

CODE OF CONDUCT FOR FAIR SERVICE PROVISION

CODE ADMINISTRATION COMMITTEE

2023 ANNUAL REPORT

March 2024

Message from the SCCA Chief Executive

2023 has been an important year for the Code of Conduct for Fair Service Provision.

The Code of Conduct was developed to ensure a culture of compliance within cleaning contracts and the inaugural annual report of the Code of Conduct for Fair Service Provision in Shopping Centres highlights practical and real changes being implemented in the provision of cleaning services across the industry.

The Register of Cleaning Service Providers is now up and running, highlighting the Code of Conduct's strength, and displaying the strong commitment by the industry to ensure cleaning contracts are properly managed.

It is great to see 28 cleaning service providers as initial signatories to the Register of Cleaning Service Providers and agree to abide by the Code of Conduct when required in tender documents and contracts. This is an important milestone for the Code of Conduct and is a key way in which the Code of Conduct promotes and demonstrates compliance.

A focus for 2024 will be to continue to promote the Code of Conduct and have more cleaning service providers become signatories to the Register of Cleaning Service Providers, and to monitor legislative developments to ensure the Code of Conduct remains strong and effective.

Angus Nardi

Chief Executive, Shopping Centre Council of Australia (SCCA)

Message from BSCAA Chief Executive Officer

In 2022-23, the Building Service Contractors Association of Australia Ltd (BSCAA) and the SCCA collaborated to update the Code of Conduct to streamline changes in the cleaning industry. The Code Administration Committee was responsible for overseeing the revision process.

As an additional measure, the BSCAA introduced the Contractor Prequalification Assessment in the same year. The assessment is independently undertaken by iPRO. BSCAA wanted an affordable compliance check specific to our industry but not assessed by our industry.

The Code of Conduct outlines ethical practices that all cleaning contractors and facility managers must follow. It establishes standards to ensure that cleaners are employed under fair and ethical conditions, promoting transparency and compliance in the industry.

The Code of Conduct helps to establish a level playing field within the industry, which allows for fair competition and helps to build trust and confidence with clients.

The revised Code of Conduct has been viewed positively, as it improves transparency, professionalism, and reputation in the cleaning industry. BSCAA and SCCA are committed to supporting this initiative, with the ultimate goal of making the Code of Conduct a standard practice in the industry. In 2024, we will continue to promote and enhance the Code of Conduct towards achieving this goal.

Kim Puxty

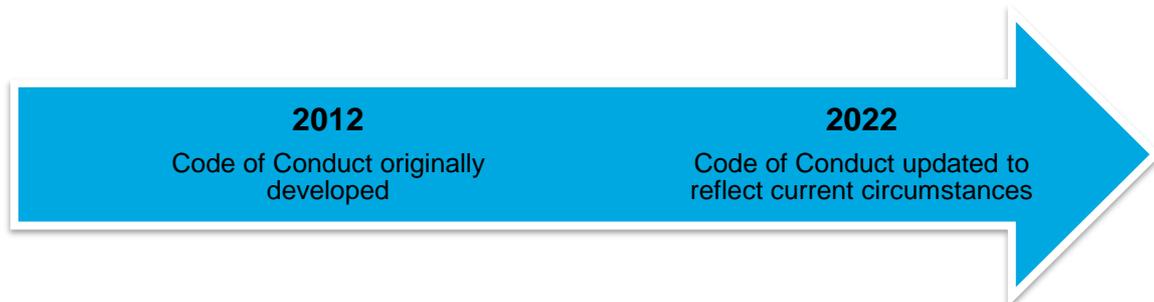
CEO, Building Service Contractors Association of Australia Ltd (BSCAA)

About the Code of Conduct

History and Context

The *Code of Conduct for Fair Service Provision in Shopping Centres* (**Code of Conduct**) was originally introduced in 2012 as an industry led and developed code to provide a framework within which the shopping centre industry could be assured that the provision of cleaning services by cleaning service providers was to a standard of service compliant with legal and regulatory requirements.

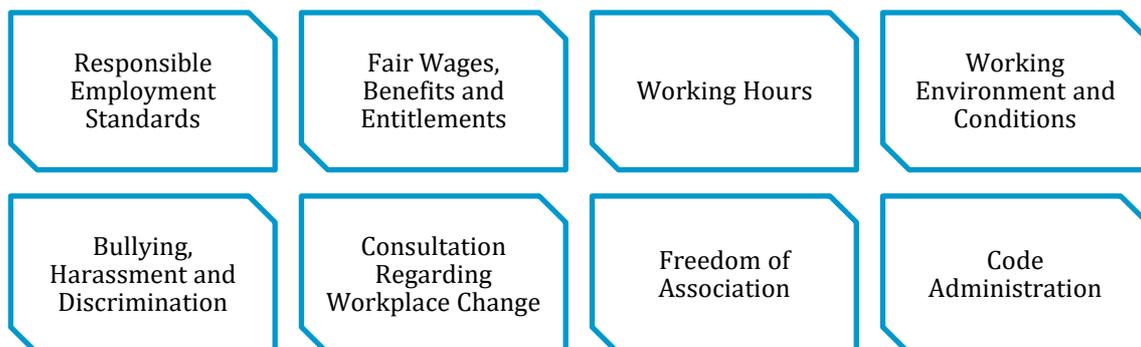
The Shopping Centre Council of Australia (SCCA) and Building Service Contractors Association of Australia Ltd (BSCAA) updated the Code of Conduct in 2022 to ensure that the Code reflected new and emerging industry practices, new government regulations, enhanced cleaning requirements and practices, public/community expectations, industry commitments and government public health messaging, and to incorporate consideration of breaches, complaints and disputes, and regular reporting.



Purpose of the Code

The purpose of the Code of Conduct is to provide a framework within which the shopping centre sector can be assured that cleaning services are compliant with current requirements, meet best practice, and that tenders reflect a financial setting that enables cleaning service providers to supply such a standard of service.

This is achieved through a commitment to the eight (8) 'Principles of Fair Service Provision' contained in the Code of Conduct.



The Code of Conduct provides a structure for discussions between shopping centre landlords and cleaning service providers, with the aim of:

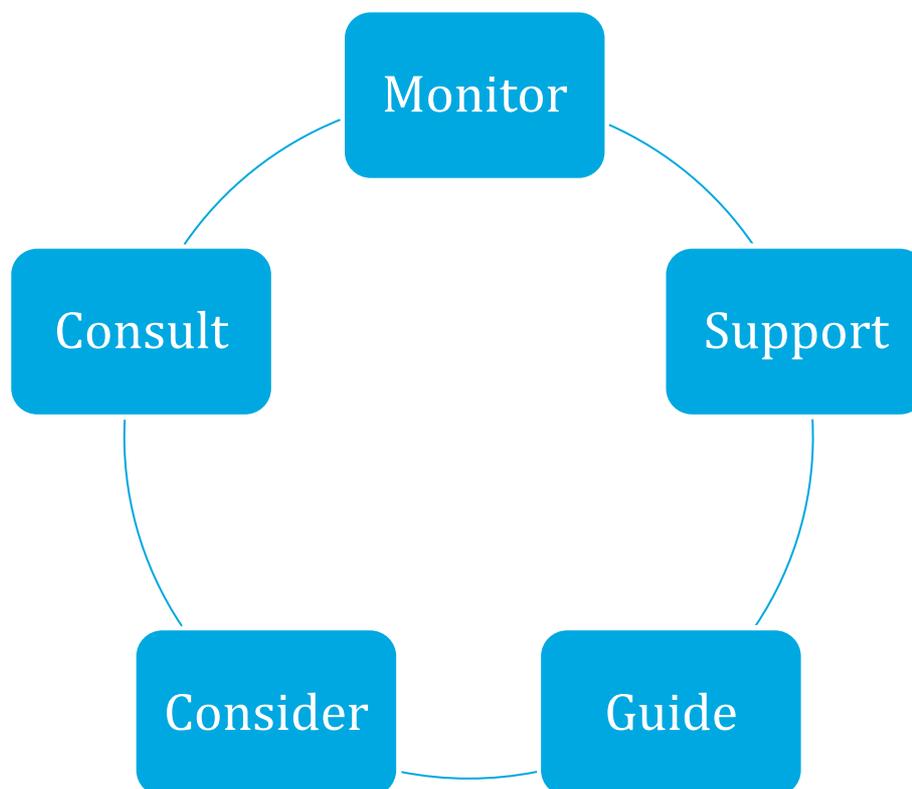
- establishing an industry consistent approach to cleaning-related matters and an appropriate forum to discuss an industry approach to operational standards; and
- identifying and mitigating risks in cleaning supply chains as a core aspect of business operations.

Code Administration Committee (CAC)

A Code Administration Committee (CAC) has been established to ensure the success of the Code of Conduct.

The role of the Code Administration Committee (CAC) is to:

- Monitor the Code of Conduct, including opportunities for review and improvement.
- Consider feedback on the Code of Conduct, in the context of periodic reviews.
- Consider issues related to the 'Principles of Fair Service Provision' by parties to a cleaning tender or contract.
- Develop relevant supporting guidance and material which may assist in the application of the Code of Conduct.
- Where there is mutual or a majority agreement by the CAC, it may consider or investigate certain or broader subject matters of importance to the operation of the Code.



The CAC comprises up to seven representatives:

- up to three representatives nominated by the SCCA.
- up to three representatives nominated by the BSCAA.
- an Independent Chair, by mutual agreement of the SCCA and BSCAA, if considered appropriate.
- the SCCA Chief Executive and BSCAA Chief Executive Officer are representatives on the CAC.

Current CAC Membership

The Code Administration Committee currently consists of:

| | |
|--------------------------|---------------------------------------------------------------------------------------------|
| Angus Nardi | Chief Executive, Shopping Centre Council of Australia |
| Kim Puxty | Chief Executive Officer, Building Service Contractors Association of Australia Ltd |
| Charlie Vasilas | NSW Vice President, BSCAA NSW, and Group Executive Director, Ezko Property Services |
| Debbie Delimitros | National President and NSW President, BSCAA, and General Manager, Eternal Cleaning Services |
| Eirene Garnsey | Deputy General Counsel, Governance and Secretariat, Scentre Group |

Another representative nominated by the SCCA also sat on the CAC throughout the year, but is not a member of the Committee at the date of this Report. A new representative nominated by the SCCA will join the CAC in 2024.

The CAC meet quarterly (four times) in 2023 to discuss the Code of Conduct, its functions, any issues arising under the Code of Conduct and key legislative and regulatory developments that related to operations governed by the Code of Conduct.

Importance of the Code of Conduct

The shopping centre industry is firmly committed to high standards of corporate responsibility.

The Code of Conduct reaffirms the shopping centre sector's expectation that cleaning service providers will treat their employees and contractors fairly, with respect and dignity, and abide by all applicable awards, standards and laws.

Shopping centres are highly visited public places, and include shopping centre and retail staff, customers and other visitors.

A key focus of shopping centre owners is to ensure a clean, safe and secure environment for all visitors. This is across all areas including entrances, common mall areas, bathrooms and food courts. shopping centre owners and managers expect cleaning services to be of a high standard, which cleaning service providers deliver on.

Shopping centre owners and managers are responsible for the cleanliness and hygiene of their assets, which is governed by government and regulatory

requirements and customer expectations. Cleaning requirements are tailored to individual centres.

As public spaces, cleaning within shopping centres is inherently different to other spaces. For instance, shopping centre cleaners perform what is generally known as 'day' cleaning (versus 'night' cleaning for office buildings) and interact with members of the public during trading hours.

The shopping centre sector is committed to working with cleaning service providers and workers to ensure integrity and compliance with all applicable laws and regulations, and the Code of Conduct provides the framework for delivering on that commitment.



Annual Reporting

This Report has been developed in accordance with section 8.6 of the Code of Conduct which includes an undertaking to *"produce a regular report on operations under the Code, including deidentified complaints and disputes about the operation of the Code."*

2023 Highlights

Register of Cleaning Service Providers

A major highlight and key success of the Code of Conduct during 2023 was the establishment and official publication of the Register of Cleaning Service Providers.

Under the 'Monitoring and Compliance' provisions of the Code of Conduct, there is a requirement for the SCCA to maintain a public register of service providers that are signatories to the Code.

Much of 2023 was spent engaging and liaising with members of the SCCA, BSCAA and other cleaning service providers to obtain the support of cleaning service providers utilised by the shopping centre sector for the Code of Conduct.

Pleasingly, 26 cleaning service providers have provided their formal agreement to be listed on the Register of Cleaning Service Providers and have agreed to generally support the Code of Conduct, including its intent and key principles, and where required (in tender documents and contracts), will abide by the Code of Conduct.

A full list of cleaning service providers who are on the Register of Cleaning Service Providers as at the date of this report is included at the end of this Report.

The official publication of the Register of Cleaning Service Providers on the SCCA website will highlight to shopping centre owners those cleaning service providers who are supportive of the Code of Conduct.

Contractor Prequalification Assessment for Cleaning Service Providers

The BSCAA spent much of 2022/2023 developing and then successfully launching a pre-qualification assessment for cleaning service providers.

The BSCAA has partnered with iPro to establish the BSCAA prequalified contractor assessment. The iPro platform independently assesses the cleaning service provider and verifies the information that they upload to the platform. The BSCAA is then notified on the completion of the vetting and is able to give the provider a badge of completion for display and a certificate that can be included in tender documents.

The assessment looks at insurances, safety, sustainability, risk management, employee engagement, legislative requirements issues, use of hazardous chemicals, use of subcontractors, and introduces the HR Health check conducted by BDO.

Contractors need to answer questions and provide documents to evidence their answers as part of the assessment.

This is an important tool for members of the BSCAA to promote and demonstrate a commitment to best practices and compliance.

HR Health Check

The BSCAA has also implemented a HR Health Check in partnership with BDO. BDO has a health check they are able to conduct directly with BSCAA members whereby BDO provides a report to the member and advises the BSCAA on whether the member has successfully completed the health check. A certificate and a badge will be provided to the member at the end of the HR health check.

The HR health check delves deeper into the payroll processing of a member and the legislative requirements of an employer and checks that actual payments are being made to workers.

Like the Contractor Prequalification assessment, the HR Health Check is a third-party orientated tool so there is no BSCAA influence on the audits or checks.

Enhanced engagement and collaboration

2023 has seen continued engagement and collaboration between the SCCA, BSCAA and members.

A highlight was having BSCAA CEO, Kim Puxty present on the Contractor Prequalification assessment and the HR Health Check to members of the SCCA's Industry Management Committee.

Continued growth and recognition of the Code of Conduct

The development and launch of the Register of Cleaning Service Providers has seen an increase in cleaning service providers and shopping centre operators recognising and supporting the Code of Conduct.

More and more shopping centre owners are requiring cleaning service providers to be compliant with the Code of Conduct in order to successfully bid for tenders.

2023 Key Issues Considered

Developments in the law and changes made by government dominated the key industry issues that were considered by the CAC throughout 2023. The CAC considered the following key issues and how they impacted on the Code of Conduct and the sector:

- The *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022* (Cwth).
- Compliance activities of the Victorian Labour Hire Authority.
- Federal Court decision concerning employees working on public holidays.
- Payment and administration of Family and Domestic Violence Leave.
- The decision of the Fair Work Commission regarding the annual wage increase.
- The *Same Job, Same Pay* reform (now part of the *Fair Work Legislation Amendment (Closing Loopholes) Bill 2023*).

Overall assessment

During 2023, there were no complaints or disputes brought to the CAC about the operation of the Code of Conduct.

This is an encouraging sign but also reflects the fact that awareness of the Code of Conduct and how it functions is still being developed among cleaning service providers and the shopping centre industry.

The development of the Register of Cleaning Service Providers and the pre-qualification assessments will help to raise awareness of the Code of Conduct, but will also help to minimise complaints and disputes in the future.

The operation of the Code of Conduct, and the level of engagement with it by members and industry, requires ongoing consideration. The Committee notes that the operation of the Code of Conduct will need to be considered in light of any legislative or regulatory developments, or changes to market practices.

2024 Key Objectives

Building awareness of the Register of Cleaning Service Providers

The SCCA will continue to encourage its members to require service providers who tender for their contracts to be a signatory of the Code of Conduct.

The BSCAA will continue to encourage its members to become signatories to the Code of Conduct.

This will be done in an effort to continue to grow the number of service providers listed on the Register of Cleaning Service Providers.

Building awareness of the pre-compliance assessments

The BSCAA has and will continue to promote the pre-compliance assessments it has developed with third parties in 2023.

The BSCAA will continue to educate its members about the pre-compliance assessments and encourage them to take advantage of these pre-compliance assessments.

Breach referrals

As noted earlier, while it is encouraging that no disputes or complaints were brought to the CAC throughout 2023 and the CAC hopes to see minimal disputes and complaints in the future, as part of efforts to increase awareness of the Code of Conduct, a key objective of 2024 will be to see more parties refer breaches of the Code of Conduct or complaints to the CAC for further consideration. This will help to improve and enhance the Code of Conduct, allow for regular review and updating of the Code of Conduct, and will help to foster a culture of compliance across the sector.

Monitor legislative developments and update the Code

The progress of the *Fair Work Legislation Amendment (Closing Loopholes) Bill 2023* will be of particular interest to the CAC. If, as expected, the Bill passes the federal parliament in 2024 in some form, the CAC will encourage members of both the SCCA and BSCAA to review the legislation and ensure compliance with the new law, particularly the provisions related to the use of labour hire arrangements.

The CAC will monitor this and other legislative developments in 2024 to determine whether the Code of Conduct will require an update.

Continued Collaboration

The SCCA, BSCAA and members will work to continue to collaborate and support efforts to enhance and promote compliance with the Code of Conduct in 2024.

BSCAA / iPro Modern Slavery Assessment

BSCAA is working with iPro to offer a modern slavery assessment in addition to the Contractor Prequalification assessment developed in 2023. The modern slavery assessment will look at a service provider's modern slavery policy and how they recognise and implement strategies in their business that address modern slavery. The separate modern slavery assessment being developed will look at the reporting side of the modern slavery requirements.

Register of Cleaning Service Providers

| | |
|-----|---------------------------------------------------------------|
| 1. | Access Group Solutions |
| 2. | Allied Integrated Management |
| 3. | ASAP Commercial Cleaning QLD |
| 4. | Assetlink |
| 5. | Brightfield Management Pty Ltd T/A Brightfield Group Services |
| 6. | Brightly Solutions |
| 7. | Clean Asset Australia |
| 8. | Cleveland Property Services |
| 9. | Dimeo Cleaning Services Pty Ltd |
| 10. | Ezko Property Services (Aus) Pty Ltd |
| 11. | Glad Group Services |
| 12. | IKON Services Australia |
| 13. | Insurgo Services Pty Ltd |
| 14. | Josand Pty Ltd |
| 15. | Keyts Cleaning Services (Vic) Pty Ltd |
| 16. | Millennium Services Group |
| 17. | My Pathway Facility Services |
| 18. | OCS Services Pty Ltd |
| 19. | Prompcorp |
| 20. | Quad Services Pty Ltd |
| 21. | Securecorp Cleaning |
| 22. | Sharper Cleaning Pty Ltd |
| 23. | SoClean Pty Ltd |
| 24. | Springmount Services |
| 25. | Stronghold Facility Services Pty Ltd |
| 26. | Trident Services Australia |
| 27. | Vertex Integrated Services Pty Ltd |
| 28. | Westralian Pty Ltd |

SCCA

The Shopping Centre Council of Australia (SCCA) is the national industry group for major shopping centre owners, managers and operators.

The SCCA's mission is to:

1. achieve a policy environment which increases investment certainty;
2. encourage industry best practice; and
3. promote the social and economic contribution of the sector.

The SCCA represents its members on all public policy and regulatory matters relevant to retail property nationally and in all states and territories. This includes issues such as retail tenancy regulation; competition policy; trading hours; land valuation; taxation; planning, development and sustainability; security; infrastructure; and utilities.

The SCCA has 28 members with a full list of members published on the SCCA website.

BSCAA

The BSCAA is Australia's peak industry representative body for the building services industry.

The BSCAA supports members within the cleaning, security, facilities management, and grounds maintenance industries by providing leadership and the provision of a range of relevant and quality services including:

- Compliance, legislation, and certifications
- Industry best practices and code of conduct
- Industry-relevant online resources, education, training, information, news, and support services
- Legal obligations, industrial relations advice, and support
- Networking opportunities and events

The BSCAA's purpose is to foster and encourage the growth and development of the contract cleaning and building services industry and to promote and protect the interests of members.