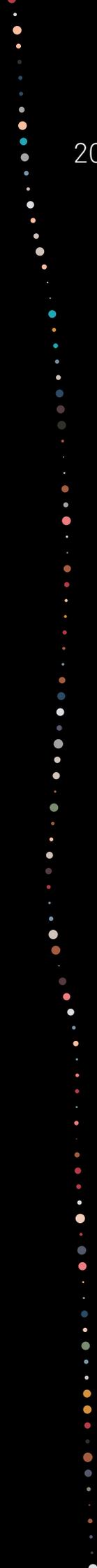


Indigenous Participation Plan

2017–2019

schiaavello Ganbu



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Acknowledgment of Country

Schiavello recognises the rich Indigenous heritage of this country and acknowledge the Traditional Custodians of the land on which we work and live.

We pay our respects to their Elders both past and present and extend that respect to all Aboriginal and Torres Strait Islander people.

Schiavello acknowledges the past, recognises the present and looks forward to contributing to a brighter future.

About Schiavello

Schiavello Group is a multidisciplinary property and accommodation business specialising in the creation of physical environments for the evolving needs of people.

We encompass the integrated activities of property development, strategic advisory services, construction and contracting services, manufacture of building materials, design and manufacture of furniture products and diverse contract manufacturing, supporting Australian and International markets.

Founded in 1966 by two brothers, we have grown to now employ more than 1,300 people internationally. When many of our product competitors have moved to outsourcing products from factories offshore, we continue to design and manufacture nearly all of our products in Australia, operating from 11 offices and over 100,000 square metres of advanced manufacturing and administration facilities.



Message from the Managing Director



I am pleased to present our 2017-2019 Indigenous Participation Plan, which formally extends our existing Social Responsibility actions to include Aboriginal and Torres Strait Islander people.

The Plan reinforces our long term commitment to diversity within our organisation, whilst meeting the changing needs and aspirations of our talented workforce.

As a leading Australian employer and proud advocate of Australian manufacturing and labour, we have always encouraged and celebrated diversity. However, we also recognise there is more to be done.

Research shows that Aboriginal and Torres Strait Islander people sit at the lower end of various social measures, including employment, education, health and housing. This fundamentally impacts on their ability to live healthy, fulfilling and productive lives.

Over the coming years, we intend to use this Indigenous Participation Plan as a framework to better understand the specific challenges faced by the Indigenous community.

We will take a proactive approach towards improving youth education and employment opportunities, whilst continuing to foster a culture of acceptance and a workplace inclusive of all Australians.

Peter Schiavello
Managing Director
Melbourne

Our Starting Point



As a proud Australian company, Schiavello directly employs over 1,300 people across the country.

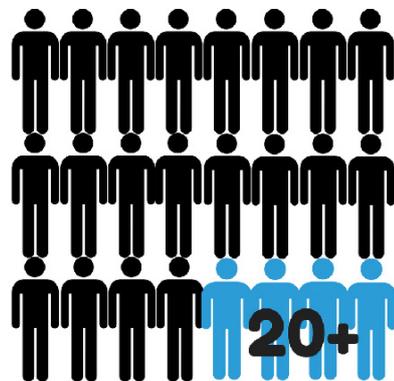
The average length of employee service is 9.4 years; amounting to over 10,000 years in terms of contribution from our current workforce alone. The longevity of our staff is a testament to our continuing business' growth – a clear philosophy of internal progression, development, training and opportunity.

At present, 14% of our people boast over 20 years of service; and continue to play a major role in the ongoing success of our business.

We now represent four generations working together. Our two founders, brothers Tony and Joe Schiavello, are still actively involved in the business. At ages 78 and 71 respectively, they show no signs of slowing down. They work alongside the younger generation, encouraging a culture where employees are respected and valued no matter their age or background.

Whilst we are proud of the strength of our existing workforce, we also recognise that their aspirations, motivations and needs continue to change and we must respond accordingly.

A number of recent actions will ensure we continue to develop the careers of our diverse workforce. This includes the appointment of a senior Enterprise Talent and Culture Leader in 2015, a Learning and Development Lead in early 2016, and an Indigenous Engagement Manager in January 2017.



14% of our people boast over 20 years of service

Leveraging 40 years of youth development

The Australian manufacturing environment has changed considerably since Schiavello commenced operations in 1966. To be successful Australian manufacturers need to be globally competitive and innovative, in terms of processes, products and people.

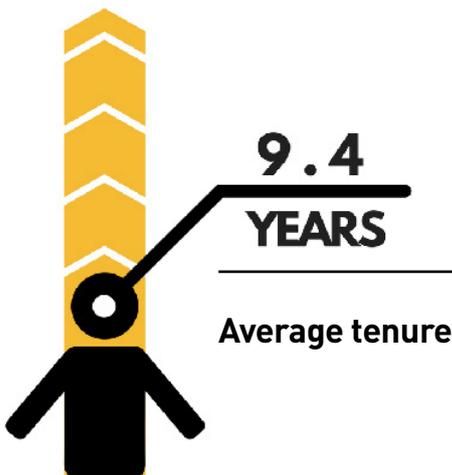
As a result of these growing demands, in particular over the last 10-15 years, Schiavello is now one of the last remaining commercial furniture manufacturers in Australia, with over 100,000sqm of locally owned and operated manufacturing facilities.

Whilst many factors have contributed to our success, the ongoing commitment to developing a skilled workforce has been key. This includes the sustained development of our internal trade capabilities, made possible through our nationally recognised Apprenticeship Program.

The Schiavello Apprenticeship Program commenced in the early 1970s. Having undertaken their own apprenticeships, our founders appreciated the value of youth training and looked to recreate a similar opportunity for development. In 2008, Schiavello partnered with Victoria University to establish an on-site trades training program, with a full time TAFE teacher located at our manufacturing site in Tullamarine. To date, more than 400 apprentices have successfully completed the program. Many of the graduates are currently employed directly by Schiavello or our trusted suppliers across a range of trades, including carpentry, joinery, electrical and glazing.

We currently have 55 apprentices undertaking our training program; this figure represents one of the largest private manufacturing apprenticeship programs within Victoria.

As a result of this ongoing commitment to youth education and employment, Schiavello was an Employer of the Year Finalist at the 2014 Victorian Training Awards. We have also been privileged to be appointed to the Victorian Manufacturing Hall of Fame.



Indigenous Apprenticeship + Program

A key aspect of our Indigenous Participation Plan is to extend this proven vocational program to specifically include Indigenous people.

We are working with our vocational partner, Victoria University, to expand our existing Apprenticeship Program; plus direct recruitment opportunities across our businesses.

Building valued partnerships with local Indigenous community groups will be key to the effective promotion of these entry level employment and participation opportunities amongst local Indigenous youth.



400+ trades qualifications delivered

Our Employment Commitment

THE SCHIAVELLO GROUP IS COMMITTED TO HAVING 3% OF ITS RELATED WORKFORCE REPRESENTED BY INDIGENOUS EMPLOYEES BY 2020.

Our Approach

We recognise we have much to learn. We have therefore sought advice from trusted industry partners who are leading the way in Indigenous employment. We are particularly grateful for the ongoing advice and support provided by Crown Resorts, and those individuals within its nationally recognised Indigenous Program.

Our IPP will involve:

- _ A whole of organisation approach with senior level commitment and involvement.
- _ A focus on developing and leveraging employment opportunities in those areas where we have proven employment capabilities, such as our recognised Apprenticeship Program.
- _ Growing Indigenous cultural awareness and understanding across the organisation.
- _ Reviewing all employment and recruitment processes to ensure they do not disadvantage Indigenous candidates.
- _ Establishing key partnerships with other experienced organisations and institutions to increase the Indigenous employment opportunities available.

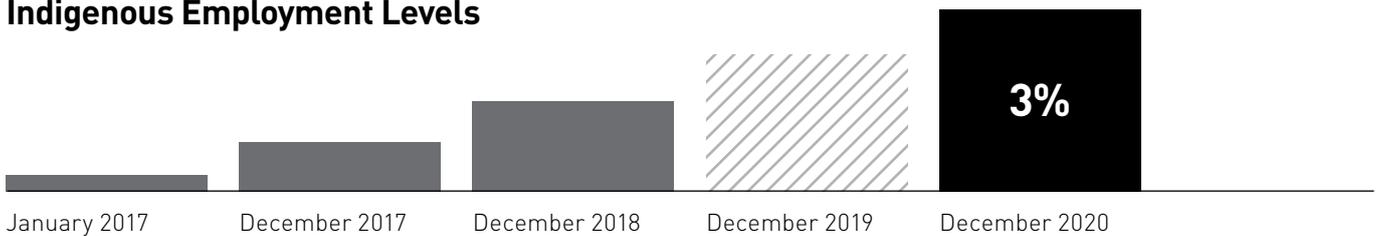
This coordinated approach will ensure we develop the organisational framework needed to support successful and sustainable Indigenous employment opportunities across the Group.

We are committed to delivering on these activities and excited by the prospects they'll bring.



10,000 years contribution from our current workforce

Indigenous Employment Levels



Schiavello Ganbu

GANBU MEANS 'FIRST' IN THE WOIWURRUNG LANGUAGE OF THE WURUNDJERI TRIBE.

Schiavello Ganbu is a unique Indigenous business. Alongside its offering of quality commercial workspace solutions, it directly manages the growth in Indigenous employment of its partner organisation to 3%+ by 2020.

Schiavello Ganbu operates across four supporting strategies, viz:

1. Youth Employment

Successful transition of Indigenous youth from school to work is a priority focus for Schiavello Ganbu.

Young people face many challenges as they transition from school to work. This follows as they have less life experience and required life skills; limited workplace experience; and consequently a less developed sense of "job readiness". Such challenges translate into higher levels of unemployment; especially for Indigenous youth.

Through its long standing Apprenticeship program, Schiavello understands the incredible value of building long term employment relationship with young people. As a result, over 400 young people have successfully transitioned into meaningful trade careers to date.

Working with Schiavello management, Schiavello Ganbu successfully extended this program to our first Indigenous apprentice intake in August 2017; with intakes to now continue each year.

Schiavello Ganbu also provides workplace based mentoring and support to Indigenous employees.

2. Youth Education

Teachers and school support staff can be powerful mentors who positively influence young people. Schools provide the ideal space to initiate early interventions for young people likely to be at risk of a poor school to work transition.

Schiavello is therefore proud of its partnership with the inspiring Worawa Aboriginal College; and the unique work it's doing to successfully house, educate and transition young Indigenous women from regional and remote areas of Australia. See page 10.

Schiavello Ganbu is responsible for managing and furthering this partnership. Commencing in February 2017, this partnership has already delivered more than \$50,000 in support. Schiavello Ganbu is working to further initiatives around identified areas of Indigenous art and design, student facilities; education and work experience programs within Schiavello.

With TAFE, Schiavello Ganbu is working on a Pre-Apprenticeship program for Indigenous youth as an entry point to full Apprenticeships at Schiavello and other employers.

3. Community and Corporate Partnerships

Strong partnerships with local Indigenous organisations is essential for Schiavello to become a preferred Indigenous employer destination; especially in relation to a sustainable pipeline of Indigenous youth into entry level career positions.

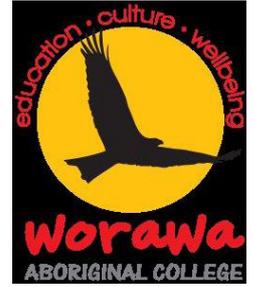
Through the hosting of factory visits, and prospective apprentice sessions to Indigenous job service providers and community groups, Schiavello Ganbu is building positive relationships amongst groups such as Victorian Aboriginal Education Association Inc., Aboriginal Affairs, Matchworks and Victorian Koori Court.

4. Cultural Awareness

Respect for Indigenous culture and people is essential for the planned growth in sustainable Indigenous employment and participation across the Schiavello businesses.

Schiavello Ganbu is therefore providing ongoing cultural awareness and development for employees nationally; calling upon its community and corporate relationships to access materials, experiences and advice which enriches its Indigenous education services.

Walking Together



SCHIAVELLO WORKING WITH WORAWA ABORIGINAL COLLEGE

Starting in 1983, Worawa College is the only boarding school in Australia catering specifically for Aboriginal young women in the middle years of schooling (Years 7-10) who have come from aboriginal communities in regional and remote Australia.

Offering an integrated education, Indigenous culture and wellbeing model allows the College to directly tackle Closing the Gap educational priorities.

Their approach is designed to respond to high achieving students as well as those who may have experienced individual factors such as exposure to trauma, family violence/dysfunction, physical or sexual abuse, anti-social peer groups or parent incarceration.

A mainstream education is provided so students can attain the confidence, knowledge, skills and attitudes necessary to become fully contributing members of Australian society. Equal emphasis is also placed on giving students a strong sense of their Aboriginal identity and culture.

This unique combination improves Aboriginal young women's confidence so they are able to walk in two worlds.

Since early 2017 Schiavello has been supporting Worawa's work to improve Indigenous youth education and employment prospects.

Our ongoing partnership is focused on:

- _ Upgrading living and work spaces for students and staff.
- _ Supporting the further development of income generating services such as the on-site Art Gallery.
- _ Promotion of Worawa's Indigenous art and design connection.
- _ Exploring vocational work experience opportunities within our businesses.

Recently Schiavello provided furniture worth more than \$50,000 for use across both boarding and school areas of their Healesville campus. The sight of the trucks arriving on site led to a high level of interest in their contents. A subsequent visit by senior managers confirmed the furniture was well received by both staff and students.

Thoughts have already turned to how best to satisfy the school's next wish list.



Photo: Donated furniture in Worawa College Art Gallery.

Indigenous Participation Plan

OUR IPP IS STRUCTURED ACCORDING TO THE THREE BROAD PILLARS OF RECONCILIATION.

The image displays three horizontal bars representing the pillars of reconciliation. Each bar features a large stylized number on the left and text on the right. The first bar is dark grey with a white '1' and is titled 'Relationships'. The second bar is yellow with a white '2' and is titled 'Respect'. The third bar is red with a white '3' and is titled 'Opportunities'.

1 Relationships
Encourage and foster meaningful, long term relationships with the Indigenous community. Long term relationships lie at the heart of who we are and have been for over half a century. By working closely with Aboriginal and Torres Strait Islander people we can better understand the barriers

2 Respect
Respect the customs and practices of Indigenous people and their communities.

3 Opportunities
Grow sustainable employment and participation opportunities for local Indigenous people. We recognise the important role employment plays in boosting self esteem, economic security and overall health and wellbeing for Indigenous people, their families and wider communities.

These pillars will provide us with a strong foundation as we develop our Indigenous Participation Plan further.

Key:

- Completed
- In Progress

Indigenous Participation Plan

Relationships

Our Aim

BUILD RESPECTFUL CONNECTIONS AND RELATIONSHIPS WITH INDIGENOUS PEOPLE AND COMMUNITIES.

BUILD PARTNERSHIPS WITH OTHER KEY STAKEHOLDERS TO IDENTIFY MUTUALLY BENEFICIAL INDIGENOUS EMPLOYMENT AND PARTICIPATION OPPORTUNITIES.

Actions	Responsibility	Timeframe	Measurable Outcomes	Status
Appoint a dedicated Indigenous Manager to provide cultural guidance and drive our IPP actions.	GM, International Enterprise Talent & Culture Leader	January 2017	Kyle Vander Kuyp appointed as Indigenous Engagement Manager in January 2017. See profile (page 17).	●
Adopt a governance structure which holds us accountable for our IPP commitments.	Managing Director / Respective Boards	January 2018 onwards	Quarterly reporting on the progress made against the actions identified in this IPP.	●
Identify and engage appropriate external advisors to assist our executive teams on key Indigenous community, employment and business matters. Incl. Crown, Koori Court & Victorian Indigenous Professionals Network.	Managing Director / Respective Boards	December 2017	At least two advisors engaged.	●
		December 2018	One additional advisor engaged.	●
Develop a partnership with a suitable Indigenous education organisation aligned to our youth participation and employment focus.	Enterprise Talent & Culture Leader / Indigenous Engagement Manager	May 2017	Partnership established.	●
		December 2017	Minimum of two initiatives actioned.	●
		December 2018	Two additional initiatives actioned.	●
		June 2019	One additional initiative actioned.	●

Actions	Responsibility	Timeframe	Measurable Outcomes	Status
Build key relationships within the local Indigenous community and services to: _ Provide advice and feedback on the best means to develop Schiavello as a preferred employment destination. _ Promote and support specific Schiavello employment and participation initiatives e.g. apprenticeships within the local Indigenous youth market. Incl. Shine People Solutions, AFL SportsReady, Melbourne Storm School to Work Program	Indigenous Engagement Manager	July 2017	Identify and build appropriate networks and relationships with at least 3 key groups.	●
		July 2017 ongoing	Commence recruitment both directly; and through external agencies.	●
		July 2018	Minimum of 3 additional apprentices engaged.	●
		December 2018	Extend networks to an additional 3 key groups.	●
Build key relationships within suitable Federal, State and local government organisations and services to: _ Provide advice on how best to promote Schiavello as a preferred employment destination. _ Promote and support specific Schiavello employment and participation initiatives within the local Indigenous youth market.	Indigenous Engagement Manager	July 2017	Identify and build appropriate networks and relationships with at least 3 key govt. contacts.	●
		December 2018	Extend existing networks to include an additional 3 key govt. groups.	●
		December 2018	Identify at least 1 opportunity to form a joint employment trial.	●
Build relationships with suitable business and government organisations who can provide advice, education and guidance on our cultural awareness program.	Indigenous Engagement Manager	September 2017	A minimum of 1 strong external relationship established.	●
		September 2018	A minimum of 2 additional external relationships established.	●
		May 2019	Identify at least 2 improvements to our IPP arising from these relationships.	●
Use appropriate communication channels to provide Indigenous information promoting greater awareness of Indigenous culture and issues.	Marketing Department	March 2018 onwards	Provide information about our Indigenous program and journey on our Corporate website / social media channels.	●

Indigenous Participation Plan

Respect

Our Aim

INCREASE APPRECIATION AND UNDERSTANDING OF INDIGENOUS CULTURE AND ISSUES WITHIN OUR ORGANISATION.

DEVELOP AN INCLUSIVE COMPANY CULTURE WHICH ACKNOWLEDGES INDIGENOUS CULTURE AND VALUES.

Actions	Responsibility	Timeframe	Measurable Outcomes	Status
Expand Indigenous cultural awareness across the business.	Enterprise Talent & Culture Leader / Indigenous Engagement Manager	July 2017	Establish appropriate Cultural Awareness Training; including introductory program.	●
		December 2017	Minimum of 10 senior managers attend.	●
		June 2019	Minimum of 50 managers attend.	●
		July 2018 onwards	Stage 2 training established based on survey results.	●
		December 2019	Minimum of 50 managers attend Stage 2 training.	●
Conduct Diversity Survey to determine the current workforce composition baseline, including Indigenous employees.	Indigenous Engagement Manager / Enterprise Talent & Culture Leader	May 2019	Conduct survey, targeting 65% workforce participation level.	●
		July 2019	Report findings to respective Boards and manager teams.	●
Establish suitable frontline cultural awareness program for employees.	Enterprise Talent & Culture Leader / Indigenous Engagement Manager	June 2017	50 employees participate in toolbox sessions.	●
		January 2019	90% of factory employees participate in toolbox sessions.	●
		January 2019	All new employees complete training as part of induction.	●

Indigenous Participation Plan

Opportunities

Our Aim

INCREASE CURRENT INDIGENOUS EMPLOYMENT LEVEL TO 3% BY DECEMBER 2020.

INCREASE INDIGENOUS BUSINESS' ONGOING INVOLVEMENT IN OUR FUTURE GROWTH.

Actions	Responsibility	Timeframe	Measurable Outcomes	Status
Increase the percentage of Indigenous employees at Schiavello Group.	Managing Director / Respective Boards and Management teams	December 2020	3% of workforce is represented by Indigenous employees.	●
		December 2018 onwards	Quarterly Report to Boards on current progress v target.	●
Expand our current Apprenticeship program to include local Indigenous youth within future intakes.	Apprentice Manager / Enterprise Talent & Culture Leader / Indigenous Engagement Manager	June 2017	Investigate educational support for customised trade skilling programs for Aboriginal young adults.	●
		2nd half of 2017	First Indigenous intake.	●
		July 2018	Second Indigenous intake.	●
Identify opportunities for our business to partner with Indigenous enterprises, especially those within our supply chain.	Indigenous Engagement Manager	June 2018	Introduce Indigenous suppliers to at least three business.	●
		December 2018 onwards	Increase indigenous business usage annually.	●
Identify opportunities within our subcontractor relationships to support our employment target.	Indigenous Engagement Manager / Manufacturing Managers	June 2018	Identify at least one opportunity where an Indigenous initiative can be undertaken with a subcontractor.	●
Revise recruitment processes and practices to improve Indigenous recruitment and career progression.	Human Resources Manager	January 2018 onwards	Report quarterly to Managing Director on process improvements to increase Indigenous employment.	●
Work with clients to recognise where mutual opportunities may exist to embed Indigenous participation further into our business operations.	Respective Boards and State Managers / Indigenous Engagement Manager	March 2018 onwards	Undertake specific Indigenous participation or employment actions as identified.	●

Governance

An Indigenous Steering Committee has been established with senior representation to:

- _ Oversee implementation of the Indigenous Participation Plan.
- _ Monitor progress against specific project and action timeframes.
- _ Provide regular reports on the employment target to the respective Boards and senior management teams operating across the Group.
- _ Report as required against any external authority requirement.

See structure below.

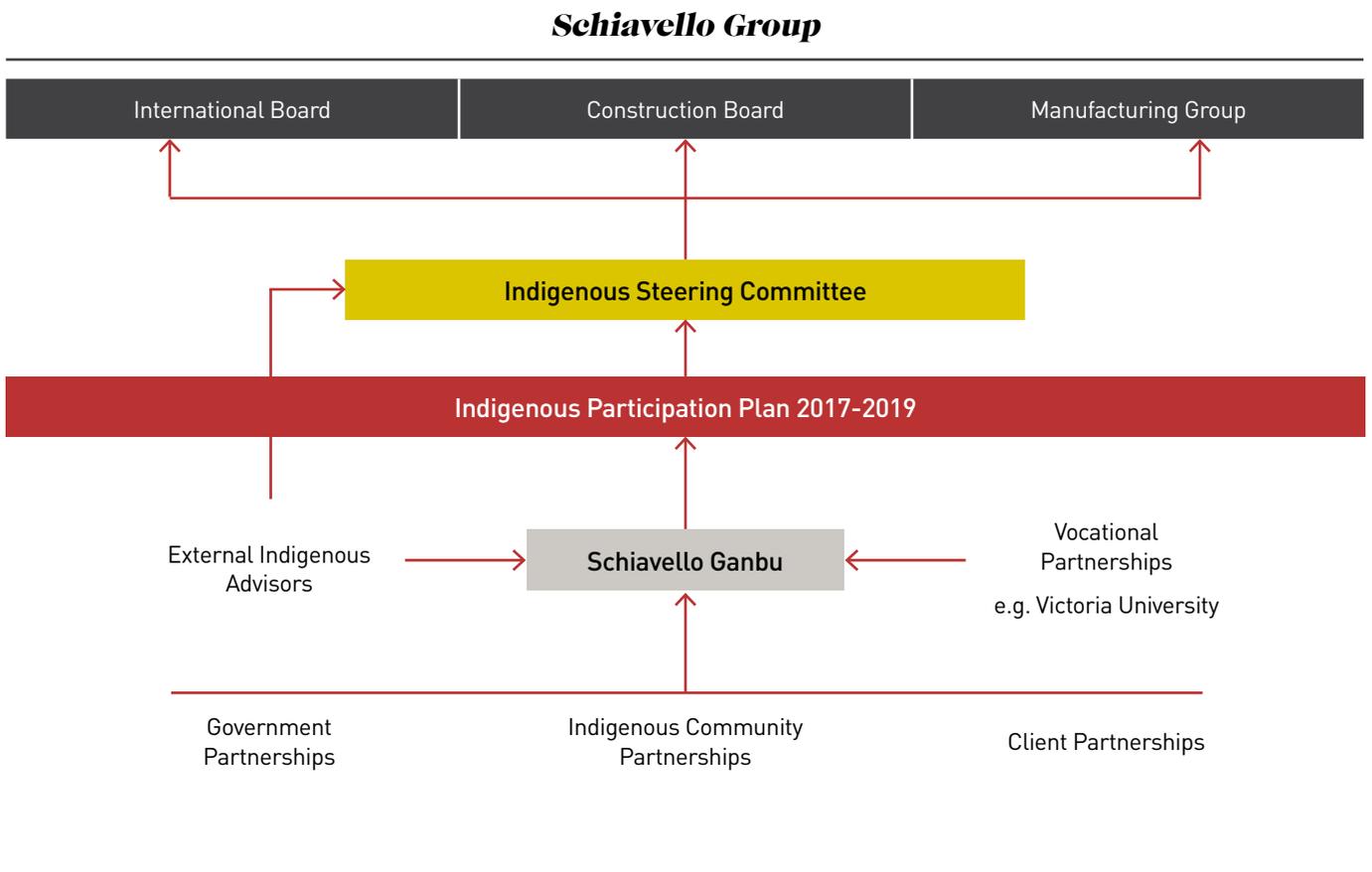


Diagram: Indigenous Participation Plan Governance

Monitoring and Reporting

From February 2018 onwards, progress will be reviewed quarterly against specific project timeframes and overall Indigenous employment targets. Progress reports will be provided through the specific governance structure outlined above.

Success will be measured against the following indicators:

- _ Number of employees placed permanently within Schiavello.
- _ Number of employees placed into apprenticeships or traineeships.
- _ Retention rates.
- _ Increased Indigenous supplier usage.
- _ Increased cultural awareness levels amongst staff.

Leading the Way

Kyle Vander Kuyp

**Indigenous Engagement Manager
Schiavello Group**

Kyle is an Olympian and a descendant of the Yuin Clan of south coast NSW and the Woromi Clan of north coast NSW.

Kyle was part of the 4 x 100m relay silver medalist team at the 1994 Commonwealth Games in Canada and a finalist in the 110m hurdles at the 1996 Atlanta Olympic Games. Kyle represented Australia at four Commonwealth Games and four World Championships. He has been National Champion 12 times; and a World Championship finalist.

He has received many honours, particularly for his contribution to Aboriginal and Torres Strait Islander sport. In 2003 he won the prestigious Charles Perkins Award.

Kyle has worked for various organisations as an ambassador and mentor for Indigenous youth including AFL Sports Ready, Beyond Blue, BHP, Department of Human Services, and the Cathy Freeman Foundation.

He has also served on a number of Boards / Committees such as the Australian Sports Commission, National Centre of Indigenous Excellence, and Grow Hope Foundation.



Kyle aims to be an inspiring and positive role model for Indigenous people across the country; including his own family with whom he looks forward to seeing grow and set their own dreams.

Kyle joined the Schiavello Group in January 2017. Now leading Schiavello Ganbu he will play a key leadership role in helping Schiavello increase direct Indigenous employment and participation across its workforce.

We are proud to have Kyle on board.

Statement

Workplace Diversity and Inclusion

Schiavello is proud of its diverse cultural heritage; having been started in 1966 by two immigrant brothers who believed Australia offered a place where anything was possible regardless of origin.

For fifty years we've firmly believed a diverse workplace culture supports success.

Schiavello benefits by bringing together talented people of different gender, age, ethnicity, capabilities and cultural backgrounds who possess a diverse range of experiences and perspectives. This creates an environment where different, innovative ideas and perspectives support Schiavello and its people to best realise personal and corporate goals.

We will therefore continue to strive for an inclusive and diverse workforce where employees treat each other with dignity and consideration at all times, respecting their cultural values and traditions.

We also acknowledge our responsibility to give particular recognition to the traditional Indigenous owners of this land; and to assist indigenous Australians in accessing more employment and progression opportunities throughout our business. This is important if we are to provide an environment which fosters a workplace inclusive of all Australians.

Schiavello therefore supports diversity in its workforce by:

- _ Treating all employees fairly, with respect and dignity as detailed in its Company Values, and Workplace Behaviour Standard.
- _ Actively promoting a culture that values diversity and tolerance of differences.
- _ Ensuring key People processes continue to provide learning and development opportunities which enhance the skills and experiences necessary for all employees to advance to more senior roles, including our executive teams and Boards.
- _ Ensuring that applicants and employees of all backgrounds are encouraged to apply for, and have fair opportunity to be considered for, all available roles, as detailed in our recruitment practices.
- _ Complying with all anti-discrimination and equal opportunity legislation; and
- _ Initiating equal employment opportunity actions which foster and reflect our diversity.

Contact

Kyle Vander Kuyp
Indigenous Engagement Manager
Schiavello Pty Ltd

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Reference

Commonwealth Indigenous
Procurement Policy 2015
(as amended)

schiaavello Ganbu

