



HUTCHIES

2021/22

**Modern
Slavery
Statement**



BOARD APPROVAL

The Board of Directors are the principal governing body of J Hutchinson Pty Ltd for the purpose of the Modern Slavery Act 2018 (Cth). This statement has been approved by the Board for the financial year ending 30 June 2022 on 15 August 2022.

This statement is submitted on behalf of J Hutchinson Pty Ltd under section 13 of the Modern Slavery Act 2018 (Cth) (MSA) to cover our reporting period of 1 July 2021 — 30 June 2022.


Greg Quinn
Managing Director

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We are Hutchies

Hutchies is Australia's largest privately owned builder. Over five generations, we've played a big part in building our country.

Along the way, we've built a company with a debt-free balance sheet and the capacity to think big. We believe that by building places, we build opportunities for the communities where we live and work. With over 100 years under our belt, Hutchies is just getting started. Because it's not just about building. It's about building legacies.



10,000+

Suppliers, subcontractors and industry partners



300+

Projects built annually



1,500

Direct company members



17

Locations across Australia



STRUCTURE & CONSULTATION

We operate under the single entity of J Hutchinson Pty Ltd (ABN 52 009 778 330) (Hutchies). Our registered address is 584 Milton Road, Toowong QLD 4066 Australia.

Our controlled entities (shown below) are passive investment bodies and do not engage in operating activities. We therefore consider that our position on modern slavery does not greatly change with these entities taken into account, and consultation is minimal.



Licensing /
hutchies.com.au/licences

OPERATIONS

In FY2019/20 we had consolidated revenue of \$2.87 billion and have a \$380 million debt-free balance sheet.

Annually we construct more than 300 projects throughout Australia, with a presence in most states and territories. We operate across all sectors of the construction industry, providing building and construction services to all types of clients (including government, institutional and private).



Financials /
hutchies.com.au/financials

SUPPLY CHAINS

Our supply chains are multi-tiered and complex. We work with around 10,000 subcontractors and suppliers which may be based in Australia or overseas. We source a wide range of goods and services necessary for our projects and operations, and use subcontract arrangements with other businesses. Subbies and suppliers are contractually bound to Hutchies' requirements, policies, and relevant local laws when working with us.



Policies /
hutchies.com.au/policies

SINGLE OPERATING ENTITY

J. HUTCHINSON PTY LTD

CORE ACTIVE BRANDS

HUTCHIES
CRANES & HOISTS

HUTCHIES
CIVIL

HUTCHINSON
BUILDERS
Established 1912

HUTCHIES
MODULAR

HUTCHIES
TRAINING

CONTROLLED PASSIVE INVESTMENTS

HB Catering
Pty Ltd

Trey
Developments
Pty Ltd

Weyson
Pty Ltd

Hutchinson
Modular
Pty Ltd

Building
Industry
Supplies
Pty Ltd

Supply chains

The construction industry has complex global supply chains. The industry uses products that may be manufactured using high risk raw materials.

Hutchies procures goods and services both directly and in-directly across our operations and projects. Our partners are engaged under contractual obligations to comply with local laws in Australia, including the Modern Slavery Act 2018 (Cth), Fair Work Act, WHS laws and other relevant legislation. These laws set the minimum requirements for lawful and fair employment, working conditions, and compel proactive and effective actions to address modern slavery practices.

Our direct subcontractors and suppliers are mostly based in Australia (over 90%). They provide us with labour and materials across more than 100 services / trades related to undertaking construction activities and operating our business.

We regularly engage with our top spend partners to better understand our supply chain. This is guiding our plan to manage potential risk of modern slavery in our supply chain. We are aware that there is no casual link between spend and risk in relation to modern slavery but have endeavoured to consult other risk factors in our focus also.

Part of our plan is to map and identify particular products and services that may have higher risks of modern slavery, and develop a management plan to educate, train, monitor and minimise the associated risks.

The majority of the products and services used in our activities are sourced through our partners (in-directly). To date we have identified 7 known countries (listed in our source countries risk table) that may have higher prevalence of modern slavery risks on particular goods that our activities may use.

Hutchies partners with many like-minded large multi-national suppliers for a range of high risk products such as concrete, electronics, textiles and fixtures / fittings. These suppliers are large reporting entities in Australia, and are also working through their response to managing modern slavery risks on goods used in Hutchies' supply chain.



90%+

Our subbies / suppliers are based in Australia

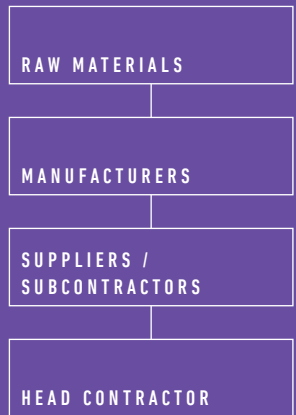


7

Known source countries



TYPICAL
SUPPLY CHAIN



KNOWN RISK SOURCE COUNTRIES

1	China	Manufacturer and supplier of various imported goods and materials	● High Risk
2	Vietnam	Manufacturer and supplier of furniture and garments	● Medium Risk
3	Cambodia	Manufacturer and supplier of bricks	● High Risk
4	Thailand	Manufacturer and supplier of electronics and garments	● Medium Risk
5	Malaysia	Manufacturer and supplier of glazing and electronics	● Medium Risk
6	India	Manufacturer and supplier of bricks, electronics and garments	● Medium Risk
7	Indonesia	Manufacturer and supplier of plastics, bricks and stone	● Medium Risk

Source / Global Slavery Index

Managing risk

Hutchies has been working with our supply chain to better understand the source and situation of products and services we use. This has provided insight into specific areas that may require additional investigation to ensure our supply chains are compliant.

OPERATIONS

We work with large reporting suppliers who procure goods and services that fall into high risk categories.

Stationery

● HIGH RISK

Electronics

● HIGH RISK

Garments

● HIGH RISK

Cleaning

● HIGH RISK

MATERIALS

Commodities commonly used in the construction industry may be sourced from geographies with a high risk of modern slavery. We expect our suppliers to undertake scrutiny on materials prior to importing into Australia. Particular materials include:



90%+

Suppliers / subcontractors have direct employees



45%

Suppliers / subcontractors use manufactured products



Bricks

● HIGH RISK



Cement

● MEDIUM RISK



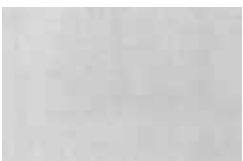
Clay

● MEDIUM RISK



Electronics

● HIGH RISK



Lime

● MEDIUM RISK



Rubber

● MEDIUM RISK



Textiles

● HIGH RISK



Timber

● HIGH RISK



SERVICES

Subcontracting arrangements can potentially increase risks of non-compliances. There are areas that we monitor closely, which we believe are higher risk, and are unacceptable in Hutchies' supply chains. These include:



Multi-layered subcontracting arrangements

Lack of transparency over multiple levels of sub-sub-contracting practices can disguise potential risks of modern slavery

● HIGH RISK



Specific work activities

Areas most at risk include low skilled workers (ie cleaning / security), part time / casual arrangements, or people without the correct working rights in Australia

● HIGH RISK



Sham contracting

When an employer attempts to disguise an employment relationship as a contractor relationship (ie to avoid certain taxes or providing entitlements)

● HIGH RISK



Poor / illegal conditions / forced labour

People who may be working in unsafe environments under force, coercion, fee for hire (paying to gain employment), excessive hours, threat of deportation etc

● HIGH RISK

Our progress

Our scale provides the opportunity to work with other large businesses in Australia who are also making good progress in this space. We've been fortunate enough to learn from several of our industry partners, which are providing us practical tips which guides us in our approach to generating impact without disruption.

↓
Ethical Supplier Survey /
l.hutchi.es/ethicalsurvey

↓
Supplier Information Hub /
l.hutchi.es/ethicalinfo



ACHIEVED

Hutchies' priority has been to establish the foundations that improve visibility of and engagement with our complex supply chains. This year we've introduced a number of new initiatives that support these objectives:



Contract clauses

New back to back legislative compliance clauses introduced into all new subcontracts and supply agreements.

● COMPLETE



Annual ethical supplier survey

Completed with our top spend suppliers and subcontractors to continue learning about our supply chain.

● ONGOING



Supplier information hub

Developed for our partners to learn about compliance requirements, Hutchies' expectations and their individual obligations.

● ONGOING



New ethical working group

Established ESG team with representatives across the company to identify opportunities for continuous improvement.

● ONGOING



Centralised procurement

Newly appointed National Procurement Manager to expand purchasing outcomes and prioritising ethical partners.

● UNDERWAY



New report team

A new confidential way for anyone working with Hutchies to report any potential risk via email: report@hutchies.com.au

● UNDERWAY



NEXT

We recognise there is still a way to go across society and the industry in addressing risks of modern slavery in complex supply chains. Our short term priorities are focused on:

New management plan

Working with key stakeholders to create procedures to manage modern slavery risks across the company, on our projects and throughout our supply chains.

● UNDERWAY

Training of key stakeholders

Developing a training strategy relevant to each stakeholder group across Hutchies to assist in understanding, provide practical tools, and ways to identify and manage risks.

● INVESTIGATING

Source new ethical suppliers

Expand our national procurement capability with other like minded ethical suppliers who are achieving great things in sustainable manufacturing and services.

● INVESTIGATING

New internal ESG hub

Develop a new tool for Hutchies' people on all aspects of environment, sustainability and governance.

● INVESTIGATING

Subcontractor & supplier onboarding

Exploring new tools that can improve Hutchies' onboarding of our partners to capture more data to better map our supply chain and increase visibility.

● INVESTIGATING

FUTURE

Hutchies is committed to ongoing refinement of our approach. We will work collaboratively and transparently with all stakeholders to implement effective and practical measures that create genuine impact:

Expand training across teams

Following the training of our key stakeholders, Hutchies plans to roll out relevant training to our wider workforce. This will provide practical tips and tools to managing risk.

● PLANNED

Expand training to subbies / suppliers

Using our own internal training learnings, we plan to open up relevant training to our supply chain partners to help them better understand requirements and compliance.

● PLANNED

Improve supplier engagement

Using new our new onboarding tools we hope to increase supplier engagement to better map our supply chain and increase visibility.

● PLANNED

Engage external auditor

Once we have more visibility, we plan to source an industry specific audit partner who can assist us in exploring high risk areas of our supply chain.

● PLANNED

Measure effectiveness

Following investigations of high risk areas, we will collect all findings and review our approach and strategy to establish our next steps in the process to minimising risk.

● PLANNED

