



HUTCHIES

2022/23

Modern Slavery Statement



REPORTING CRITERIA

No	Mandatory reporting criteria	Hutchies' statement	Pages
1	Identify the reporting entity	We are Hutchies	4–5
2	Describe the reporting entity's structure, operations and supply chains	Structure and reporting & Supply chains	6–9
3	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Managing risk	10–12
4	Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Our progress	12–14
5	Describe how the reporting entity assesses the effectiveness of these actions	Our progress	12–14
6	Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Structure and reporting	6–7
7	Any other relevant information	Nil	

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 2023 on 17 August 2023.

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 2022 — 30 June 2023.

Russell Fryer
Managing Director

CONTENTS

We are Hutchies	4
Structure and reporting	6
Supply chains	8
Managing risk	10
Our progress	12

We are Hutchies

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

We have complex supply chains due to the diversity in project scale, number of projects built annually, and geographical locations throughout Australia. We are also Australia's largest 'self-performing' builder, with more than half of our workforce being site based and undertaking some of our own direct trades (as opposed to strict subcontracting arrangements). Our supply chain includes direct engagement (employment), subcontracting, supply only, and manufacturing.



90+

Trades / services in our supply chain



200+

Projects built annually



1,800

Direct company members (employees)



5

Generations

SOLID AND TRUSTED FOUNDATIONS

Built on the foundations laid down by five generations of the Hutchinson family and more than a century of stability and leadership, Hutchies' divisions leverage the financial strength, resources, accredited integrated management systems, and industry leading tools, to enhance our offering.



\$0

Debt

—

[FINANCIALS ↗](#)



1912

Established

—

[HISTORY ↗](#)



ISO

Accredited methods

—

[SYSTEMS ↗](#)



16

National locations

—

[CONTACT ↗](#)



50+

Sectors & subsectors

—

[EXPERIENCE ↗](#)



10,000+

Subbies & suppliers

—

[CAPABILITY ↗](#)



15+

Dedicated services

—

[CAPABILITY ↗](#)



200+

Initiatives we support

—

[THE HEART ↗](#)



Hutchies' people are all based in Australia.

QUEENSLAND 80%

VICTORIA 9%

NEW SOUTH WALES 7%

TASMANIA 3%



95%

Company members are permanent full-time (5% casual)



12%

Female workforce



58%

Workforce based on site (42% off site)



16YR

Avg Team Leader tenure

Structure and reporting



STRUCTURE & CONSULTATION

Hutchies as a group operates under the single entity of J Hutchinson Pty Ltd (ABN 52 009 778 330) (Hutchies).

Our core business uses the Hutchinson Builders brand, supported by specialist subbrands or 'divisions' which are trading names under the J Hutchinson Pty Ltd group.

The company's registered address is 584 Milton Road, Toowong QLD 4066 Australia. We have offices and yards up and down the east coast of Australia.

Our controlled entities (shown over page) are non-operating entities. Our position on modern slavery does not change with these entities taken into consideration as they do not have supply chains or employees.

Licencing ↗
hutchies.com.au/licences

OPERATIONS

In FY2022/23 we forecast a consolidated revenue of \$3 billion and with a \$392 million debt free balance sheet.

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



Financials ↗
hutchies.com.au/financials

SUPPLY CHAINS

Hutchies' supply chains are multi-tiered and complex. We source a wide range of goods and services necessary for our projects and operations, and use subcontract arrangements with other businesses.

In 2020, we began engaging with and mapping our supply chain, which due to the complexity and scale, remains ongoing. This year we have refined our short term focus and developed an action plan to prioritise efforts in known high risk areas, as shown on page 8.

Despite many of our subbies and suppliers being classed as small-medium enterprises (turning over less than \$100M), they are contractually bound to Hutchies' requirements, policies, and relevant local laws when working with us.

Policies ↗
hutchies.com.au/policies



ENTITY RELATIONSHIPS

SINGLE OPERATING
ENTITY / GROUP

J. HUTCHINSON PTY LTD

CORE CONSTRUCTION
BRAND / BUSINESS

**HUTCHINSON
BUILDERS**

Established 1912

HUTCHIES
CIVIL

HUTCHIES
CRANES & HOISTS

HUTCHIES
JOINERY

HUTCHIES
MODULAR

HUTCHIES
TRAINING

HUTCHIES
SCAFFOLD & PLANT


BERLESIMO
FORMWORK


esco
energy solutions

ALL EMPLOYMENT & OPERATING ACTIVITIES
ARE ENGAGED BY J HUTCHINSON PTY LTD

NON-OPERATING
INVESTMENT ENTITIES

HB Catering Pty Ltd
Trey Developments Pty Ltd
Weyson Pty Ltd
Hutchinson Modular Pty Ltd
Building Industry Supplies Pty Ltd

THESE ENTITIES DO NOT ACTIVELY OPERATE,
AND HAVE NO EMPLOYEES OR SUPPLY CHAINS

Supply chains



Hutchies' typical supply chain consists of 3 core tiers. We mostly engage directly with tier 1 suppliers and subcontractors, who each have their own supply chains, however in some instances we also engage directly with partners in tier 2 and very rarely tier 3.

We continue to map our supply chain to identify the locations of our suppliers, the materials or products they may use, their awareness of the MSA, and to pinpoint areas where we need to concentrate our efforts to reduce the risk of modern slavery.

Over 90% of Hutchies' subcontractors and suppliers are based in Australia. The remaining 10% are located in China (5%), Malaysia (3%), and Central Europe (2%).

This year, we have sharpened our focus on Hutchies' direct tier 2 offshore procurement activities, including facade glazing systems sourced from China and Malaysia. This effort involved auditing a key manufacturer in Malaysia and planning additional audits of suppliers in China later in the year.

As we continue to deepen our understanding of our supply chain and associated risk areas, we have re-evaluated our priorities, taking guidance from industry experts, clients, and the latest data from the Global Slavery Index.

Investigations into tier 2 and tier 3 spaces with our subcontractors and suppliers are ongoing, reflecting our commitment to full transparency and compliance.

Everyone affiliated with Hutchies is engaged under lawful and fair contracts directly with J Hutchinson Pty Ltd. These contracts stipulate compliance with all pertinent Australian laws, encompassing the Modern Slavery Act 2018 (Cth), Fair Work Act, WHS laws, and other applicable legislation.

HUTCHIES' DIRECTLY SOURCED HIGH RISK MATERIALS

Category	Hutchies' source country	Risk
Timber	Australia	● LOW RISK
Facade glazing	Malaysia & China	● MEDIUM RISK
Steel	Australia (but may be processed offshore)	● MEDIUM RISK
Concrete	Australia	● LOW RISK
Bricks	Australia	● LOW RISK
Stone	Italy (but may be processed offshore)	● MEDIUM RISK

Source / Hutchies

CASE STUDY

Direct procurement of offshore glazing

Hutchies procures facade glazing systems from tier 2 manufacturers in Malaysia and China. Recognising the potential risks in our supply chain, we've actively worked with suppliers to ensure compliance.

In September 2022, in collaboration with one of our key clients, we audited a major Malaysian supplier. The audit assessed their adherence to labour, safety, environmental, and ethical standards, examining 30 specific areas across 9 human rights categories.

It highlighted the supplier's commendable compliance and identified a few areas for improvement, particularly concerning safety signage and worker PPE.

In a proactive response, the supplier has also commenced a Social Audit in line with the SMETA 2 Pillar Audit guidelines. This action reflects their commitment to ethical operations and aligns with Hutchies' values and standards.

This valuable engagement experience will inform and guide our future procurement strategies. It emphasises Hutchies' dedication to social responsibility, ethical business practices, and the cultivation of trusted relationships with suppliers. Through continuous evaluations and collaborations, Hutchies remains committed to building a resilient and ethically responsible supply chain.



TYPICAL SUPPLY CHAIN



OTHER TIER 2 & TIER 3 CONSTRUCTION RISK SOURCES

No	Country	Relevant high risk areas potentially in Hutchies' supply chains	2018 Risk	2023 Risk
1	China	Manufacturer and supplier of various imported goods and materials	● HIGH RISK	● HIGH RISK
2	Vietnam	Manufacturer and supplier of furniture and garments	● MEDIUM RISK	● MEDIUM RISK
3	Cambodia	Manufacturer and supplier of bricks	● HIGH RISK	● MEDIUM RISK
4	Thailand	Manufacturer and supplier of electronics and garments	● MEDIUM RISK	● MEDIUM RISK
5	Malaysia	Manufacturer and supplier of glazing and electronics	● MEDIUM RISK	● MEDIUM RISK
6	India	Manufacturer and supplier of bricks, electronics and garments	● MEDIUM RISK	● HIGH RISK
7	Indonesia	Manufacturer and supplier of plastics, bricks and stone	● MEDIUM RISK	● MEDIUM RISK

Source / Global Slavery Index

Managing risk

Hutchies is actively working with our subcontractors and suppliers to provide support in various key areas, including resources, training, assistance in scoping, specification and tracking of products in our projects.

Our continuous engagement with our partners is aimed at raising awareness of potential risks, sharing knowledge, understanding challenges, and identifying practical solutions that foster positive change. Part of this approach involves revisiting Hutchies' own procurement arrangements and implementing processes to identify, manage, and reduce potential risks within our supply chain. We view this not as a solo endeavour but as a joint effort, where working hand in hand with our suppliers allows us to make a tangible and significant difference in our industry.

OPERATIONS

Hutchies' operations source the following products which are high risk. We plan to engage with our tier 1 partners in these categories to better understand the supply chains.

Stationery

● HIGH RISK

Electronics

● HIGH RISK

Garments

● HIGH RISK

Cleaning

● HIGH RISK

MATERIALS

When not correctly sourced, the below common materials in construction remain high risk. We are working to provide our suppliers with awareness and training to better manage these risks in their supply chains, and therefore Hutchies' operations and projects.



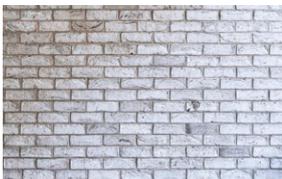
90%+

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

The construction industry relies heavily on outsourcing and subcontracting arrangements. The areas outlined below are what we see as the highest risk for potential modern slavery.



Multi-layered subcontracting arrangements

Lack of transparency over multiple levels of sub-subcontracting 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

● HIGH RISK



Incorrect working rights

When employers engage workers without the correct working rights in Australia

● HIGH RISK



Poor / illegal conditions / forced labour

People who may be working in unsafe environments under force, coercion, fee for hire (paying, fee 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 guides us in our approach to generating impact without disruption in our own supply chain.

Supplier Survey [↗](https://l.hutchi.es/ethicalsurvey)
l.hutchi.es/ethicalsurvey

Supplier Information Hub [↗](https://l.hutchi.es/ethicalinfo)
l.hutchi.es/ethicalinfo

ASSESSING EFFECTIVENESS

Hutchies thrives off a culture of continuous improvement. Assessing the effectiveness of what we do is paramount to our evolution and to ensure we're making a positive impact in everything we do.

Our Operations Team continuously monitor a number of key indicators which help measure our effectiveness through:

- Customer expectations
- Engagement with our supply chain
- Data we collect annually as part of our ethical sourcing survey and day to day interactions
- Industry best practice
- Working with our clients to identify areas for improvement across procurement and site conditions
- Bi-annual review of applicable policies and procedures to ensure they are practical
- Independent expert human rights advisory support from Better Sydney and Mills Oakley

ACHIEVED

Hutchies' priority continues to be focused on establishing a foundation that improves visibility of and engagement with our complex supply chains. This year we've introduced a number of new initiatives that support these objectives:

 <p>Internal information hub</p> <p>Develop resource hub for Hutchies' people on all aspects of modern slavery requirements, risks and reporting tools.</p> <p>● ONGOING</p>	 <p>Training of leadership</p> <p>Partnership with Better Sydney to deliver industry specific relevant training to Hutchies' Operations Team and Leadership.</p> <p>● ONGOING</p>												
 <p>Strategy development</p> <p>Finalise short and medium term strategy for Hutchies' ongoing response to modern slavery requirements.</p> <p>● COMPLETE</p>	 <p>Industry working groups</p> <p>Continue working with clients, bodies and suppliers to explore priority areas for improvement.</p> <p>● ONGOING</p>												
<p>Previous progress</p> <table border="1"> <tbody> <tr> <td>Contract clauses</td> <td>● COMPLETE</td> </tr> <tr> <td>Annual supplier survey</td> <td>● ONGOING</td> </tr> <tr> <td>Supplier Info Hub</td> <td>● ESTABLISHED</td> </tr> <tr> <td>First offshore supplier audit</td> <td>● COMPLETE</td> </tr> <tr> <td>Centralised procurement support</td> <td>● ESTABLISHED</td> </tr> <tr> <td>ESG Reporting Group</td> <td>● ESTABLISHED</td> </tr> </tbody> </table>		Contract clauses	● COMPLETE	Annual supplier survey	● ONGOING	Supplier Info Hub	● ESTABLISHED	First offshore supplier audit	● COMPLETE	Centralised procurement support	● ESTABLISHED	ESG Reporting Group	● ESTABLISHED
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CASE STUDY

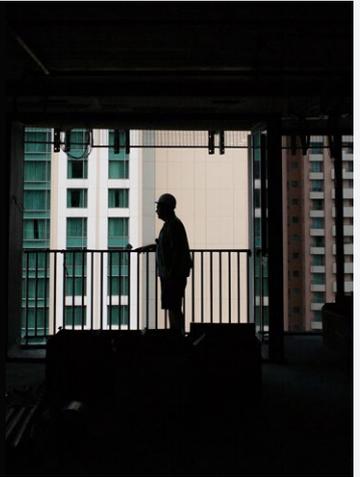
Improving employment documentation

Hutchies understands the importance of engaging workers under ethical, lawful and equitable employment terms. All of our salary-based employees are provided clear employment contracts, and remaining site based workers are covered by state based enterprise agreements, which each set out relevant employment terms, conditions and entitlements.

In a recent review, we found an opportunity to improve the way we communicate our enterprise agreements to site workers. We're introducing a new employment summary letter to provide confirmation of the individual's employment with Hutchies while also providing easy access to a full copy of their relevant enterprise agreement, along with their employment classification and type of engagement.

We're implementing this improved process across Australia as we renew each state enterprise agreement which will align our employment documentation across the company. This provides consistency and clarity to all of our company members, regardless of their role or location.

Enterprise Agreements l.hutchi.es/eas



NEXT

Our short-term priorities will centre on further collaboration with industry stakeholders to identify collective opportunities. Hutchies' goal is to achieve a collective impact with many shared suppliers, all while minimising any potential disruptions.

FUTURE

We will continue to evolve and refine our approach to reducing risks of modern slavery in our supply chains. We see a consistent approach to collaboration, support and engagement a key driver to greater transparency.

Continued industry collaboration

Work with major industry bodies to identify opportunities for collective impact in engagement with shared suppliers and the processes, supporting resources and tools to support.

● UNDERWAY

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

Develop training strategy

Develop training strategy relevant to each of our stakeholder groups across Hutchies to assist in understanding, provide practical tools, and ways to identify and manage risks.

● INVESTIGATING

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

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.

● UNDERWAY

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

Review grievance framework

Identify areas for refinement and improvement in whistleblower framework, develop scope to explore grievance reporting mechanisms and processes.

● INVESTIGATING

Risk management tools

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

● PLANNED

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

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



HUTCHIES.COM.AU