SEBEL FURNITURE REPORT 2013 LIVING IN EXCELLENCE

GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

sebel

Company Name	Sebel Furniture Limited	Date	1 December 2013
Unit (if applicable) Address	92 Gow Street PADSTOW NSW 2211		
Country	Australia	Membership Date	20 January 2010
Contact Name	Greg Welsh	Number of Employees	146
Contact Position	Chief Executive Officer		
Contact Telephone No	0419 443 999	Sector	Manufacturing



NATURE OF BUSINESS

Sebel Furniture is one of Australia's leading furniture manufacturers, specialising in the manufacture of indoor and outdoor furniture. The product range includes chairs, stools, auditorium/theatre and stadium seating, educational seating, educational furniture, tables and office seating. Sebel Furniture is a wholly owned division of KI USA.



STATEMENT OF SUPPORT

Continued commitment and endorsement of the UN Global Compact principles is a large part of Sebel Furniture's future business model. We fully support these principles. Sebel prides itself by which we proactively conduct our day-to-day activities with focus and attention to the extreme importance in promoting the highest standards in human rights, Occupational Health and Safety, labour standards and anti-corruption. We work hard to reduce the adverse effects of our business activities on the environment as a priority. Sebel Furniture develops its policies, procedures and strategies for future operations with the ideals of the UN Global Compact principles. Sebel Furniture embraces its responsibility with regards to its activities impact on the environment and communities. Sebel Furniture proactively promotes its corporate social responsibility through our website and continue to implement measures to improve practices that support the Ten Principles of the UN Global Compact.

GREG WELSH CHIEF EXECUTIVE OFFICER SEBEL FURNITURE LIMITED 1 December 2013



GLOBAL COMPACT PRINCIPLES



PRINCIPLE 1 Business should support and respect the protection of internationally proclaimed human rights

Our commitment or policy

Sebel Furniture is committed to supporting all aspects of human rights. It is our policy to ensure that such rights are implemented for employees at all levels of our processes and activities, by promoting a culture of respect for the law, and respect of all members within our organisation and with others with whom we interact.

A brief description of our processes or systems

All employees have access to the company's comprehensive complaints and resolution procedure; beginning with informal discussions with their line manager or supervisor to formal interviews and mediation with access to the highest levels of management within the company. Should the matter not be resolved to an individual's satisfaction they can appeal at any stage. They retain the right to lodge the matter with any external tribunal dealing with employee arbitration and resolution.



Commencing in late 2012, and moving forward into 2013 and all staff policies, processes and procedures have been revisited & reviewed.

Sebel Furniture as necessary continually reviews its policies and procedures to ensure they are suitable, relevant and up-todate to meet the needs of the employees and the requirements of the company.

Sebel Furniture continues its consultation process between management and employee representatives.

Measurable results or outcomes

Sebel Furniture had again in 2013, no reports of any form or human rights abuse in its workplace, nor charges resulting in a guilty verdict regarding breaches to Labour, Anti-discrimination and Safety regulations in the last 24 months.

PRINCIPLE 2 Business should ensure that they are not complicit in human rights abuses

Our commitment or policy

Sebel Furniture is dedicated to ensuring that they are not knowingly complacent in any Human Rights abuse. It is our policy to ensure that we do not associate, enter into a joint venture with any body, corporate, private or official whose actions are questionable in respect to Human Rights abuses.



A brief description of our process or systems

Prior to formulating any agreement with a contractor or supplier, Sebel Furniture will assess and research each organisation to ensure concurrence with its own policies and procedures. Where non-compliance is identified, no agreement will be entered into, or Sebel Furniture will work with that party to improve their business practices and worker safety.

We have procedures in place for the assessment of new and existing contractors.

Actions implemented in the last year / planned for next year

As part of the KI Group, Sebel Furniture has utilised more resources in China to ensure proper practices are in place at all suppliers and are monitored more frequently with increased surveillance of activities.

Measurable results or outcomes

In the last year, no contractors were non-compliant in the area of human rights abuses or had contracts cancelled.

PRINCIPLE 3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Our commitment or policy

Sebel Furniture recognises the rights of its employees and sub-contractors to union membership and representation. In 2010 the Sebel Furniture Enterprise Agreement was passed.

A brief description of our processes or systems

All the general requirements of the award relating to hours of employment, holidays, sick and personal leave, worker's compensation are adhered to by Sebel Furniture, and also outlined in the employee handbook that is provided to and signed by each new employee.

Actions implementations in the last year / planned for next year

In 2010 the Sebel Furniture Enterprise Agreement was passed. This remained in force until 31 July 2013. Negotiations are currently in progress.

Measurable results or outcomes

Staff turnover is extremely low and no disputes have arisen.

PRINCIPLE 4 Business should support the elimination of all forms of forced and compulsory labour

Our commitment and policy

Sebel Furniture is fully committed to eliminating all forms of forced and or compulsory labour. Sebel Furniture will not consider working for or with any organisation or in any environment where forced labour is condoned.

A brief description of our processes or systems

All employees are contracted to work set hours at an agreed rate of pay and may terminate their employment with a mutually agreed notice period. Shifts can be rotated with others to ensure that no employee feels disadvantaged. Overtime is available as required.

Actions implemented last year / planned for next year

In 2010 the Sebel Furniture Enterprise Agreement was passed. This remained in force until 31 July 2013. All employees affected by this Agreement were consulted and a "majority rules" system was implemented. Revised Enterprise Agreement is currently in negotiation

PRINCIPLE 5 Business should support the effective abolition of child labour

Our commitment and policy

Sebel Furniture strongly supports the abolition of child labour. Sebel Furniture will not condone or be complacent in any matter concerning the use and abuse of children as workers.

A brief description of our processes or systems

Due to the nature of our business, no persons under the age of 16 years are contracted or employed by Sebel Furniture for any position whatsoever.

Any apprentice coming into the system is required to be approaching the age of 17 years of age, and above. This has been agreed upon with the providers of this service.

Actions implemented in the last year / planned for next year

Following employment checklists and reviewing all potential suppliers ensured that Sebel Furniture did not employ, nor partner with an organisation that employed, on a full time basis, any person under the age of 16. Some of Sebel Furniture's suppliers provided work at appropriate pay rates for children over 14 years of age, working after the completion of their daily schooling.

Sebel Furniture actively seeks renewed confirmation from suppliers, demonstrating their support for the abolition of child labour.

Measurable results or outcomes

There have been no disputes regarding child labour nor any fines or judgements against Sebel Furniture in this regard.

Sebel is unaware of any child labour abuses by any of its suppliers

Sebel Furniture management has been active in the UNGCA promoting and speaking on Human rights and Labor.

PRINCIPLE 6 Business should support the elimination of discrimination in respect of employment and occupation

Our commitment or policy

Sebel Furniture supports the elimination of discrimination in respect of employment and occupation.

A brief description of our processes and systems

Sebel Furniture is committed to equal employment opportunity in all aspects of the employment policy including the selection, placement, training and promotion of all employees. Sebel Furniture does not discriminate on the grounds of race, sex, colour, religion, sexual orientation, national origin, age or disability. Sebel Furniture will ensure that no person is denied employment for reasons unrelated to ability.





Commencing in late 2011, and moving forward, employment policies were reviewed and updated (where applicable) ensuring that equal employment processes were adhered to.

Sebel is now required by law to report on company profile information regarding the Gender Equality Act 2012 to the Workplace Gender Equality Agency.

Measurable results or outcomes

As in previous years, Sebel Furniture has no judgments placed against the organization for discrimination in 2013.



PRINCIPLE 7 Business should support a precautionary approach to environmental challenges



Our commitment or policy

Sebel Furniture is committed to the protection of our environment and the 3 Rs: recycle, reuse and reduce where possible. Sebel Furniture accepts social and moral responsibility for a continual improvement of our impact on the environment based on legal and other obligations.

A brief description of our processes and systems

Sebel Furniture applies a common environmental management methodology throughout the company. We make conscious decisions to ensure the environment is a key consideration in all activities at Sebel Furniture. On the sustainability front we monitor our carbon footprint with the aim of reducing energy usage.





Sebel Furniture continues to train their staff in Environmental Awareness and motivated employees to understand their environmental responsibilities and to participate actively in all environmental programs.

Sebel Furniture continues to make proactive efforts to assess its supply chain's environmental impact and has visited forests in overseas locations to verify the use of plantation timbers. Sebel Furniture is continuing it push to FSC timbers in all key products.

In consultation with environmental experts, Sebel Furniture achieved certification of its environmental management system to international standard ISO14001 in 2012.

Measurable results or outcomes

A common environmental management methodology has been implemented throughout the company, and received certification to ISO14001, in December 2012

No charges resulting in a guilty verdict regarding breaches to environmental regulations have been laid against Sebel Furniture in the last 24 months.



- Recycled polypropylene
- Anti static, stays cleaner
- Lower back ventilation
- Strong, durable & light
- Australian quality (AS4610)



PRINCIPLE 8 Business should undertake initiatives to promote greater environmental responsibility

Our commitment or policy

Environmental protection and awareness is extremely important to Sebel Furniture. Sebel Furniture will not conduct any activity where the risk is significant in causing environmental damage. Sebel Furniture is a signatory of the Australian Packaging covenant. Sebel Furniture uses recycled materials across a large number of its products. Sebel has a range of GECA certified products, in line with, the Ecolabel program ISO 14024.

A brief description of our processes or systems

Environmental impact assessments are conducted prior to any new task or activity being introduced in the company. We are doing our part for the environment by implementing "green" practices that help minimise the overall ecological footprint and reduce landfill. We contribute to more sustainable practices by encouraging our customers to return old Sebel Furniture for recycling whereby old Sebel Furniture is ground down and turned into new furniture, or utilized for internal componentry.



Sebel Furniture recently reviewed all processes and identified where improvements could be made in the use of power and fuels.

Sebel Furniture is a signatory to the Australian Packaging Covenant and meets its reduction responsibilities under this agreement.

Sebel Furniture made proactive efforts to assess its supply chain's environmental impact and has visited forests in overseas locations to verify the use of plantation timbers. Sebel Furniture is continuing its push to FSC timbers in all key products.

Measurable outcomes or results

Reductions in landfill due to recycling more products, and reduction in water and power usage. Waste removalists are now monitored and provide Sebel Furniture with volume reports on materials taken off-site, for recycling, re-use & disposal in landfill and other appropriate methods. At years end 44% of waste, by volume was diverted to recycling and this shall improve further in 2013, as various internal recycling programs are implemented.



PRINCIPLE 9 Business should encourage the development and diffusion of environmentally friendly technologies

Our commitment or policy

Sebel Furniture is constantly researching latest technologies to ensure we are using the most environmentally friendly systems possible. Sebel Furniture reuses post production waste in "recycle" products and components.

A brief description of our processes or systems

We are constantly challenged to improve the sustainability of the technologies and processes in the manufacture of our furnishings. Investigation of new and improved environmentally friendly technologies is paramount to our environmental success, and the engineering department is working closely with supply chain and R&D towards this objective.

Sebel overseas suppliers are now required to supply E Zero furniture, which improves significantly the health of the workers in the factories using these timbers.

Actions implemented in the last year / planned for next year

Sebel is now ISO 14001 certified.

Sebel Furniture continues to invest in alternative and more environmentally friendly technologies.

Sebel Furniture introduced in-house waste regrinding to permit the use of recycled materials on site.

Sebel Furniture made proactive efforts to assess its supply chain's environmental impact and has visited forests in overseas locations to verify the use of plantation timbers. Sebel Furniture is moving to FSC timbers in all key products. Sebel Furniture introduced onsite regrinding to ensure lowest cost recycling of waste materials and re-use in new products.

Sebel has introduced systematic formaldehyde testing on its wooden componentry to ensure safer raw material use at its suppliers and in its finished product.

Measurable results or outcomes

Reductions in landfill due to recycling more products and packaging and reduction in water and power usage due to introduction and training in new technologies.

PRINCIPLE 10 Business should work against corruption in all its forms, including extortion and bribery

Our commitment or policy

Sebel Furniture is committed to ensuring we are not involved in any corruption, extortion or bribery in any business dealings.

A brief description of our processes or systems

Sebel Furniture is a strong believer in ethical business practices and principles. Sebel Furniture has a zero tolerance for corruption and refuses to deal with organizations or individuals where this is active or apparent. Any conflicts of interest are investigated prior to any new projects.

Actions implemented in the last year / planned for next year

Continued vigilance and monitoring of all new projects, suppliers and employees takes place. Sebel Furniture provides staff with briefings and regular reminders to all staff in relation to Australian Trade Practices regulations.

Sebel Senior Staff have been active participants in Anti Bribery protocols and meetings arranged by UN and UNGCA.

Sebel Furniture management hold active discussions with all staff exposed to corruption and bribery. Sebel Furniture management through the UNGCA participation have provided resources to the UNGCA to help promote active management of Principle 10.

Measurable results or outcomes

In the last 3 years we are unaware of any of our staff or agents soliciting commission.

How do you intend to make this COP available to your stakeholders?

	CAD DRAWINGS	PROJECT GALLERY ERGONOMICS & ENVIRONMENT ABOU
K-12 UNIVERSITIES GOVER	RNMENT STADIUM + AUDITORIUM	IS HEALTHCARE HOSPITALITY OFFICE DEALER NETWORK
GO CC	RPORATE SOCIAL F	RESPONSIBILITY
From Harry Sebel		Our RAP
Corporate Mission & Values		Sebel's Chief Executive Officer (who has Aboriginal Ancestry) along with Sebel's Executive Assistant together compiled and completed the Reconciliation Action Plan I
Tashpalasisal Landarship	Reconciliation	suited for the vision and mutual benefit of Sebel Furniture as well as Aboriginal and
Research & Development	e are honored to be able to acknowledge	Torres Strait Islander peoples. The CEO has a personal invested interest in promotin and encouraging the beneficial connections between Sebel Furniture and the wider
Quality Assurance the	the traditional owners of the land and pay respects to their elders past, present and future.	Indigenous community. Sebel Furniture recognizes and acknowledges the involveme and participation of all sectors in the community in achieving and forming successful
Seber News		partnerships with Indigenous and
Corporate Social Responsibility		Click here to view our policy
		Here are some links to some Aboriginal Artist websites:
		http://www.ankaaa.org.au/
		http://aboriginalartonline.com/art/artists.php

Our Classroom in a ROY OSR program means you can get a classroom package (to