

## Media release

## New ESG standard drives strong performance among community housing organisations

The <u>first annual review of a groundbreaking Environmental</u>, <u>Social and Governance (ESG)</u> <u>Reporting Standard</u> for Australian community housing organisations has revealed significant progress in sustainability practices among early adopters.

The standard, developed in collaboration with SGS Economics and Planning, Paxon Group, and RITTERWALD, was launched in March 2023 and covers 41 criteria across environmental, social, and governance dimensions.

Based on reports from 14 community housing organisations, managing around 44,000 properties, the ESG standard is fostering a strong focus on energy efficiency upgrades. Four community housing organisations reported using quality insulation to address energy efficiency. All providers relied on a combination of retrofit activities (gas replacements, installation of solar panels and energy-efficient heating and cooling systems) and policy and design levers to improve energy efficiency. Organisations also showed a growing emphasis on tenant education regarding energy conservation and sustainability practices.

For social indicators, the standard demonstrates high compliance with safety checks and low complaint rates. Another highlight was strong evidence of 'placemaking' activities, from community building initiatives to neighbourhood improvements. These included plant workshops and competitions, school holiday activities, community markets, installing public art, improving and upgrading shared spaces, and improving accessibility to green space.

Governance practices were of a high standard with no organisations subject to adverse regulatory findings and most stating that they pay above the minimum wage in relevant awards such as the Social, Community, Home Care and Disability Services Industry (SCHADS) Award. Providers were actively working towards gender pay parity.

The standard also highlighted areas where the sector wants to make improvements such as carbon emissions reporting and certain aspects of governance, such as increasing the number of Aboriginal and Torres Strait Islander board members.

"This standard is driving greater transparency, accountability and performance," CHIA CEO Wendy Hayhurst said. "As more organisations adopt the standard and we refine our reporting



processes, we expect to see even greater strides in ESG performance. This not only improves our sector's operations but also makes community housing a more attractive proposition for investors.

"This standard is more than just a reporting tool – it's a catalyst for positive change in our sector. It's driving real improvements in how we operate, how we serve our communities, and how we contribute to a more sustainable future."

Ellis Blaikie, Executive Director, Strategy & New Business for Bridge Housing said: "This standard demonstrates the unique capacity of community housing organisations to drive change and deliver ESG returns. Transparent reporting has driven a focus on emissions reduction at Bridge and we've seen fantastic results through energy efficiency and thermal comfort upgrades that make a real difference to our tenant's lives."

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