

Previously: Institute of Strata Management Limited (ISTM)
Now: Strata Community Australia (NSW)

Code of Conduct

Obligations to Stakeholders

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Contents

CODE OF CONDUCT—OBLIGATIONS TO STAKEHOLDERS	3
1. Commitment to good corporate governance.....	3
2. Commitment to this Code.....	3
3. Responsibilities to members and the NSW strata industry generally.....	4
3.1 Board of Directors	4
3.2 Corporations Act 2001	4
3.3 Members	4
3.4 Disclosure	4
4. Responsibilities to achieve objectives.....	4
4.1 Mission	4
4.2 A not-for-profit company	4
4.3 Advisory/consultation	4
4.4 Accurate information	4
5. Privacy policy.....	4
5.1 Maintaining files on stakeholders	4
5.2 National Privacy Principles	4
5.3 Sources of information	4
5.4 Non-disclosure of information	4
5.5 Stakeholder opt out	4
5.6 Release of stakeholder information	4
5.7 Access of stakeholder to their stakeholders information	4
5.8 Questions	4
6. Employment practices	5
6.1 Equal opportunity	5
6.2 Diversity	5
6.3 Health	5
6.4 Safety	5
6.5 Training and potential	5
6.6 Use of funds and resources	5
6.7 Confidentiality	5
6.8 Conflicts of interest	5
6.9 Drug and alcohol use	5
6.10 Consultants and Contractors	6
6.11 Reputation	6
7. Fair trading and dealing	7
7.1 Competition laws	7
7.2 Bribes and Secret Commissions	7
7.3 Gifts	7
7.4 Agreements with Competitors	7
8. Responsibilities to the community	7
8.1 Environmental protection	7
8.2 Human rights	7
8.3 Support for the community	7
8.4 Political involvement	8
9. Responsibilities to the individual.....	8
10. Monitoring compliance with this Code.....	8
11. Other relevant corporate governance documents.....	8

CODE OF CONDUCT—OBLIGATIONS TO STAKEHOLDERS

1. Commitment to good corporate governance

Strata Communities Australia (NSW) ('the Company' or 'SCA') Board on 9 February 2012 has resolved that the Company establish and disclose a code of conduct to guide compliance with legal and other obligations to all its legitimate stakeholders. The Company has adopted this Code of Conduct—Obligations to Stakeholders ('the Code'). The Code outlines the Company's:

- 1.1. responsibilities to its members
- 1.2. responsibilities to its other stakeholders
- 1.3. responsibilities to the New South Wales strata & community title industry generally
- 1.4. employment practices
- 1.5. obligations relating to fair trading and dealing
- 1.6. responsibilities to individual stakeholders
- 1.7. responsibilities to the community
- 1.8. method for compliance with legislation affecting the Company's operations; and
- 1.9. method for monitoring and ensuring compliance with this Code.

2. Commitment to the Code

1. the Company endeavours to be recognised as an organisation committed to the highest ethical standards in business. SCA aspires to be a role model in conducting its activities honestly and fairly. SCA is proud of the quality of its employees and of the professional reputation and image built by their work
2. this Code reflects the Company's high standards of professional conduct and ethics in dealing with all of its stakeholders and SCA's commitment in complying with all applicable state, national and international laws
3. the Company's primary reporting focus will always be its New South Wales members of the Company
4. SCA considers that other important stakeholders are:
 - 4.1.1. all lot owners, all owners corporations and all other participants in the strata & community title industry in NSW;
 - 4.1.2. the Company's employees and contractors;
 - 4.1.3. the communities where SCA and its members operate and other parties that have influence over or are influenced by the Company;
 - 4.1.4. researchers and research organisations with which SCA collaborates and/or invests;
 - 4.1.5. any and all industries that supply goods and/or services to the strata and community title industry in NSW;
 - 4.1.6. all levels of government;
 - 4.1.7. creditors;
 - 4.1.8. suppliers;
 - 4.1.9. (reserved);
 - 4.1.10. governmental and non-governmental organisations involved in the strata and community title industry in NSW;
 - 4.1.11. NSW suppliers of strata and/or community title services to each other and/or lot owners and/or owners corporations;
 - 4.1.12. consumers of strata and community title
5. the Company is firmly committed to compliance with the Code. Any action contrary to the Code will be treated very seriously
6. the SCA Board of Directors and management will annually review and update the Code.

3. Responsibilities to SCA members and the NSW strata industry generally

- 3.1 the Board of Directors of the Company recognises its responsibilities under company law to work for the best interests of all members and to meet their legitimate expectations
- 3.2 SCA complies with all applicable provisions of the Corporations ACT, 2001 (Cth) and all other laws, rules and legislation affecting its operations
- 3.3 The Company
 - 3.3.1 has a positive relationship with its members. SCA will always attempt to respond to their inquiries and requests as quickly as possible
 - 3.3.2 is committed to delivering value for members and exerts its best efforts to maximise member benefits
 - 3.3.3 treats all members equally.
- 3.4 disclosure: SCA values communication with its members, other stakeholders and all participants, including lot owners, in the strata and community title industry generally, and will fulfil its duty to make full, fair and timely disclosure of relevant information to all members equally.

4. Responsibilities to achieve objectives

- 4.1 As the peak industry body in New South Wales, the Company's mission is committed to maintaining the highest professional and ethical standards in the operation of strata & community title properties for the benefit of the people living and working in them. And with marketing and public relations optimise the long term best interests of all participants, lot owners and owner's corporations in the strata and community title industry ('the strata industry')
- 4.2 SCA will strive, through its allocation of resources to achieve commercially attractive outcomes for the strata industry noting the Company is a not-for-profit company
- 4.3 the Company will develop advisory and consultation arrangements with members of the strata industry in NSW
- 4.4 the Company will also ensure that it provides accurate information so that all members may make informed decisions.

5. Privacy policy

- 5.1 in some circumstances it will be necessary to maintain files about the Company's members
- 5.2 the Company is bound by the National Privacy Principles. The National Privacy Principles set the standards by which SCA handles information collected from members
- 5.3 SCA only maintains files about a member from information provided by them or related companies as a consequence of information provided by the member
- 5.4 SCA does not disclose information about the member except in the ordinary operation of the affairs of the Company, which may include providing information on a confidential basis to a mailing house when the Company sends out newsletters and other reports and publications to a member
- 5.5 at any time a member may opt out of receiving communications from the Company (other than as required at law or for the operation of SCA's business, e.g. regarding payment of an account or to communicate in relation to a legal matter or a legal disclosure requirement)
- 5.6 ordinarily SCA will not release member information without the member's consent. However, SCA advises that there may be occasions where SCA may be required to release the details of a member irrespective of whether the individual has consented to the disclosure of the information. This will occur where the law requires disclosure, such as pursuant to a Court subpoena
- 5.7 a member may, without reason, request access to the information held about that member by the Company. If a member believes that any information held about it is incorrect, incomplete or inaccurate it may request the information be amended. If the Company does not agree that there are grounds for amendment then the Company will add a note to the information stating that the member disagrees with it
- 5.8 any questions regarding the operation of this Privacy Policy should be directed to the Company Secretary of SCA, contact details for which are to be found on the front cover page of this document.

6. Employment practices

1. Equal opportunity

SCA is an equal opportunity employer. This means that SCA does not unlawfully discriminate on the basis of racial origin, gender, age, ethnicity, marital status, disability, religious or philosophical beliefs, sexual preference or political affiliation. The Company considers allegations of harassment and unlawful discrimination as extremely serious and will take appropriate action.

2. Diversity

the Company promotes and supports a diverse workforce at all levels of SCA. It is SCA's belief that creating a work environment that enables the Company to attract, retain, and fully engage diverse talents leads to enhanced service, innovation and creativity in the implementation of SCA's main mission of products and services for its members.

3. Health

6.3.1 SCA strives to protect the physical and emotional health of all employees in the workplace; and

6.3.2 SCA has developed a set of core occupational health standards. These standards are implemented through education and training, and are regularly reviewed. The standards are in compliance with applicable health laws, regulations and appropriate practices.

4. Safety

6.4.1 the Company aims for a safe and accident-free workplace; and

6.4.2 SCA adheres to comprehensive safety standards focusing on hazard identification and risk assessment. These standards are implemented through education and training, and are regularly reviewed. The standards are in compliance with applicable safety laws, regulations and appropriate practices.

5. Training and potential

SCA believes in enabling employees to develop to the maximum extent of their abilities. The Company improves its employee's skills and competencies by regular performance reviews and undertaking education, training and coaching. SCA recognises potential and offers professional development opportunities within the Company.

6. Use of the Company's funds and resources

6.6.1 employees must not use the Company's property, equipment or other resources for unauthorised personal benefit; and

6.6.2 employees should use the Company's funds ethically, efficiently and effectively and not for personal benefit. Employees must report expenditures accurately. SCA will treat submission of a fraudulent expense report as serious misconduct.

7. Unlawful or Unethical Behaviour

6.7.1 employees should, and are encouraged to, raise any concerns regarding unlawful or unethical behaviour with the EO AND the Chair of the Audit Committee of the SCA Board ('the Audit Committee'). The Company is committed to ensuring employees who raise concerns regarding unlawful or unethical behaviour are not subsequently victimised.

8. Confidentiality

6.8.1 the Company and its employees & contractors are required to protect the Company's and all members proprietary, commercial and other information that is confidential to the Company and /or a member. Obligations of confidentiality continue after an individual's employment with the Company ends; and

6.8.2 information that is not publically available concerning the activities, results or plans of the Company and/or its members must only be used for purposes authorised by the Company.

9. Conflicts of interest

A conflict of interest involves a conflict between the duties of an employee/contractor of the Company and that employee's personal interests.

6.9.1 personal interests include:

- a) personal, professional and business interests of an employee; and
- b) the personal, professional or business interests of people or groups with which an employee is associated

6.9.2 if there is uncertainty as to whether a conflict of interest exists or may be perceived to exist employees should speak with the EO or the Chair of the Audit Committee

6.9.3 employees must:

- c) avoid any actual, potential or perceived conflicts or interest;
- d) report breaches of this Code to the EO of the Company AND the Chair of the Audit Committee
- e) disclose all conflicts of interest as soon as an employee becomes aware of the conflict, to the best of that employee's knowledge, in accordance with the Policy; and if an employee's circumstances change over time, make further disclosures as soon as that employee becomes aware of the conflict, in accordance with this Code

6.9.4 employees must disclose all relevant interests as soon as they become aware of a conflict or potential conflict. The disclosure of interest must be notified in writing (including by email) and provided to the Company's EO AND the Chair of the Audit Committee if an employee or contractor is making the disclosure

6.9.5 the disclosure of interest must set out details of:

- f) the nature and extent of interest;
- g) how the interest conflicts, may potentially conflict, or may be perceived to conflict with the responsibilities the employee/contractor has with the Company
- h) the date the interest began; and
- i) whether the employee/contractor has taken any steps to address or manage the conflict.

10. Drug and alcohol use

6.10.1 employees and contractors of the Company will not be under the influence of illegal drugs or alcohol in the workplace or in any situation where they may bring the Company into disrepute with any of its stakeholders; and

6.10.2 smoking is not permitted in any part of the Company workplace.

11. Consultants and Contractors

References in this Code to employees will apply to people who are associated with the Company on a consultancy or contractual basis.

12. Reputation

6.12.1 contractors and employees of the Company each personally acknowledge and agree that as an employee of or contractor to the Company they are ambassadors and representatives of both the NSW strata industry and the Company and must to the fullest extent reasonably possible do nothing to damage the standing of either in any place including interstate and overseas

6.12.2 the Company does not intend to interfere with or direct employees, consultants or contractors in the conduct of their private lives, whether they are outside or inside Australia. The Company does however wish to emphasise to its employees, consultants and contractors that any conduct, whether during work hours or otherwise, that brings the Company or the NSW strata industry into disrepute will be taken very seriously and may lead to termination of an employee's, consultant's or contractor's contract with the Company.

7. Fair Trading and Dealing

7.1. Competition Laws

The Company believes that it, the Australian economy, NSW & strata industry and the public generally all benefit if businesses compete vigorously. The Company, its employees, and representatives will treat all parties that they deal with fairly and will not engage in anticompetitive practices that unlawfully restrict the free market economy. The Company is therefore firmly committed to upholding the Competition and Consumer Act 2010 (Cth) and corresponding state legislation.

7.2 Bribes and Secret Commissions

No payment in any form may be made directly or indirectly to anyone for the purpose of obtaining any favourable action or decision or for a secret commission. A violation of this policy will subject the employee to disciplinary action, which may include summary dismissal, and may be determined by a court of law as a breach of the criminal law.

7.3 Gifts

- 7.3.1 employees must exercise extreme care when giving or receiving business related gifts;
- 7.3.2 employees should exercise particular caution in regard to any offers of value, including hospitality, travel, accommodation, entertainment and other gifts when the Company is negotiating a contract and/or is in a contractual relationship with the giver of the gift and so may be in a position to influence, directly or indirectly the outcome of a Company decision. There must not be an impression of an improper connection between any gift and business opportunities and/or decision;
- 7.3.3 the employee must consider the monetary value of the gift, local custom and legal requirements when determining whether a gift should on behalf of themselves personally or on behalf of the Company be retained, declined and/or returned. All gifts retained personally by a Company employee must be reported to the EO AND the Chair of the Audit Committee;
- 7.3.4 employees must not request gifts from any party including any party with whom the Company conducts business or may in the future conduct business; and
- 7.3.5 employees must not exchange gifts with the Company's competitors as this may create an actual or perceived conflict of interest (see 7.4 below).

7.4 Agreements with Competitors

- 7.4.1 formal or informal agreements with parties competing with the Company (if any) that seek to limit or restrict SCA activities in some way are often illegal. Unlawful agreements include agreements that seek to boycott certain sponsors, suppliers and the like; and
- 7.4.2 to ensure compliance with state and federal competition legislation, discussions with competitors regarding any of these potential agreements is a violation of the Company's policy and will subject the employee to disciplinary action, which may include summary dismissal, as well as the potential for criminal prosecution.

8. Responsibilities to the community

8.1 Environmental protection

The Company respects the environment and protects our natural resources. Wherever possible the Company will prevent or otherwise minimise and mitigate harmful effects of the Company's and its members' operations on the environment. Compliance with all environmental laws and regulations is the foundation on which the Company builds its environmental performance.

The Company also requires and expects compliance with environmental laws and regulations with all parties that are members of the Company and with which it contracts.

8.2 Human rights

- 8.2.1 the Company supports human rights consistent with the United Nations Universal Declaration of Human Rights
- 8.2.2 the Company looks for opportunities to support positive efforts to promote broader understanding of human rights values.

8.3 Support for the Community

The Company has a strong commitment to the improvement of society as well as the communities it serves and in which it operates. The Company encourages the support of charitable, civic, educational, environmental and cultural causes.

8.4 Political involvement

The Company does NOT directly or indirectly participate in party politics any where at anytime; SCA is strictly non partisan. The Company does not make payments to political parties or individual politicians in local government, NSW, Australia or in any country. The Company is not aligned to any particular political party and will be proactively apolitical.

9. Responsibilities to the individual

Collecting information on competing organisations (if any) from legitimate sources to evaluate the relative merits of their products, services, and marketing methods is proper and often necessary. The Company considers stealing information as a serious breach of this Code. In addition, seeking confidential information from a new employee who recently worked for a member, a competitor & a government department is strictly prohibited.

10. Monitoring compliance with the Code

- 10.1 it is the responsibility of every employee of the Company to promote, and ensure compliance with the Code
- 10.2 the Company has established a system for reporting violations of any of its policies and this Code, as well as any suspected misconduct by any member, employee or representative of the Company. This may be done in writing to the EO AND the Chair of the Audit Committee
- 10.3 the Company will not permit any form of retribution against any person, who, in good faith, reports known or suspected violations of this Code or any other in the Company's policy. A breach of this requirement will be regarded by the Company as serious misconduct and may result in summary dismissal

11. Other corporate governance documents

For copies of the Company's various corporate governance policies please follow the links below:

1. SCA (NSW) Constitution
2. Board committee Terms of Reference
3. Code of Ethics
4. Code of Conduct—Obligations to the stakeholders