

Schiavello

Communication on Progress

Human Rights Principals

Assessment, Policy and Goals

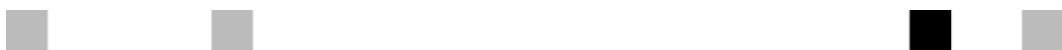
As a large employer, the Schiavello Group is committed to protecting the health, safety and well-being of its stakeholders and to ensuring its activities do not impinge on this aspiration. The Schiavello organisation is committed to supporting and respecting the protection of internationally proclaimed human rights and our policies in this area are guided by the principles of respect and fairness for all. Our culture and Core Values embody a commitment to treating all team members, contractors, clients, and suppliers with dignity and respect. This is reflected in our Code of Conduct Policy, published on our Intranet, to make our position clear. Our Code of Conduct complies with the ISO 26000 standards and other international conventions.

Implementation

The Schiavello Group of Companies is committed to providing all its employees with a work environment that is free from discrimination and/or unfair treatment. The Schiavello Group Core Values openly encourages and promotes harmony and teamwork within the workplace and the Grievance procedure assists in achieving this objective. The Grievance Procedure provides guidelines on how an employee might lodge a complaint and/or grievance with regards to unfair treatment. The Company undertakes to treat each grievance/complaint with confidentiality, objectivity and fairness and will implement a thorough investigation into each issue without bias or favour. Where a complaint/grievance is substantiated following an investigation, the Company will seek to find a resolution as quickly and fairly as possible.

Measurement of Outcomes

The Schiavello Group operates within a national and international network of suppliers and vendors. Recognising our capacity to influence these suppliers, we routinely reach out to our suppliers to determine their policies, practices and procedures with regard to environment impact; compliance with applicable human rights legislation; and their business behaviours. We have a system in place that encourages employees, clients and partners to report back if they suspect any wrongful doing in regards to our Code of Conduct.



Labour Principals

Assessment, Policy and Goals

The Board requires management to conduct all business activities at the highest level of ethical behaviour and to enforce a “zero-tolerance” stance against unethical and/or non-complying behaviour from its employees.

The Board of the Schiavello Group requires management to ensure the following principles are supported, monitored, and sustained:

- Freedom of Association and Collective Bargaining.
- Elimination of forced and/or compulsory labour.
- Elimination of any form of discrimination in respect of employment and/or occupation.
- The health, safety, and wellbeing of our workforce is our primary objective.

Implementation

Schiavello is committed to providing education, training, counselling, prevention, and risk-control programs to assist workforce members, their families, or community members regarding serious diseases.

The Schiavello organisation routinely provides training and educational opportunities to its workforce in areas such as:

- Work-Life balance
- Nutrition
- Smoking cessation
- Heart disease
- Diabetes
- Cancer awareness
- Influenza vaccination

The Schiavello Group also operates an Employee Assistance Program that addresses issues such as workplace and/or personal stress; mental health issues; and work-life balance matters.

Measurement of Outcomes

The majority of Schiavello employees live and work in Australia, which has robust and generally applied laws and principles ensuring decent work and fair conditions. The application of the Fair Work Act ensures that these conditions are enjoyed throughout Schiavello operations.

Australian employment law also expressly prohibits the use of forced or compulsory labour or exploitation of children in the workplace. No instances of the use of forced or compulsory labour or the use of child labour have been identified nor have they been identified during the last reporting period for any Schiavello entity.

Schiavello maintain a periodic review of the Fair Work Act in regards to its employees and maintain a continued monitoring of Labour Policies as well as review on an ongoing basis to the Policy’s suitability and effectiveness.



Environmental Principals

Assessment, Policy and Goals

Schiavello recognises the promise, usefulness and need for environmentally friendly technologies. We continue our research and development work seeking better materials and better environmental performance from our production facilities and our products. The significant take up of the principles embodied in the Green Star® Rating tools has continued, with clients calling for products which will achieve the credits within those tools. In another leading initiative, Schiavello has partnered with Ecospecifier to have the majority of our products, certified by the best practice standards of Ecospecifier Global GreenTag®.

The Company regularly monitors its impact on the community and it takes all reasonable steps to adjust its activities so as to not negatively impact on the local area. Management is encouraged to consult and liaise with the local community on matters such as traffic flows; plant operating times; noise emissions; visual impact; and waste control.

Implementation

Schiavello continues to implement e-cycle®, an environmental take-back program that recovers Schiavello furniture at the end of its life to recycle, or reuse and resell, as a way of reducing material consumption churn.

The achievement of gaining third party product endorsement for Schiavello products via Global Green Tag® Certification has also been a major project. The Global Greentag certification validates our past environmental activities and continuous improvement processes.

Schiavello has also used the world class Life Cycle Analysis (LCA) software, SimaPro, which describes the environmental impacts of products and provides comparative information on alternatives, as major input to the design process.

Measurement of Outcomes

At the end of 2008, Schiavello installed a water treatment system for the metal powder coating line to enable re-use of the rinse water. In its second 12 months' operation, the savings of 10 megalitres of water per annum has been continued and confirmed.

Schiavello has also worked towards environmentally friendly procedures in the office, with all divisions continuing to participate in waste management efforts. In the 2013-14 year, Visy collected around 70 tonnes of cardboard and paper from Schiavello sites in Victoria, a 22% decrease on the 8 tonnes in 2012-13. On top of this, a longer term project has commenced, to establish an electronic document management and distributions system, which will gradually result in a reduction of paper consumption.



Anti- Corruption Principals

Assessment, Policy and Goals

The Board of the Schiavello Group is committed to ensuring its business activities are conducted according to all relevant standards and applicable legislation and to providing its stakeholders with assurances that its practices are not only in compliance with all stated obligations, but that these are also conducted within the spirit of those obligations and that they demonstrate good corporate citizenship.

The Board requires management to conduct all business activities at the highest level of ethical behaviour and to enforce a zero-tolerance stance against unethical and/or non-complying behaviour from its employees. We work strongly against corruption in all its forms, including extortion and bribery.

Implementation

Internally, Schiavello have a check and balance system over transactions. The records are maintained with proper proofs about what project's finances go to, with a summary of what each of these finances relate to. The information is checked and controlled by The Chief Financial Officer and ultimately reaches the Managing Director.

Measurement of Outcomes

Schiavello's policy is to keep accurate and complete records of all business transactions. It is the responsibility of all Company Personnel to ensure that all business transactions are recorded honestly and accurately and that any error or falsification of documents is promptly reported to senior managers, Chief Financial Officer or the General Legal Counsel. The Chief Financial Officer is responsible for the maintenance of this Policy and continues to monitor the implementation of the Policy as well as review on an ongoing basis of the Policy's suitability and effectiveness.

