

PRIMARY HEALTH PROPERTIES PLC

MODERN SLAVERY STATEMENT 2024

INTRODUCTION

This is the annual statement published by Primary Health Properties PLC (“PHP”) in accordance with its obligations under the Modern Slavery Act 2015 (the “Act”). PHP fully supports the Act’s objectives to combat slavery and human trafficking and improve the transparency of reporting on modern slavery.

This Statement relates to PHP and its subsidiaries (the “Group”) and is made in respect of its financial year ended 31 December 2023. It sets out the steps PHP has taken, and is proposing to take, to address the risk of slavery and human trafficking taking place in its business and within its supply chain.

OUR BUSINESS AND ORGANISATION'S STRUCTURE

PHP is a FTSE 250 listed Real Estate Investment Trust which specialises in the ownership of modern purpose-built healthcare facilities, the majority of which are leased to the NHS in the UK and HSE in Ireland. The Group’s portfolio consists of over 500 properties across the UK and Ireland and is valued at £2.8 billion.

In 2023 PHP had 58 direct permanent employees in the UK. The business operations consist of finance and office functions, property and facilities management, asset management and investment and development. All staff are professionally qualified (predominantly surveyors and accountants / finance professionals).

At the start of 2023 PHP acquired Axis Technical Services Limited (“Axis”) based in Cork, Republic of Ireland. Axis provides property and facilities management services across Ireland and is responsible for managing PHPs portfolio of healthcare buildings in Ireland. Axis employs 28 staff across support and technical building maintenance and management roles.

Our business is predominately within the UK and accordingly our direct geographic risk of slavery and human trafficking is considered to be low.

OUR SUPPLY CHAIN

The Group has approximately 1,200 suppliers that support our property and asset management, development and corporate activities. Our construction and property maintenance supply chain is where we believe the main risks of slavery and human trafficking may arise and in particular where lower skilled trades may be used and where certain materials or products may be sourced from outside of the European Union (“EU”). PHP’s construction projects tend to be smaller new developments or refurbishments of existing primary healthcare facilities. These smaller projects tend to have smaller numbers of workers on site. Following recent audits of live sites, we believe there is less risk with these size of projects as they do not lend themselves to large gangs of workers being used by contractors.

PHP purchases very few materials directly, and the majority of materials are sourced through our contractor supply chain and are specified to meet the needs of our NHS and HSE occupiers in the UK and Ireland. Some materials sourced from outside of the EU may have risks of modern slavery or related issues in countries of origin. For example, we have completed work to review solar PV products being used for refurbishment projects and identified some which have links with the

Xinjiang region of China, identified as higher risk in relation to human rights issues. As a result, we identified alternative products and began to review these for new projects. The solar PV supply chain is complex and there is ongoing work to address the risks present and improve transparency across the industry and this is something we will continue to keep under review.

PHP does not consider its risks associated with other suppliers, such as lenders, accountants and other professional service providers, to be material.

We will continue to develop our understanding of potential risks in our supply chain and take appropriate action where risks are identified. These risks are shared across industry and so where relevant we will collaborate with others to share information and learning.

OUR POLICIES

PHP is committed to conducting its business in a lawful and ethical manner. In particular, PHP will not tolerate slavery and human trafficking. PHP applauds, and seeks to support, efforts being made globally to eliminate such practices.

Our Business Ethics Policy sets out overarching commitments and requirements which we will abide by, including on human trafficking and modern slavery, and we expect our supply chain and partners to uphold these standards too.

Incidents of modern slavery and forced labour in the UK have increased in recent years and in recognition of the importance of taking a proactive approach, we adopted an Anti-Slavery and Human Trafficking Policy during 2022, which reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

Our policies can be viewed on our website under 'Responsible Business' and we will monitor and update these as necessary.

PHP expects its suppliers, contractors and service providers ("suppliers") to also support the elimination of such practices. We expect all of our suppliers to comply with our policy and a copy has been sent to them.

WHAT WE HAVE DONE DURING 2023

- We communicated with all of our suppliers (for property and facilities management, asset management and development), sharing our ESG policies and specifically our Modern Slavery policy, to ensure they are aware of them and the issues they relate to. We required suppliers to respond to us to confirm they will operate in accordance with our policies and as at 31 December 2023 had received confirmatory responses from approximately 80% of these. We will continue to follow up on this and will engage any new suppliers in the same way.
- We continued to review our supply chain with a view to minimum standards through our membership of 'SafeContractor', which we require all our contractors to be accredited to. We engaged with our suppliers who were not yet accredited and increased the level of accreditation during the year.
- SafeContractor accreditation includes specific requirements related to modern slavery and we continued to track performance of our supply chain. As of December 2023, 275 (December 2022: 225) had met the requirements, representing over 90% of our current suppliers.
- All employees involved in projects or procurement completed training on modern slavery and business ethics.

- In order to strengthen our due diligence approach, we commissioned independent ethical labour audits on two live construction projects (a refurbishment and a new development). Working with a third party, Achilles, the audits are unannounced and consist of private worker engagement surveys and visual site inspections to understand and assess labour practices. No serious issues were identified although some more minor issues were raised, which PHP then communicated with contractors about to ensure they follow up.
- We identified solar PV as a common product being procured via contractors for our buildings with potential risks in the supply chain. Principal risks are related to forced labour linked with the production of polysilicon in some regions. Following a review of past products installed, we identified that some may be from regions posing a risk. As a result, we identified alternative products and began to review these for new projects. The solar PV supply chain is complex and there is ongoing work to address the risks present and improve transparency across the industry and this is something we will continue to keep under review.
- We produced a response protocol for use on new build and refurbishment construction sites. This outlines the steps that should be taken should an instance of modern slavery be suspected or identified on a site to ensure the safety of potential victims and to capture learning for PHP and the project team.

WHAT WE PLAN TO DO IN 2024

- We will continue to communicate with suppliers regarding our policies, including on anti-slavery and human trafficking and require them to confirm their understanding and their own approach.
- We will encourage suppliers to undertake training on modern slavery awareness and continue to provide training for our staff.
- We will continue to make use of third-party ethical labour audits. This will apply to any new development on site during the year and a proportion of refurbishment projects with a value in excess of £1.0 million.
- We will launch our response protocol on live sites and communicate with our contractors on how they should use it.
- We will continue to review and respond to potential risks in the material supply chain where materials and products are sourced from outside of the UK and EU.

DUE DILIGENCE PROCESSES

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms such as servitude, forced and compulsory labour, slavery and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. PHP expects all of its suppliers, contractors and service providers to act ethically, with integrity and to have in place effective systems and controls to combat modern slavery anywhere in their own business or in any of their supply chains.

We have implemented the following safeguards:

- **Due diligence:** Before a new supplier, contractor or service provider is approved, appropriate due diligence on the supplier will be carried out. We require our contractors to be accredited by the SafeContractor Evaluation Scheme (www.safecontractor.com) and be listed as an accredited member on the SafeContractor database. As part of the process, the supplier's policies will be reviewed or they will be required to adhere to our policy if they do not have their

own policy in this area. New suppliers will only be approved once they have completed this due diligence process.

- **Policies:** As referenced above, PHP has put in place an Anti-Slavery and Human Trafficking Policy. The policies set out PHP's expectations of its suppliers, including in relation to anti-slavery and human trafficking. Suppliers are expected to adhere to these policies to reduce the risk of slavery and human trafficking occurring in our supply chains.
- **Contractual measures:** Where we identify risks in our supply chain, PHP will endeavour, to include contractual commitments in its agreements with contractors and suppliers to ensure they and any sub-contractors or sub-suppliers comply with anti-slavery and human trafficking laws, where these are not already in place. We will also reserve the right to audit compliance wherever possible.
- **Audit:** We carry out audits, commissioned via independent third-parties, of live construction sites to identify any issues relating to labour and employment practices. Where serious issues are identified or where we identify issues of concern, we may conduct follow up audits of suppliers' business (including their policies, procedures and controls in place in relation to labour and employment). Our current policy and commitment are to audit all new development projects once they are on site and a proportion of refurbishment projects with a value of £1.0 million or more.
- **Breaches:** PHP will view any breaches by a supplier of the PHP policy/code or the Supplier's contractual commitments (as applicable) very seriously. Were we to identify a breach of our supply chain policies or protocols, we would undertake an investigation into the circumstances, including root cause analysis. The circumstances of the breach, the results of the investigation and any process improvements and enhancements implemented as a result would be reported to the Executive Risk Committee and then to the Audit Committee and/or the ESG Committee as appropriate depending on the nature and severity of the breach.

PHP will continue to proactively monitor the safeguards listed above, including reviewing its specific policies and processes to prevent human trafficking and consider implementation of further measures if and when required.

Steven Owen, Chairman

Primary Health Properties PLC

Approved by the Board: 15th February 2024