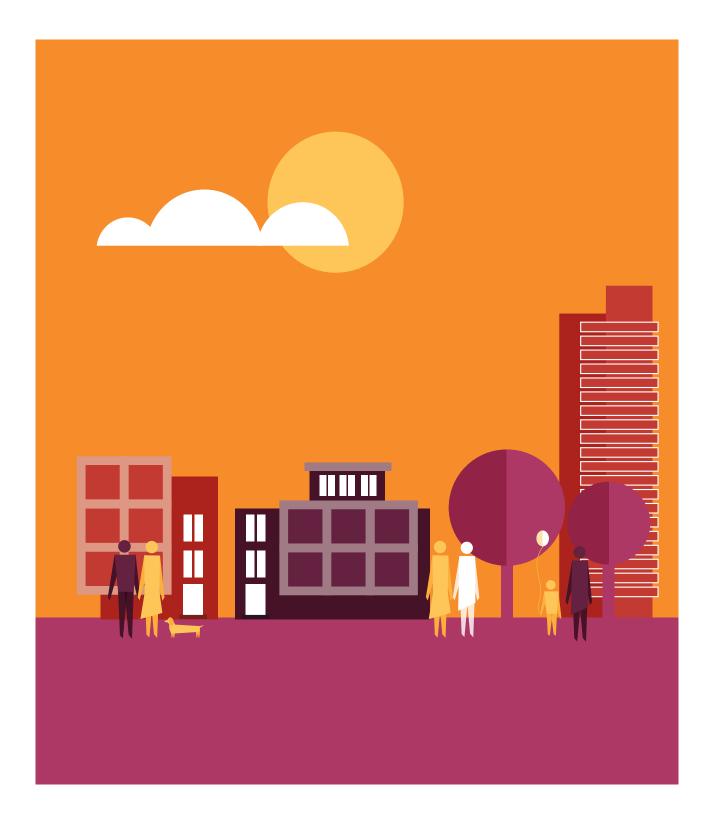
The task of implementing the strategy is one that our management team is primarily responsible for. Together, we have set four Strategic Outcomes which are the key things we are aiming to achieve:

- Improve outcomes for people, communities and places
- Grow a quality, sustainable housing portfolio
- A leading business
- · High performing culture.

These Strategic Outcomes will guide our direction, growth and performance. Our people will deliver on this plan together with partners.

On behalf of the Directors, I look forward to communicating our progress as we strive to achieve great places for everyone.

David Thrift Chair, SGCH Group





CEO's message

At SGCH we have served the community for 35 years. Over this time there has been a central idea driving the organisation – to improve people's lives by providing affordable housing and working with people in the places we operate.

We are now in the position of housing 1 in 460 Sydneysiders. It is a privilege and a responsibility that we hold as we seek to achieve our purpose to collaboratively shape great places through sustainable, safe and affordable housing and connect people to opportunity to improve quality of life.

Our Directors have invested considerable time and energy throughout 2019 to undertake a comprehensive review of our strategy. Together with inputs from customers, stakeholders and our team, we have refined and crafted our aspirations for the continued success of SGCH.

The outcome of this is summarised in our Strategy on a Page (see p12-13). This concept is a succinct way of piecing together the components that make up our strategic direction. This states our Purpose, Vision, Strategic Outcomes, Drivers of Success, Key Measures, Culture, Values, Vital Behaviours and Enabling Domains.

The Strategy on a Page has been the springboard for the broader team at SGCH as we operationalise the strategy. Through a process of operational planning we have aligned initiatives and projects underway or in the pipeline to ensure we are focusing our efforts on where we can deliver the best outcomes for the customers and communities we serve.

We are focused on keeping people at the centre, always. Amongst our staff of over 200 people we share an understanding that our work contributes to providing a home for over 11,000 people – the place they feel safe, and spend time with loved ones and friends, and from where they connect to opportunity outside the front door.

Community housing provides people with a safe and affordable place to call home, enabling them to participate in social and economic opportunities that in turn lead to increased independence and better emotional, physical and financial wellbeing.

We are also working with a range of partners to put more keys in doors. SGCH will deliver a pipeline of approximately 1,000 homes in \$500 million of affordable and social housing projects by 2022. This represents the largest pipeline of new social and affordable housing being delivered by a community housing provider in Australia.

The evidence demonstrates the significance of good quality housing and services on peoples lives, their communities and the economy. Our strategy articulates how we will maximise our impact to deliver great places for everyone.

Scott Langford Group CEO

About us

SGCH provides sustainable, safe and affordable housing across the Sydney metropolitan area.

We own, manage and operate 6,400 properties that are home to our 11,000 customers.

Our head office is in Hurstville and we have local offices in Sutherland, Riverwood, Fairfield, Bonnyrigg and St Leonards.

In 2019, our operations expanded to the north of Sydney with 1,400 new households joining the organisation in April.

SGCH presence by Local Government Area Extra large presence >500 properties Large presence >300 properties Medium presence <300 properties Small presence <100 properties



Purpose

We collaboratively shape great places through sustainable, safe and affordable housing and connect people to opportunity to improve quality of life.

Vision

A leading business, in a thriving community housing industry, providing great places for everyone.

Strategic outcomes

Drivers of success

- Engaging with our customers
- Delivering customer centric services
- Facilitating access to appropriate supports
- Community based place planning
- Sustaining tenancies
- An industry leading development capability
- Strategically managing our assets
- Creating and pursuing opportunities for sustainable growth
- A sustainable capital structure and partnerships
- Ensuring strong financial performance
- Maintaining best practice governance, risk and reputation Building capability through management
- Effective partnering
- Fostering a strong brand
- Transforming how we deliver
- Systems and processes that are fit for today and scalable for tomorrow
- A focus on safety and wellbeing
- Consistently aligned behaviours
- Commercial acumen
- learning and development
- Providing clear accountabilities
- Managing talent to attract and retain great people
- · Driving and embracing change together

Key measures

People and place

Customer satisfaction

Property portfolio

Reputation

Governance and risk

Financial performance

Safety

Employee engagement

Culture

Deliver together with passion and purpose







Innovation



Support



Accountability



Respect



Integrity

Vital behaviours



I do what I say I will

I speak up





I ask is there a better way

I make mindful requests



Enabling domains



wellbeing



Customer service



Finance



Innovation and capability



Technology



Partnerships and



Governance



Sustainable



Operational excellence

Our people

We are focused on our people and our culture as the foundation for a thriving, for-purpose organisation. Our updated strategy introduces a culture statement and adds a new organisational value, Innovation.

Deliver together with passion and purpose

Our culture statement is a succinct way to capture the approach embedded across all areas of the organisation. It reflects our commitment and understanding to achieve strong outcomes. We must take a collaborative approach that brings a diversity of thinking, expertise and perspectives. What drives this is a shared understanding of our purpose, and a team that is passionate about our vision of great places for everyone.

Organisational values

We place strong emphasis on our organisational values. We expect our people to demonstrate Support, Accountability, Respect and Integrity in every interaction. We have now added Innovation as a value. Innovation is fundamental to who we are as a business. It is more than an approach or a behaviour, it is a way of being. Though we continue to deliver and grow, so does the demand for housing. To continue to rise to the challenge we are driven to find a better way and innovate for change.



Our measures

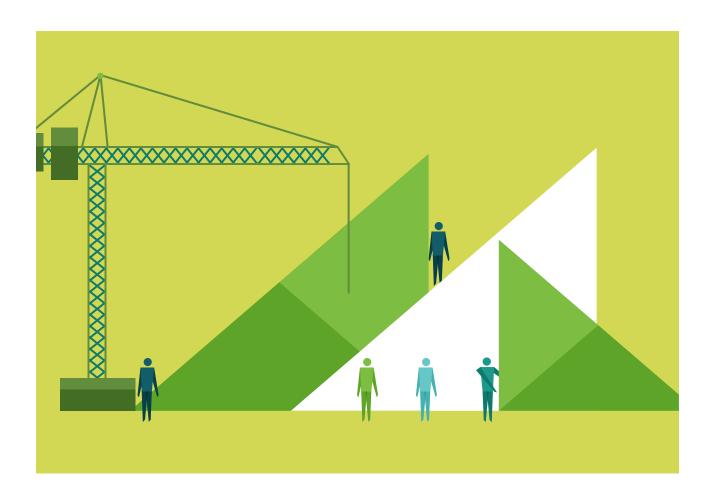
We measure what matters. By expanding upon our existing measures we are ensuring we accurately track our performance and the outcomes delivered for our customers, partners, stakeholders and staff.



Key measure		Metric	
01	People and place outcomes	People and place outcomes (PAPO)	
02	Customer satisfaction	Customer effort score Tenant service satisfaction score Tenant satisfaction with property Tenant satisfaction with R&M service	
03	Homes	Properties under management Properties meeting standards Dwellings in growth pipeline	
04	Financial performance	Operating cash flow EBITDA Margin	
05	Governance and risk	Projects complete to budget, time, specification and benefits realised Risk Management Framework controls implemented	
06	Reputation	Corporate reputation score Brand sentiment	
07	Safety	100% identified hazards addressed Lost time injury incident rate	
08	Employee engagement	Engagement (Gallup Q12) Staff retention rate	

Our objectives

To achieve our strategic outcomes, we need to deliver across nine fundamental domains. We understand that success means having the right people, systems, technology and approaches in place.



Enabling domains and domain objectives



Safety and wellbeing We have a culture where safety and wellbeing is paramount



Partnerships and stakeholders
We have a valued brand, build strong relationships and are



Customer service
Our customers know they
matter and we are easy to
deal with



Governance
We protect and enhance
value through best
practice governance and
risk management



Finance
We deliver a healthy surplus and cashflow that sustains our purpose



Sustainable growth
We are growing our portfolio
of liveable, sustainable and
safe homes and improving
environmental outcomes



Innovation and capability
We have an innovation mindset and the capability to deliver

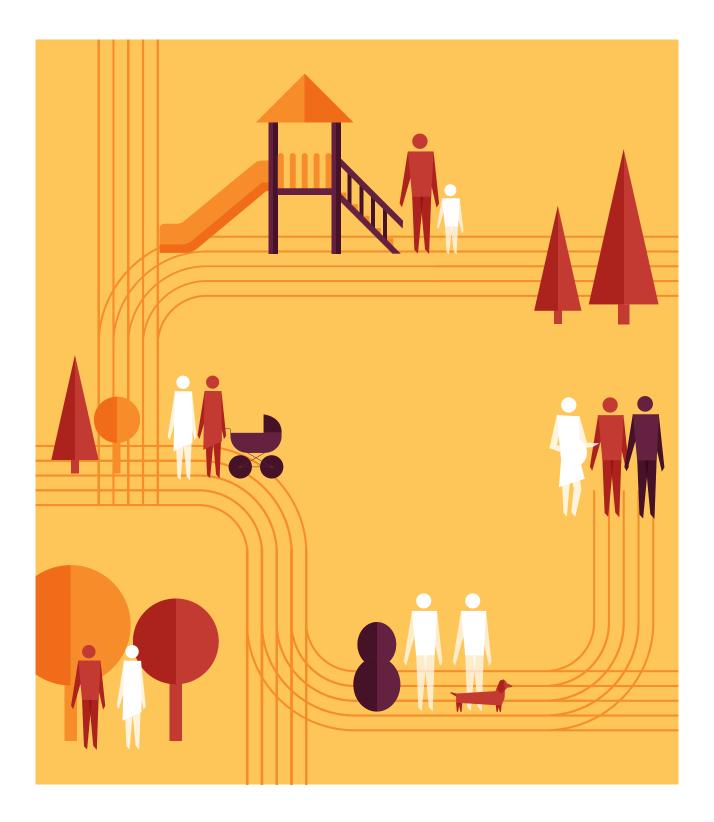


excellence
We meet or exceed service delivery expectations from all stakeholders

Operational



Technology
We have secure and integrated systems that are easy to use and support access to reliable information



Strategic outcomes and drivers of success

01

Improve outcomes for people, communities and places

02

Grow a quality, sustainable housing portfolio

03

A leading business

04

High performing culture

Engaging with our

Delivering customer

Facilitating access to appropriate supports

Community based place planning

Sustaining tenancies

An industry leading development capability

Strategically managing

Creating and pursuing opportunities for sustainable growth

A sustainable capital structure and partnerships

Ensuring strong financial performance

Maintaining best practice governance, risk and reputation management

Effective partnering

Fostering a strong brand

Transforming how we deliver

that are fit for today and scalable for tomorrow

A focus on safety and wellheing

Consistently aligned behaviours

Commercial acumen

Building capability through learning and development

Providing clear accountabilities

Managing talent to attract and retain great people

Driving and embracing change together

01: Improve outcomes for people, communities and places

We are committed to providing place based, customer centric services that deliver positive social and economic outcomes for individuals, families and communities.

Drivers of success

Engaging with our customers

Delivering customer centric services

Facilitating access to appropriate supports

Community based place planning

Sustaining tenancies

In Action

- Providing quality integrated housing services at scale across Sydney encompassing; tenancy management, property management, access and demand services, housing plus products and tenant support coordination services.
- Valuing and leveraging the expertise of our partnerships, with a network of over 100 local, specialist support providers across health, mental health, financial and social services.
- Shaping communities through place making, we work to improve the social and economic interaction and quality of life for residents. We deliver quality services to drive change through our people and place outcomes framework.



L-R Scott Langford, Mrs Hurley, His Excellency General, The Honourable David Hurley AC DSC (Retired) (in his former role of Governor of NSW and Patron of SGCH), Kristy and Cindy, SGCH Chair David Thrift and Rania.

Securing futures through education

SGCH has supported students since 2005, with over \$1.2 million in scholarships provided to primary, secondary and tertiary students to assist with the cost of their education. Strive Scholarships provide lasting positive outcomes for recipients, including sisters Kristy and Cindy from south-west Sydney.

"They work hard and I want them to have every opportunity so that their situation does not define them forever. Because of the education and extra help I am getting for my girls, they will secure their own future".

Mother, Rania

02: Grow a quality, sustainable housing portfolio

We are delivering Australia's largest community housing pipeline of social and affordable projects, developing over 1,000 new dwellings by 2022. We strive for sustainability across environmental, economic and organisational areas to deliver quality homes for customers.

Drivers of success

An industry leading development capability

Strategically managing our assets

Creating and pursuing opportunities for sustainable growth

A sustainable capital structure and partnerships

In action

- We have expert teams in place to deliver and manage Sydney's largest community housing portfolio.
- Continuing to work in partnership to build pathways for more social and affordable housing. We welcome social housing being classed as social infrastructure as a growing investment opportunity.
- Being innovative in developing new financing structures and service delivery, and applying commercial principles to achieve growth that provides more safe, sustainable homes.



Our award winning development in Westmead.

▶ Recognised excellence

SGCH won the 2019 Urban Taskforce Development Excellence Award for Affordable Housing. This 67-unit affordable housing apartment building on the Great Western Highway at Westmead sets new design standards for affordable housing and demonstrates quality urban development.

The former petrol station site delivers a 4-star Green Star standard against the Green Building Council of Australia's rating system for buildings, this also achieves a 6.8 star rating under the Nationwide House Energy Rating Scheme (NatHERS).

Nadine's story

When Nadine separated, she was looking for a place to live for her and her 5 year old daughter. She had never heard of affordable housing but then saw an advertisement for our new building in Westmead. Nadine moved in and hasn't looked back. Stable living at Westmead means Nadine has time to study her Masters in Health Management, while also working part time at Westmead and Randwick hospitals on a project linked to rare lung disorders and their genetics.

"I had never heard of affordable housing and now I am so happy as it takes the pressure off and gives me my independence."

Nadine



SGCH team at the Urban Taskforce awards.

03: A leading business

We are leading community housing provider and a professional for-purpose organisation. Managing assets valued at over \$2.8 billion and with \$410 million in committed debt finance, we reinvest every dollar to achieve our purpose and make a meaningful difference in the places we operate.

Drivers of success

Ensuring strong financial performance

Maintaining best practice governance, risk and reputation management

Effective partnering

Fostering a strong brand

Transforming how we deliver

Systems and processes that are fit for today and scalable for tomorrow

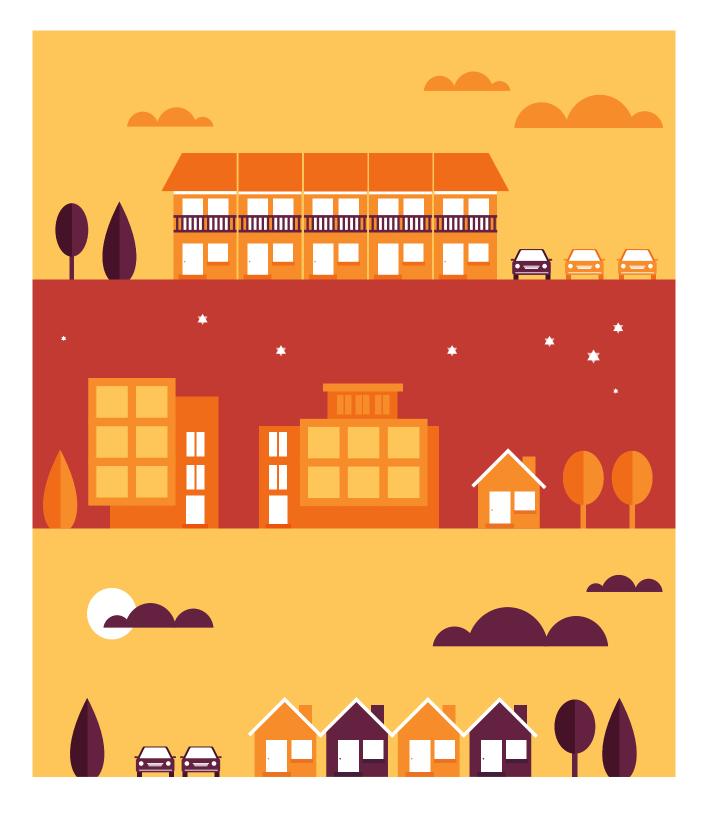
In action

- Our Directors are drawn from a wide range of industries based on their skills and experience. We have an established governance structure that provides transparent oversight of all activities.
- Our Leadership team has a depth of experience that includes tenancy and housing management, public private partnerships, urban regeneration, large-scale transfer programs, corporate finance, capital raising, managed funds, property trusts, commercial advisory, audit and risk, corporate affairs, issues management, stakeholder engagement, marketing, technology and development and construction.
- We are committed to business transformation and our value of innovation with a future focus on where we need to be to meet the needs of tomorrow.

Corporate Reputation

We value the trust our partners place in us and seek honest views to help identify our strengths and opportunities to improve. We engaged an independent research company to gather confidential and genuine feedback so we could truly understand perceptions centred around our profile, corporate capability, responsibility and outcomes.

We performed very strongly across all measures and were humbled by the feedback. We have incorporated this feedback into our strategy and planning to strengthen our relationships to achieve better outcomes for the communities we serve.



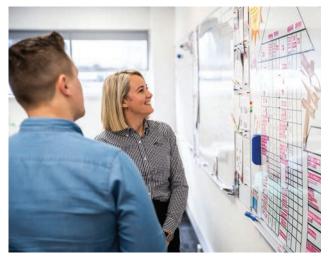
04: High performing culture

We have embraced our culture statement of 'deliver together with passion and purpose'. This captures the essence of SGCH. Our team of over 200 people are committed to our values of Innovation, Support, Accountability, Respect and Integrity.

A focus on safety and wellbeing Consistently aligned behaviours Commercial acumen Building capability through learning and development Providing clear accountabilities Managing talent to attract and retain great people Driving and embracing change together

In action

- We value and measure employee engagement using the best practice Gallup Q12® Employee Engagement Survey which identifies twelve core elements that link powerfully to key business outcomes and best predict employee engagement and performance.
- We ensure we attract and retain the best people with the relevant skills and experience to deliver our strategy.
- With a learning and development focus, we have embedded a Growing our Culture program and instilled vital behaviours to support delivery of a consistently high-quality customer experience for all stakeholders.





Northern Region team members in our newest local office in St Leonards

➤ Growing our culture

Working with Resource Advisory the Growing our Culture program was tailored to SGCH to offer new skills and build collective and culturally owned standards for 'how we behave around here'.

A structured program was delivered to 60 leaders across the organisation over a 10-month period. Participants were supported to then coach and embed practice across their teams.

Collectively we sought to cultivate specific behaviours and encourage individuals and teams to perform as a cohesive whole, with an unconditional commitment towards customers, staff and strategic objectives. These behaviours have become vital to SGCH and are embedded in our Strategic Plan, recognising the dynamic role behaviour plays in our success.

Governance

Our Directors are drawn from a wide range of industries based on their skills and experience. We have an established governance structure that provides strong oversight of all activities of the Group.

The SGCH Group has four Board Governance Committees to oversee strategic areas of business operation:

Audit and Risk

Manages key risks of the group, specifically; financial reporting, compliance with laws, regulations and other requirements.

Development and Construction

Reviews the delivery of development and construction projects including business cases and risk mitigation, probity, and receives progress reports to ensure agreed objectives and outcomes are on target.

Work Health Safety and Environment

Maintains oversight of safety, health and environmental matters and safety culture, specifically reviewing and guiding policies, systems, risk and performance of SGCH, suppliers, consultants, contractors and other third parties.

People and Culture

Assists the Board to fulfil its corporate governance and oversight responsibilities in relation to the people, remuneration and culture of SGCH.

Our Directors



David Thrift Chair

Qualifications and Experience

David is a retired company Director and senior executive with extensive experience in credit/risk management and project finance across a range of industries. He has a strong background in integration of acquisitions and senior management experience in organisation culture, operations and IT. David spent 17 years with GE Capital retiring as Senior Executive Director, Risk and Ombudsperson.



Victoria Weekes Vice Chair

Qualifications and Experience

BComm LLB, FAICD, SFFinsia.

A professional Director with over 25 years of experience as a senior executive in the financial services sector, Victoria is the Independent Chair of OnePath Custodians and Oasis Funds Management. Victoria is also a Director of URB Investments Limited, non-executive Director of the Sydney Local Health District, Chair of the Audit & Risk Committees of NSW Treasury and Chair of the Australian Gender Equality Council.

Our Directors



Annette Gallard, PSM Non-executive Director

Qualifications and Experience B Soc Stud (USyd) M Comm (UNSW) GAICD.

Annette's professional career in the NSW Public Service spanned 28 years. During this time, she held senior executive roles in Housing, and senior and chief executive roles in Community Services. Since her retirement, Annette has focused on homelessness, disability services and housing through advisory and Non-executive Director roles.



Philip Manidis Non-executive Director

Qualifications and Experience

BBus Sc (Cape Town) MCRP (Cape Town), FAICD.

As Managing Director of Manidis Roberts, Philip led a professional service organisation, providing urban planning, environment and communication services to infrastructure providers. He has participated in and shaped major infrastructure projects and programs in the transport, water and energy sectors. Philip has experience in developing high performing teams, ensuring effective governance and providing a strong platform of growth, profitability and risk management.



Graham Millett Non-executive Director

Qualifications and Experience

BA Dip Ed (Macq), MBA (Macq), AIQS (Affil). (Aust Institute of Quantity Surveyors), AIPM.

Graham is CEO of WSA Co, a \$5.3 billion aviation and infrastructure project that will deliver Western Sydney's international airport. He has lectured in strategic management, global strategy, competition in Asia Pacific, project management and new enterprise management. Graham has previously held senior executive positions at national and global organisations, including Qantas and the National Broadband Network.



Anna Buduls AONon-executive Director

Qualifications and Experience BA, M Comm.

With experience in financial journalism, investment banking and investor relations, Anna has been a professional non-executive director since 1995 on a broad range of public, government and private company boards, including Mirvac. Anna has also worked in government advisory, including undertaking a 2013 review of the Centrepay system on behalf of the Minister for Human Services.

Anna actively engages in developing and philanthropically funding outreach programs and research for the homeless and for disadvantaged citizens. She is currently owner and Chairperson of Tramada Systems, a software company.



Simon ShakesheffNon-executive Director

Qualifications and Experience

M Comm (Accounting and Finance).

Simon has over 30 years of analysis, advisory and operational experience in finance and real estate, including as an equities analyst at Macquarie Bank and JP Morgan, and as a corporate advisor at UBS and Bank of America Merrill Lynch. Simon 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 a professional Non-Executive Director serving on the Boards of Cbus Property, Assembly Funds Management, Kiwi Property Group and the Management Investment Committee of NSW TCorp.

Our Executive



Scott LangfordGroup Chief Executive Officer

Qualifications and Experience MBA, P. GradDip Prop. Dev., FAIM, FAICD, MRICS.

Scott joined as Group CEO in 2016, having previously held various leadership roles in property development and housing. Scott was formerly General Manager of Housing & Urban Development at Junction Australia, and served as Executive Director of Habitat for Humanity's Australian program. Scott is a member of the Australian Institute of Company Directors, a Fellow of the Australian Institute of Management and has previously held the roles of Chair, PowerHousing Australia and Chair of the International Housing Partnership.



Kevin McCarthy Chief Financial Officer

Qualifications and ExperienceB. Comm, Accounting CPA GAICD.

Kevin is a hands-on finance leader with broad experience across the technology & professional services, industrial, finance and not-for-profit sectors with demonstrated capacity to lead large, diverse teams through times of significant change. He has a strong focus on partnering to successfully navigate complexity in the market and the business to deliver real-world business outcomes and maintain best-practice governance standards and control over business assets.

Before joining SGCH in 2018, Kevin spent 11 years in senior finance roles with Canon, including 5 years as Finance Director (CFO ANZ). He was Chief Financial Officer of University of Technology Sydney for 3 years having previously held a number of senior financial and commercial roles.



Barb McKennaGeneral Manager, Customers and Communities

Qualifications and Experience BA (History and Gender Studies).

Barb joined SGCH in 2012 bringing over 30 years experience in social housing – in both the government and not-for-profit sectors – to SGCH. Throughout her career, Barb has worked in a range of project management, program development and policy roles including coordinating the handover of properties, delivering funding grants and managing the transition of a range of high priority programs to business as usual. Most recently, this included 1,400 tenancies under the Social Housing Management Transfer program and establishment of our Northern Region.



Andrew Brooks General Manager, Development and **Property Services**

Qualifications and Experience

BSc (Honours) Building Surveying, MRICS.

Andrew joined SGCH in May 2013 to lead the leveraging strategy for Nation Building program. Prior to this, Andrew was the Project Leader for the \$900M Bonnyrigg PPP at Becton Property Group. Andrew has over 25 years' experience in leading and delivering major urban regeneration projects in the UK, as Commercial Projects Director and Development Director at Associated British Ports and Bank of Scotland.



Suellen McCaffrey General Manager, People and Group Services

Qualifications and Experience BSc Psychol (Hons), CAHRI.

A registered psychologist with over 25 years professional experience, Suellen has held roles in sectors as diverse as financial services, professional membership, education and not-forprofit. Her areas of expertise include culture and change management, employee relations, performance and strategy. Joining SGCH in 2009, Suellen is also an accredited coach and facilitator with extensive experience in leadership and organisational development.

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