



Notice of Annual General Meeting 2021 Primary Health Properties PLC

**Wednesday 12 May 2021 at 10:30 a.m.
To be held at and broadcast live from
4th floor, Greener House, 66-68 Haymarket, London SW1Y 4RF.**

To ensure Shareholders' safety, physical attendance by Shareholders at the meeting will not be permitted. Shareholders are encouraged to submit their proxy voting instructions in advance of the meeting.

THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or about what action you should take, you should seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the Ordinary Shares.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form.

The Form of Proxy must be received by no later than 10:30 a.m. on 10 May 2021.

**Primary Health Properties PLC
(incorporated and registered in England and Wales under number 3033634)**

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Steven Owen (Chairman)
Harry Hyman (Chief Executive Officer)
Richard Howell (Chief Financial Officer)
Peter Cole (Non-executive director)
Laure Duhot (Non-executive director)
Ian Krieger (Senior Independent Non-executive director)

To all Shareholders

9 April 2021

Notice of Annual General Meeting

Dear Shareholder,

I am pleased to invite you to our 2021 Annual General Meeting ("**AGM**") which will be held and broadcast on Wednesday 12 May 2021 at 10:30a.m. at our offices on 4th floor, Greener House, 66-68 Haymarket, London SW1Y 4RF.

In view of the ongoing Covid-19 pandemic and the UK Government's current guidance, which includes restrictions on gatherings indoors, Shareholders (other than those required to form a quorum at the meeting) will not be permitted to attend the AGM in person but instead will be able to make use of the electronic facilities on offer to participate remotely. This is to protect the health and wellbeing of our Shareholders, directors, employees and other stakeholders.

The AGM usually provides an opportunity to interact with our directors, and for them to provide their thoughts on our performance and strategy and to answer your questions. As we adopted new articles of association ("**Articles**") at the General Meeting which was held on 4 January 2021, we have increased flexibility in how we can hold the AGM and so can offer alternative methods of engagement with Shareholders. You will be able to submit questions immediately before and during the meeting via <https://web.lumiagm.com>. Shareholders and their duly appointed representatives and/or proxies are invited to participate remotely via a live broadcast which you can access by logging on to <https://web.lumiagm.com>. A user guide can be found on page 16 in respect of the electronic elements of the AGM, including instructions on how to join the meeting and submit your votes on the day along with the relevant contact details if you encounter any issues.

Your vote and participation in the AGM is important to us. In light of the above, we strongly encourage you to vote on all resolutions electronically, either in advance of the meeting or by appointing the Chairman as your proxy or on the day through <https://web.lumiagm.com>. If you cast your vote by proxy in advance this will not prevent you from voting on the day.

The formal Notice of Meeting, which sets out the resolutions to be proposed, can be found on pages 5 to 7. An explanation of the resolutions can be found on pages 8 to 12. A copy of the Notice of Meeting and our 2020 Annual Report can be found on our website (www.phpgroup.co.uk).

Resolutions

In relation to the resolutions to be put to the AGM, I would like to comment on two matters.

1. Share-based incentives

Following the successful completion of the internalisation project in January this year, the staff engaged in driving forward your business on a day-to-day basis are now employees of your Company. At the General Meeting held on 4 January 2021 we received your overwhelming support for the adoption of a new Directors' Remuneration Policy ("**Policy**") appropriate for the new structure.

We are now asking Shareholders to approve the establishment of two share schemes for staff. The PHP Employee Sharesave plan ("**Sharesave**") will provide for the grant of tax-advantaged savings-related options over ordinary shares of 12.5 pence in the Company ("**Ordinary Shares**") to eligible employees. These types of plan are a popular mechanism in listed companies for encouraging share ownership among the wider workforce and we hope that as many as possible of our new employees will participate. The PHP Long Term Incentive Plan ("**LTIP**") is the primary mechanism for rewarding executive directors and senior

Letter from the Chairman continued

employees and providing alignment with Shareholders, through the delivery of performance-linked awards over Ordinary Shares. Accordingly, the Remuneration Committee has concluded that Shareholder authority should be sought under Resolutions 3 and 4 for the adoption now of the Sharesave and the LTIP. The terms of the Sharesave and the LTIP are summarised in the Appendix on pages 17 to 20 of this document and have been drafted in line with the Policy. At the same time, we are seeking approval for the establishment of an employee benefit trust to be used to facilitate the operation of the Company's employee share plans.

2. Diversity

Following the 2020 AGM the Board was reduced in size from eight to six members, consisting of four Non-executive directors and two executive directors. However, this resulted in a reduction in our female representation on the Board. Following internalisation, we will have an opportunity to undertake succession planning together with consideration of the overall size and composition of the Board, including its diversity. The Board supports the targets of the Hampton-Alexander and Parker reviews and we plan to bring its composition in line with the recommendations of the Hampton-Alexander Review by the time of the 2022 AGM.

Actions to be taken in respect of the Annual General Meeting

It is unfortunately impossible to welcome you to the AGM and for you to vote in person. The ways to vote, in advance of or at the AGM, are as follows:

1. Register your vote electronically by logging on to Equiniti's website, www.sharevote.co.uk. If you have already registered with the registrar's online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at shareview.co.uk and following the instructions. Please note that votes submitted electronically in this matter should be submitted by no later than 10:30a.m. on 10 May 2021.
2. Join the AGM online and vote electronically at <https://web.lumiagm.com>. A user guide can be found on page 16 in respect of the website. Voting on all resolutions on the day will be by way of a poll and <https://web.lumiagm.com> will open for this purpose from 9:30a.m. on 12 May 2021. Votes can be cast via <https://web.lumiagm.com> once the Chairman has declared the poll open.
3. Appoint a proxy to vote on your behalf. Fill in the proxy form enclosed with this document ("**Form of Proxy**") and return it to Equiniti as detailed in note 4 on page 13, appoint your proxy electronically as detailed in note 4 on page 13, or if you are a CREST member, appoint your proxy through the CREST proxy appointment service as detailed in note 5 on page 13. Shareholders who wish to appoint a proxy are recommended to appoint the Chairman of the meeting as their proxy.

Please note that the deadline for the receipt by our registrar of all proxy appointments is 10:30a.m. on 10 May 2021. All our resolutions at the AGM will be taken on a poll vote, so as to accurately record all votes made either at the meeting or via proxy. The results of the AGM will be notified to the London Stock Exchange and posted on our website as soon as possible after the AGM.

The completion and return of the Form of Proxy or voting electronically will not prevent you from attending and voting at the AGM, or any adjournment of the AGM, in person, should you wish to do so.

Recommendation

The Directors consider that the resolutions are in the best interests of the Company and are most likely to promote the success of the Company for the benefit of Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all the resolutions, as they intend to do so in respect of their own beneficial holdings.

On behalf of the Board, I thank you for your continued support.

Yours sincerely,

Steven Owen

Chairman

Notice of Annual General Meeting

Primary Health Properties PLC

(incorporated and registered in England and Wales with registered number 03033634)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Primary Health Properties PLC (the "**Company**") will be held and broadcast at the offices of the Company at 4th floor, Greener House, 66-68 Haymarket, London SW1Y 4RF on 12 May 2021 at 10:30 a.m. ("**AGM**"). Shareholders will be asked to consider and, if thought fit, pass the resolutions as set out below (the "**Resolutions**"). Resolutions 17 to 20 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions. Voting on the Resolutions will be by way of poll.

Ordinary Resolutions

1. To receive the Company's annual accounts and the reports of the directors of the Company (the "**Directors**") and of the auditors to the Company for the financial year ended 31 December 2020.
2. To approve the Directors' remuneration report (excluding the Directors' remuneration policy) as contained in the Company's annual accounts and reports for the financial year ended 31 December 2020.
3. THAT the rules of the Primary Health Properties PLC Sharesave Plan 2021 (the "**Sharesave**"), a copy of the draft rules of which has been produced to the AGM and initialled by the Chairman (for the purpose of identification only) and a summary of the main provisions of which is set out in Part I of the Appendix to this Notice of AGM, be and are hereby approved and the Directors be authorised to:
 - (A) make such modifications to the Sharesave as they may consider appropriate to take account of the requirements of best practice and applicable legislation, and to adopt the Sharesave as so modified and to do all such other acts and things as they may consider necessary and expedient to give effect to the Sharesave; and
 - (B) adopt schedules to, or establish further plans based on, the Sharesave but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Sharesave.
4. THAT the rules of the Primary Health Properties PLC 2021 Long Term Incentive Plan (the "**LTIP**"), a copy of the draft rules of which has been produced to the AGM and initialled by the Chairman (for the purpose of identification only) and a summary of the main provisions of which is set out in Part II of the Appendix to this Notice of AGM, be and are hereby approved and the Directors be authorised to:
 - (A) make such modifications to the LTIP as they may consider appropriate to take account of the requirements of best practice and applicable legislation, and to adopt the LTIP as so modified and to do all such other acts and things as they may consider necessary and expedient to give effect to the LTIP; and
 - (B) establish further plans based on the LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIP.
5. THAT the Employee Benefit Trust ("the **EBT**"), set out in a draft trust deed, a copy of which is produced to this meeting and, for the purposes of identification, initialled by the Chairman and the purpose of which is set out in the explanatory notes to this Notice of AGM, be and is hereby approved and the Directors are authorised to do all such acts and things as they may consider appropriate to implement the EBT.
6. To approve the Company's dividend policy, as set out in the explanatory notes that accompany this Notice of AGM.
7. To re-appoint Deloitte LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid before the Company.
8. To authorise the audit committee of the Company, for and on behalf of the Directors, to determine the remuneration of the auditors.
9. To re-elect Steven Owen as a Director of the Company.
10. To re-elect Harry Hyman as a Director of the Company.
11. To re-elect Richard Howell as a Director of the Company.
12. To re-elect Peter Cole as a Director of the Company.
13. To re-elect Laure Duhot as a Director of the Company.
14. To re-elect Ian Krieger as a Director of the Company.

Notice of Annual General Meeting continued

15. To authorise the Company and all companies that are its subsidiaries at any time during the period for which this Resolution 15 has effect for the purposes of sections 366 and 367 of the the Companies Act 2006 ("**2006 Act**") to:
- (A) make political donations to political parties or independent election candidates (as such terms are defined in the 2006 Act), not exceeding £20,000 in aggregate;
 - (B) make political donations to political organisations other than political parties (as such terms are defined in the 2006 Act), not exceeding £20,000 in aggregate; and
 - (C) to incur political expenditure (as such term is defined in the 2006 Act), not exceeding £20,000 in aggregate,
- during the period beginning with the date of the passing of this Resolution 15 and ending with the conclusion of the next annual general meeting of the Company (or, if earlier, on the date which is 15 months after the date of the AGM), provided that the maximum amounts referred to in (A), (B) and (C) may comprise one or more sums in different currencies which shall be converted at such rate as the Board of Directors may in its absolute discretion determine to be appropriate.
16. That the Directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the 2006 Act in substitution for all existing authorities:
- (A) to exercise all the powers of the Company to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (together "**Relevant Securities**") up to an aggregate nominal amount of £55,343,819; and
 - (B) to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the 2006 Act) up to an additional aggregate nominal amount of £55,343,819 provided that this authority may only be used in connection with a rights issue in favour of holders of Ordinary Shares and other persons entitled to participate therein, where the equity securities respectively attributable to the interests of all those persons at such record dates as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held or deemed to be held by them or are otherwise allotted in accordance with the rights attaching to such equity securities, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body or stock exchange by virtue of shares being represented by depositary receipts or any other matter whatsoever,
- provided that the authorities in paragraphs (A) and (B) above shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution 16 or if earlier on the date which is 15 months after the date of the AGM, but in each case, prior to its expiry, the Company may make offers and enter into agreements, which would, or might, require Relevant Securities or equity securities as the case may be to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot Relevant Securities or equity securities (and call treasury shares) in pursuance of any such offer or agreement as if the authority in question had not expired.

Special Resolutions

17. That subject to the passing of Resolution 16, the Directors be authorised, pursuant to sections 570 and 573 of the 2006 Act, to allot equity securities (as defined in section 560 of the 2006 Act) for cash under the authority given by Resolution 16 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:
- (A) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities made (but, in the case of the authority conferred by Resolution 16(B), by way of a rights issue only) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings and to holders of other equity securities as required by the rights of those securities or, if the Directors otherwise consider necessary, as permitted by the rights of those securities, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
 - (B) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) above) up to an aggregate nominal amount of £8,301,572,
- and shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution 17 or, if earlier, on the date which is 15 months after the date of the AGM but, in each case, prior to its expiry, the Company may make offers and enter into agreements, which would, or might, require Relevant Securities or equity securities as the case may be to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot Relevant Securities or equity securities (and sell treasury shares) in pursuance of any such offer or agreement as if the authority in question had not expired.

18. That subject to the passing of Resolution 16, the Directors be authorised in addition to any authority granted under Resolution 17 to allot equity securities (as defined in section 560 of the 2006 Act) for cash under the authority given by Resolution 16 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be:

- (A) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £8,301,572; and
- (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of AGM,

such authority to expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution 18 (or, if earlier, on the date which is 15 months after the date of the AGM) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority in question had not expired.

19. That the Company is authorised to call any general meeting of the Company other than an annual general meeting on not less than 14 clear days' notice during the period beginning on the date of the passing of this Resolution 19 and ending on the conclusion of the next annual general meeting of the Company.

20. That the Company be generally and unconditionally authorised to make one or more market purchases (within the meaning of section 693(4) of the 2006 Act) of ordinary shares of 12.5 pence each in the capital of the Company ("**Ordinary Shares**") on such terms and in such manner as the Directors may from time to time determine, provided that:

- (A) the maximum aggregate number of Ordinary Shares that may be purchased is 132,825,165 (representing approximately 10 per cent of the issued ordinary share capital of the Company as at the date of this document);
- (B) the minimum price (excluding expenses payable by the Company) which may be paid for each Ordinary Share is 12.5 pence;
- (C) the maximum price (excluding expenses payable by the Company) which may be paid for each Ordinary Share is the higher of: i) an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately prior to the day the purchase is made; and ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System; and
- (D) this authority shall expire at the conclusion of the Company's next annual general meeting, save that the Company may, before the expiry of this authority, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares in pursuance of any such contract.

BY ORDER OF THE BOARD

Paul Wright

Company Secretary
9 April 2021

Primary Health Properties PLC
Registered office: 5th Floor, Greener House, 66-68 Haymarket, London SW1Y 4RF
Registered in England & Wales No: 03033634

Important notes regarding your general right to appoint a proxy and voting can be found on pages 13 to 15 of this Notice of AGM.

Explanatory notes to the resolutions

These notes are intended to explain the business to be transacted at the Annual General Meeting. Resolutions 17 to 20 (inclusive) are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution. All other resolutions are proposed as ordinary resolutions, so that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Accounts (Resolution 1)

By company law the Directors must present to the AGM the Annual Report 2020 for adoption. The Board will welcome any questions and discussion on the Annual Report 2020 at the AGM.

Directors' remuneration report (Resolution 2)

Resolution 2 seeks Shareholders' approval for the Directors' remuneration report as contained on pages 78 to 91 of the Annual Report 2020.

This resolution is proposed as an ordinary resolution. The vote is advisory and the Directors' entitlement to remuneration is not conditional on it.

Adoption of share incentive plans (Resolutions 3 and 4)

Resolution 3 relates to the proposed introduction of a new UK Sharesave plan by the Company, the Primary Health Properties PLC Sharesave Plan 2021 (the "**Sharesave**") being an all-employee savings-related share option plan for the Company's UK employees.

The Sharesave will provide for the grant of tax-advantaged savings-related options over Company shares ("**Shares**") to eligible UK employees. Any eligible employee who agrees to join the Sharesave will enter into an approved savings contract for a period of three years or five years, in return for the grant of an option to acquire Shares using the proceeds of the savings contract. The exercise price of an option is fixed at the time the invitation to apply for an option is issued and cannot be less than 80% of the market value of a Share at that time. The Sharesave will have a lifespan of ten years.

The Sharesave is an excellent way to motivate employees and promote a culture of wider Share-ownership amongst employees. Accordingly, the Remuneration Committee has concluded that shareholder authority should be sought under Resolution 3 for the adoption of the Sharesave.

Resolution 4 relates to the proposed introduction of a new long-term incentive plan by the Company, the Primary Health Properties PLC 2021 Long Term Incentive Plan ("**LTIP**"), to ensure that the Company can offer arrangements to its senior employees to assist in the retention and reward of these employees aligned with the PHP Directors' Remuneration Policy. Resolutions 3 and 4 seek shareholder approval for the adoption now of the Sharesave and the LTIP. The terms of the Sharesave are summarised in Part I of the Appendix to this Notice of AGM, the terms of the LTIP are summarised in Part II of the Appendix to this Notice of AGM.

Resolutions 3 and 4 will also authorise the Company to adopt further plans based on the Sharesave and LTIP (as applicable) but modified to take account of local tax, exchange control or securities laws in any jurisdiction, provided that the terms of any such further plans are materially similar to the Sharesave and LTIP (as applicable) so as to allow participation in the future to employees who may be located outside of the UK. The Company currently intends to adopt a tax-advantaged UK Sharesave for the benefit of its UK employees.

Employee Benefit Trust (Resolution 5)

Resolution 5 seeks approval for the establishment of an Employee Benefit Trust ("**EBT**") for the benefit of employees and former employees of the Company. The EBT is a discretionary trust with the purposes of encouraging and facilitating the holding of Ordinary Shares by bona fide employees (including executive directors) of the Company, former employees and certain of their relatives. It is proposed that the EBT will be used to facilitate the operation of the Company's employee share plans. It is intended that the EBT will not hold more shares than are required to satisfy outstanding awards under the Company's share plans, and it will not ordinarily vote any shares it holds at general meetings of the Company.

Dividend (Resolution 6)

Resolution 6 is proposed to seek Shareholders' approval of the Company's dividend policy. Despite the uncertainty and volatility in the economic environment caused by the coronavirus pandemic, we have continued to deliver a strong and robust operational and financial performance over the course of 2020. This has allowed the Company to continue to pay an increasing level of dividend to its Shareholders over the last 25 years.

The Company's policy is to make all of its dividend payments (currently four per annum) as interim dividends. This enables the fourth dividend payment to be made approximately two months earlier than would be the case if that dividend were categorised as a "final dividend" and therefore have to await Shareholder approval at the annual general meeting. This arrangement is made in the interests of Shareholders, enabling them to benefit from the earlier receipt of the fourth dividend. As we believe it is important for Shareholders to have an opportunity to consider this policy annually, and in accordance with the principles of good corporate governance, a resolution to approve the Company's dividend policy is included as Resolution 6.

Re-appointment and remuneration of auditors' at the end to make genitive (Resolutions 7 and 8)

Resolution 7 proposes to re-appoint Deloitte LLP as auditors of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid.

Resolution 8 proposes to authorise the audit committee, for and on behalf of the Directors, to determine the remuneration of the auditors.

Re-election of Directors (Resolutions 9 to 14)

In accordance with the recommendations of the UK Corporate Governance Code 2016, all the Directors have resolved that they will offer themselves for re-election by Shareholders at the AGM.

Separate resolutions are being proposed to re-elect each of the Directors standing for re-election. Resolutions 9 to 14 are being proposed as ordinary resolutions.

Re-election of Steven Owen (Resolution 9)

Chairman: Appointed as a Non-executive Director on 1 January 2014.

Steven embarked on his career with KPMG before moving into property with Brixton plc where he became Finance Director and subsequently Deputy Chief Executive until its acquisition by Segro in 2009. He is currently CEO and founding partner of Wye Valley Partners LLP, a commercial real estate asset management business, and is also a Fellow of the Association of Corporate Treasurers.

Other external relationships

His involvement with Wye Valley Partners LLP is Steven's only external relationship.

Contribution and reasons for re-election

Steven brings to the Board strong leadership skills combined with in-depth financial skills as a Chartered Accountant and former Finance Director and extensive expertise of investment and development in commercial property in a listed company environment. This combination of skills, knowledge and experience makes Steven a very effective Chairman.

Independent

Yes

Re-election of Harry Hyman (Resolution 10)

Chief Executive Officer: Founder of the Company and Director since 1996.

Harry graduated from Cambridge University and trained as a chartered accountant and corporate treasurer. After a number of finance related roles in the City of London, he established the Company in 1996. He is both a Fellow of the Institute of Chartered Accountants in England & Wales and the Association of Corporate Treasurers, as well as being a fellow of the Royal Institute of Chartered Surveyors.

Other external relationships

Harry is a Non-executive director of Biopharma Credit PLC.

Contribution and reasons for re-election

Harry has extensive experience in investing in the primary healthcare sector, and the value of his contribution to PHP is demonstrated by his having developed the Company's business from inception 25 years ago to its current position in the FTSE 250, with an investment portfolio of over £2.5 billion. Harry brings to the Board a unique combination of experience in the primary healthcare sector, a background in finance and entrepreneurial flair having established a number of successful private companies.

Independent

No

Re-election of Richard Howell (Resolution 11)

Chief Financial Officer: Appointed as a Director from 1 April 2017.

Richard is a Chartered Accountant with over 20 years' experience working with London-listed commercial property companies, gained principally with LondonMetric Property plc and Brixton plc. Richard was part of the senior management team that led the merger of Metric Property Investments plc and London & Stamford Property Plc in 2013 to create LondonMetric Property plc with a combined property portfolio of £1.4 billion.

Other external relationships

None

Contribution and reasons for re-election

Richard has been CFO during a time of significant change for the Group and has played a key role in effectively managing the Group's capital raising activities from both financial institutions and in the public markets. Richard's extensive finance experience, and deep understanding of the markets in which the Company operates, having previously held senior accounting positions within listed property companies operating across the UK, means he continues to contribute greatly to the long-term success of the Group.

Independent

No

Re-election of Peter Cole (Resolution 12)

Non-executive Director: Appointed a Director on 1 May 2018.

Peter Cole is a Chartered Surveyor and was until April 2020 the Chief Investment Officer of Hammerson plc, the FTSE-listed owner, manager and developer of retail destinations in the UK, Ireland and continental Europe, where he held overall responsibility for developments, acquisitions and joint ventures. He was a main Board Director of Hammerson from October 1999 until 31 December 2018 and has recently been appointed as a Director of Hermes CMK General Partner.

Other external relationships

Director of Hermes CMK General Partner Limited.

Skills, competence and experience

Peter has considerable experience of property investment and a deep understanding of the real estate market and investor sentiment. He brings to the Board a combination of skills in property investment and development and an understanding of the regulatory environment for listed companies in the UK. Peter makes an effective and valuable contribution to the Board, including as Chairman of the Remuneration Committee, where he has worked energetically in driving forward the work of that committee. Peter demonstrates a high degree of commitment, including devoting an appropriate amount of time, to the role.

Independent

Yes

Explanatory notes to the resolutions continued

Re-election of Laure Duhot (Resolution 13)

Non-executive Director: Appointed as a Director on 14 March 2019.

Laure started her career in the investment banking sector, developing a focus on the property sector, while holding senior roles at Lehman Brothers, Macquarie Capital Partners, Sunrise Senior Living Inc., Grainger plc and Lendlease. She was also a Non-executive director of Inland Homes plc, until July 2020, and is a Non-executive director of NB Global Monthly Income Fund Limited and MIC Limited.

Other external relationships

Laure is a Non-executive director of NB Global Monthly Income Fund Limited, Latis Group Limited and MIC Limited.

Contribution and reasons for re-election

Laure brings over 30 years of property and finance experience to the Board; in particular she brings insights from her international property investment experience. Laure has specialised in investment in alternative real estate assets and was a Non-executive director at MedicX. Laure makes an effective and valuable contribution to the Board, including through her role as the Chair of the former Adviser Engagement Committee and now as Chair of the recently formed ESG Committee. Laure, has demonstrated commitment, including devoting an appropriate amount of time, to the role.

Independent

Yes

Re-election of Ian Krieger (Resolution 14)

Senior Independent Non-executive Director: Appointed as a Director on 15 February 2017.

Ian qualified as a chartered accountant and worked at Arthur Anderson before joining Deloitte where he became Senior Partner and Vice Chairman until his retirement in 2012.

Other external relationships

Senior Independent Non-executive director and Chairman of the audit committee at Safestore Holdings plc.

Non-executive Director at Capital & Regional plc, and Chairman of the audit committee.

Chairman of Anthony Nolan, a major blood cancer charity.

Contribution and reasons for re-election

Ian brings to the Board a wealth of specialised financial and accounting skills and expertise from his experience in the audit profession and in chairing the audit committees of two other listed companies in the property sector. His extensive financial expertise, coupled with his insight and governance experience on other listed companies, makes him ideally placed to serve as Chairman of the Audit Committee. Ian makes an effective and valuable contribution to the Board, including through his role of Chairman of the Audit Committee, and demonstrates a high degree of commitment, including devoting an appropriate amount of time, to the role.

Independent

Yes

Political donations and expenditure (Resolution 15)

Part 14 of the 2006 Act, amongst other things, prohibits political donations made by a company and its subsidiaries to EU political parties, to other EU political organisations or to an independent election candidate in the EU or political expenditure incurred by a company of more than £5,000 in any twelve-month period, unless they have been authorised to make donations by the company's Shareholders.

It is the policy of the Company not to make donations to political parties, other political organisations or independent election candidates and the Directors have no intention of changing that policy.

However, as a result of the wide definition of political organisations under Part 14 of the 2006 Act, normal expenditure (such as expenditure on organisations concerned with matters of public policy, law reform and representation of the business community) and business activities (such as communicating with the Government and political parties at local, national and European level) might be construed as political expenditure or as a donation to a political party or other political organisation and therefore fall within the restrictions of the 2006 Act.

In order to avoid an inadvertent infringement of the 2006 Act, Resolution 15 will allow the Company and its subsidiaries to make donations to political parties, other political organisations and independent election candidates and to incur political expenditure (as defined in the 2006 Act) up to an aggregate limit of £20,000 in the period beginning with the date of the passing of Resolution 15 and ending with the conclusion of the next annual general meeting of the Company whilst avoiding, because of the uncertainty over the definitions used in the 2006 Act, inadvertent infringement of the 2006 Act. Any political donation made or political expenditure incurred which is in excess of £200 will be disclosed in the Company's annual report and accounts for next year, as required by the 2006 Act. Resolution 15 will not be used to make political donations within the normal meaning of that expression.

Directors' authority to allot securities (Resolution 16)

Further to the Articles and the provisions of the 2006 Act, the Directors may only allot Ordinary Shares or grant rights over Ordinary Shares if authorised to do so by the Shareholders.

Accordingly, the authority in Resolution 16 paragraph (A) will allow the Directors to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company, up to a maximum nominal amount of £55,343,819, representing approximately one-third of the Company's issued ordinary share capital calculated as at 8 April 2021 (being the latest practicable date prior to publication of this document). The authority in Resolution 16 paragraph (B) will allow the Directors, only in connection with a pre-emptive rights issue, to allot shares or grant rights to subscribe for, or convert any securities into, shares in the Company, up to a maximum nominal amount

of £55,343,819 in addition to the nominal amount of any shares allotted or rights granted to subscribe for, or to convert any security into, shares under paragraph (A), together representing approximately two-thirds of the Company's issued ordinary share capital calculated as at 8 April 2021 (being the latest practicable date prior to publication of this document). This is in line with corporate governance guidelines.

This authority will expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the date which is 15 months after the date of the AGM. The Directors intend to renew this authority annually at each annual general meeting of the Company. The Directors have no present intention of exercising this authority other than pursuant to legally binding obligations to do so, such under the Scrip Dividend Scheme or, if applicable, on conversion of the 2.875% Guaranteed Convertible Bonds due 2025 (the "**Convertible Bonds**") issued by the Company's subsidiary PHP Finance (Jersey No 2) Limited. However, it is considered prudent to maintain the flexibility that this authority provides.

As at 8 April 2021 (being the latest practicable date prior to the publication of this document), the Company held no Ordinary Shares in treasury and there were £150,000,000 nominal of Convertible Bonds outstanding which at the current exercise price would require the issue of 101,971,447 Ordinary Shares if all the Bonds exercised the right to convert.

Directors' authority to dis-apply pre-emption rights (Resolutions 17 and 18)

Under the 2006 Act, when new shares are proposed to be issued for cash, other than in connection with a company share option plan, they must first be offered to existing Shareholders pro-rata to their percentage holdings at such time, unless Shareholders have waived this right either generally or in respect of a particular issue. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing Shareholders. The purpose of Resolution 17 therefore is to enable Shareholders to waive their pre-emption rights and allow the Directors to allot shares for cash without such shares being first offered to existing Shareholders.

Resolution 17 will, if passed by special resolution, give the Directors authority to allot shares pursuant to the authority granted in Resolution 16 for cash on a non-pre-emptive basis. This authority will permit the Directors to allot shares for cash: (a) in connection with a rights issue or any other pre-emptive offer concerning equity securities, or (b) otherwise than in connection with a rights issue or any other pre-emptive offer for shares in the Company up to a maximum nominal value of £8,301,572, representing approximately 5 per cent. of the Company's issued ordinary share capital as at 8 April 2021 (being the latest practicable date prior to the publication of this document).

For the purposes of Resolution 17, the nominal amount of any securities shall be taken to be, in the case of rights to subscribe

for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

Resolution 18 additionally authorises the Directors to allot new shares (or sell treasury shares) for cash, without the shares being offered first to existing Shareholders, in connection with the financing (or refinancing, if the authority is to be used within six months after the original transaction) of an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. The authority under Resolution 18 is limited to a nominal value of £8,301,572, representing approximately 5 per cent. of the Company's issued ordinary share capital as at 8 April 2021 (being the latest practicable date prior to the publication of this document).

The Board intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles, as updated in March 2015 and does not intend to allot shares for cash on a non-pre-emptive basis pursuant to the authority in Resolution 18 or in excess of an amount equal to 7.5% of the total issued share capital of the Company within any rolling three-year period, without prior consultation with Shareholders. Notwithstanding, the above, the Directors consider it desirable and believe it appropriate to have the maximum flexibility permitted by corporate governance guidelines to enable non-pre-emptive allotments to take place to finance business opportunities.

The provisions of Resolutions 17 and 18 comply with the Share Capital Management Guidelines issued by the Investment Association in July 2016 and the disapplication of pre-emption rights resolutions follow the resolution templates issued by the Pre-Emption Group in May 2016.

If Resolutions 17 and 18 are passed, the authorities will expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the date which is 15 months after the date of the AGM. The Directors intend to renew this authority annually at each annual general meeting of the Company. The Directors have no immediate plans to make use of this authority, other than in connection with the issue of Ordinary Shares under the Scrip Dividend Scheme or if applicable on conversion of the Convertible Bonds.

As at 8 April 2021 (being the latest practicable date prior to the publication of this document), the Company did not hold any treasury shares. If the Company were to create treasury shares, for example through the market purchase of its own shares, the subsequent sale of any treasury shares would be counted as equivalent to the issue of new shares for the purpose of the limitations on the issue of new shares included in Resolution 16.

Notice of general meetings, other than annual general meetings (Resolution 19)

Resolution 19 will, if passed, allow the Company to hold general meetings (other than annual general meetings) on 14 clear days' notice. Under the 2006 Act, the minimum notice period for publicly listed company general meetings is 21 clear days, but

Explanatory notes to the resolutions continued

with an ability for companies to reduce this period to 14 clear days (other than for annual general meetings) provided that certain conditions are met.

The first condition is that the Company offers a facility for members to vote by electronic means. This condition is met if the Company offers a facility allowing members to appoint a proxy by means of a website. The Company provides this facility (please refer to Note 4 to the guidance Notes on page 13 of this document for details of the Company's arrangements for electronic proxy appointment). The other condition is that there is an annual resolution of Shareholders approving the reduction of the minimum notice period from 21 clear days to 14 clear days.

The Board is proposing Resolution 19 as a special resolution to approve 14 clear days as the minimum period of notice to be given for all general meetings of the Company other than annual general meetings. The approval will be effective until the conclusion of the next annual general meeting of the Company. The shorter notice period will be used in accordance with all relevant corporate governance guidelines applicable at the time. In particular, it will only be used where flexibility is merited by the business of the meeting and is thought to be to the advantage of Shareholders as a whole.

Purchase of own shares (Resolution 20)

Resolution 20 seeks authority for the Company to make market purchases of its own Ordinary Shares and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 132,825,165 of its Ordinary Shares, representing approximately 10 per cent. of the Company's issued ordinary share capital as at 8 April 2021 (being the latest practicable date prior to the publication of this document).

The Directors have no present intention of exercising the authority granted by Resolution 20. Ordinary Shares will only be purchased if the Directors consider such purchases to be in the best interests of Shareholders generally and that the purchase can be expected to result in an increase in earnings per Ordinary Share. In addition, the authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels for the Company and its overall financial position.

The Resolution specifies the minimum and maximum prices which may be paid for any Ordinary Shares purchased under this authority. The authority will expire on the earlier of the date which is 15 months after the date of the AGM or the date of the Company's 2022 annual general meeting.

The Company may either cancel any Ordinary Shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them). No dividends are paid on shares in treasury and no voting rights attach to treasury shares. If the Ordinary Shares that the Company buys back under this authority are held in treasury, this would give the Company the ability to re-issue treasury shares quickly and cost-effectively, providing the Company with additional flexibility in the management of its capital.

As at 8 April 2021 (being the latest practicable date prior to the publication of this document), save for the £150,000,000 nominal of Convertible Bonds outstanding, there are no warrants or options to subscribe for Ordinary Shares that are outstanding.

Guidance notes for the meeting and on appointment of proxies

1. General

A copy of this Notice of AGM and other information regarding the AGM required by section 311A of the 2006 Act (including a copy of the Annual Report 2020 posted to Shareholders on 9 March 2021) are available from the Company's website at www.phpgroup.co.uk. Shareholders who have not elected to receive these documents in printed form may obtain copies by writing to the Company Secretary at the Company's registered office. Shareholders who wish to receive the printed annual report and accounts for future years should write to the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

2. Entitlement to vote

Under the Articles the holders of Ordinary Shares are entitled to attend the AGM and to speak and vote at the AGM. Duly appointed proxies are entitled also to attend, speak and vote at the AGM.

Only those holders of Ordinary Shares registered in the register of members of the Company as at 6:30 p.m. on Monday 10 May 2021 (or, if the AGM is adjourned, 6:30 p.m. on the day that is 48 hours before any adjourned meeting) (excluding any part of any day that is not a working day) shall be entitled to attend (either in person or by proxy) and vote at the AGM, or any adjourned meeting, in respect of the number of shares registered in their names at that time. Any changes to the register of members after the relevant deadline shall be disregarded in determining the right of any person to attend and vote at the AGM or an adjourned meeting.

3. Entitlement to appoint proxies

Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM. As explained in the letter from the Chairman, Shareholders will not currently be permitted to attend the Annual General Meeting in person. **Accordingly, those submitting a Form of Proxy are strongly encouraged to appoint the Chairman of the meeting rather than a named person as their proxy.** This will ensure that your vote will be counted. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. If a proxy is submitted without indicating how the proxy should vote on any resolution, the proxy will exercise his or her discretion as to whether and, if so, how to vote. To appoint more than one proxy you may photocopy the Form of Proxy. A proxy need not be a Shareholder of the Company.

The Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this Notice of AGM. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

The return of a completed Form of Proxy, or other such instrument or any CREST Proxy Instruction (as described in Note 5 below) will not prevent a Shareholder attending the AGM and voting via the online platform at <https://web.lumiagm.com> if he/she wishes to do so.

In the case of joint Shareholders, the signature of only one of the joint holders is required on the Form of Proxy but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.

4. Validity of proxies

To be valid a Form of Proxy or other instrument appointing a proxy must be received by one of the following methods:

- A. by posting the reply-paid proxy or otherwise by post (in which case postage will be payable) or (during normal business hours only) by hand at Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA;
- B. in the case of CREST members, by utilising the CREST electronic proxy appointment services in accordance with the procedures set out in paragraph 5 below; or
- C. as an alternative to completing and returning the printed Form of Proxy, you may submit your proxy electronically by accessing the Sharevote website provided by Equiniti Limited. Shareholders may submit an electronic proxy online, using the reference numbers printed on the Form of Proxy, at www.sharevote.co.uk where details of the voting procedures are shown.

IMPORTANT: in any case, the appointment of a proxy must be received by or lodged with the Company by Monday 10 May 2021 (or, if the AGM is adjourned, not later than 48 hours before the time fixed for the adjourned meeting) (excluding any part of any day that is not a working day).

5. CREST proxy appointment

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number RA19) not later than 10:30 a.m. on Monday 10 May 2021 (or, if the AGM is adjourned, not later than 48 hours before the time fixed for the adjourned meeting) (excluding any part of any day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message

Guidance notes for the meeting and on appointment of proxies continued

by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

6. Corporate representatives

Any corporation which is a member may by resolution of its directors or other governing body authorise one or more person(s) to act as its representative who may exercise, on its behalf, all its powers as a member, provided that they do not do so in relation to the same shares. A certified copy of any such resolution must be deposited at the registered office of the Company not less than 48 hours before the time appointed for the AGM to be valid (excluding any part of any day that is not a working day).

7. Nominated persons

Any person to whom this document is sent who is a person nominated under section 146 of the 2006 Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.

The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 2, 3, 4, and 5 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by Shareholders of the Company. If you have been nominated to receive general Shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains the registered Shareholder or custodian or broker who administers the investment on your behalf. Therefore, any changes or queries relating to your personal details and holding (including any administration) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee to deal with matters that are directed to them in error. The only exception to this is where the Company, in exercising one of its powers under the 2006 Act, writes to you directly for a response.

8. Electronic communication

Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that the Shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic proxy form, that is found to contain any virus, will not be accepted.

9. Voting and voting rights

As at 5:00 p.m. on 8 April 2021 (being the latest business day prior to the publication of this document), the Company's issued share capital consists of 1,328,251,653 Ordinary Shares, carrying one vote each. Therefore, the total number of voting rights in the Company as at 5:00 p.m. on 8 April 2021 is 1,328,251,653. The website referred to in Note 1 will include information on the number of Ordinary Shares and voting rights.

Voting on the Resolutions will be conducted by way of a poll rather than on a show of hands as this is considered by the Board to reflect the views of Shareholders more accurately. As soon as practicable following the AGM, the results of voting at the AGM and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each resolution will be announced via a Regulatory Information Service and also placed on the Company's website referred to in Note 1 above.

10. Right to ask questions

Any Shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if:

- to do so would interfere unduly with the preparation for the Annual General Meeting or involve the disclosure of confidential information; or
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the Annual General Meeting that the question be answered.

11. Audit concerns

Under section 527 of the 2006 Act a Shareholder or Shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the 2006 Act. The Company cannot require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

The request may be in hard copy form or in electronic form (stating your name and address and in the case of an electronic communication stating AGM in the subject line of the email), either setting out the statement in full or, if supporting a statement sent by another Shareholder, clearly identifying the statement which is being supported; must be authenticated by the person or persons making it; and must be received by the Company at least one week before the AGM.

12. Communication with the Company

You may not use any electronic address provided either in this Notice of AGM or any related documents (including the Form of Proxy accompanying this document) to communicate with the Company for any purposes other than those expressly stated. All communication with the Company in relation to the AGM should be by writing to Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA or to the Company Secretary at the registered office of the Company set out at the foot of the Notice of AGM.

13. Inspection of documents

The following documents, which are available for inspection at an agreed time during normal business hours at the registered office of the Company, 5th floor, Greener House, 66-68 Haymarket, London SW1Y 4RF on any weekday (Saturdays, Sundays and public holidays excluded), will also be available for inspection at the place of the AGM from 9:30 p.m. on the day of the AGM until the end of the meeting:

- A. copies of the service contracts of the Executive Directors under which they are employed by the Company and the letters of appointment (and other related documents) of the Non-executive Directors;
- B. the Articles of Association of the Company; and
- C. copies of the proposed rules of the Primary Health Properties PLC Sharesave Plan 2021, and the Primary Health Properties 2021 PLC Long Term Incentive Plan.

Website user guide and process for the AGM

Meeting ID: 120-198-691

Summary

Electronic meeting

For the 2021 AGM, PHP is for the first time enabling shareholders to attend and participate in the meeting electronically, should they wish to do so. This can be done by accessing the AGM website, <https://web.lumiagm.com>.

Accessing the Lumi AGM website

Lumi AGM can be accessed online using most well-known internet browsers such as Internet Explorer (not compatible with versions 10 and below), Chrome, Firefox and Safari on a PC, laptop or internet-enabled device such as a tablet or smartphone. Please go to <https://web.lumiagm.com> on the day.

Logging in

On accessing the AGM website, you will be asked to enter a Meeting ID, which is 120-198-691. You will then be prompted to enter your unique SRN and PIN. These can be found printed on your Form of Proxy. Your PIN will be the first two and last two digits of your SRN number. Access to the meeting will be available from 9:30 a.m. on 12 May 2021; however, please note that your ability to vote will not be enabled until the Chairman formally opens the meeting.

Videocast

The electronic meeting will be broadcast in video format with presentation slides. Once logged in, and at the commencement of the meeting, you will be able to watch to the proceeding of the meeting on your device, as well as being able to see the slides of the meeting which will include the resolutions to be put forward to the meeting. These slides will progress automatically as the meeting progresses.

Voting

Once the Chairman has formally opened the meeting, he will explain the voting procedure. Voting will be enabled on all resolutions at the start of the formal meeting on the Chairman's instruction. This means shareholders may, at any time while the poll is open, vote electronically on any or all of the resolutions in the Notice of AGM. Once the resolutions have been proposed, the list of resolutions will appear along with the voting options available. Select the option that corresponds with how you wish to vote: "FOR", "AGAINST" or "WITHHELD". Once you have selected your choice, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received. There is no submit button. If you make a mistake or wish to change your vote, simply select the correct choice. If you wish to "cancel" your vote, select the "cancel" button. You will be able to do this at any time whilst the poll remains open and before the Chairman announces its closure at the end of the meeting.

Questions

Questions will be invited during the meeting. Shareholders attending electronically may ask questions via the website by typing and submitting their question in writing – select the messaging icon from within the navigation bar and type your question at the bottom of the screen.

Requirements

An active internet connection is required at all times in order to allow you to cast your vote when the poll opens, submit questions and listen to the videocast. It is the user's responsibility to ensure you remain connected for the duration of the meeting.

Duly appointed proxies and corporate representatives

Please contact the Company's registrar before 10:30 a.m. on 11 May 2021 on 0371 384 2030 or +44 121 415 7047 if you are calling from outside the UK for your unique username and password. Lines are open 8:30 a.m. to 5:30 p.m. Monday to Friday (excluding public holidays in England & Wales).

Appendix Part I

Summary of the principal terms of the Primary Health Properties PLC Sharesave Plan 2021

1. General

The Primary Health Properties PLC Sharesave Plan 2021 (the "**Sharesave**") is intended to be a tax-advantaged Schedule 3 SAYE option scheme for the purposes of UK tax legislation.

All eligible UK employees must be invited to participate in the Sharesave. Employees who agree to join and to make monthly savings will be granted options to acquire shares ("**Sharesave Options**") on the terms summarised below.

Sharesave Options are not transferable (except on death) and are not pensionable benefits.

Sharesave Options may be satisfied by newly issued shares, shares purchased in the market or by the transfer of treasury shares.

The operation of the Sharesave will be overseen by the Remuneration Committee of the Company.

2. Eligibility

Any UK-based employee (including any full-time executive director) of the Company or participating subsidiary who has been employed for a qualifying period of such length as the directors of the Company (the "**Directors**") may determine from time to time (but not exceeding five years) is eligible to participate in the Sharesave.

3. Issue of invitations

Invitations to apply for Sharesave Options may be issued within the period of 42 days following approval of the Sharesave by the Company in general meeting. Thereafter, invitations to apply for Sharesave Options will normally be issued within a period of 42 days after the dealing day following the announcement of the Company's results for any period. Invitations may be issued at other times if the Directors see fit in exceptional circumstances. No options may be granted more than ten years after approval of the Sharesave by Shareholders.

4. Exercise price

The price per share at which shares may be acquired upon exercise of a Sharesave Option is determined by the Directors before the relevant Sharesave Options are granted. The price per share must not be less than 80 per cent of the market value of a share when invitations are issued to eligible employees.

5. Monthly savings

Any employee who applies for Sharesave Option under the Sharesave must enter into an HMRC approved "save as you earn" contract (the "**Savings Contract**"). The employee agrees to enter a Savings Contract for a period of three or five years and make monthly savings contributions of a fixed amount, currently of not less than £5 or more than £500, over three or five years. The employee may elect to apply the proceeds of the Savings Contract to exercise the Sharesave Option and acquire shares. Alternatively, the employee may choose to withdraw the proceeds of the Savings Contract.

For the initial invitation under the Sharesave, it is envisaged that only three-year savings contracts will be offered and the maximum monthly savings contribution shall be £500.

6. Exercise of Sharesave Options

Sharesave Options under the Sharesave will normally be exercisable only during the period of six months from the end of the Savings Contract.

7. Leaving employment

Early exercise of Sharesave Options is permitted following death or cessation of employment by reason of injury, disability, redundancy, retirement, a TUPE business transfer, the employer company of a participant ceasing to be an "associated company", cessation of employment more than three years from grant of a Sharesave Option (other than in circumstances where the employee is dismissed for reasons of misconduct or gross misconduct, or where the employee resigns before an investigation or disciplinary process regarding an allegation of misconduct against them is concluded), or where the business or part of the business which employs the participant is transferred to a company outside the Group. In such cases, Sharesave Options may be exercised within six months of leaving to the extent that the funds then available in the employee's Savings Contract permit. In the case of death, personal representatives may normally exercise the Sharesave Option at any time within twelve months of the date of death. Except in the cases noted above, Sharesave Options will lapse on cessation of employment.

8. Corporate events

Early exercise of Sharesave Options is permitted in the event of a takeover, reconstruction or voluntary winding-up of the Company. Alternatively, participants may be offered the opportunity to release their Sharesave Options in consideration of the grant of options over shares in the acquiring company or its parent company.

9. Dilution limit

Sharesave Options may be granted over unissued or existing shares. The number of new shares issued or remaining capable of being issued pursuant to Sharesave Options and all of the Company's other employee share schemes (including executive share schemes), in any period of ten years, will not exceed 10 per cent of the Company's ordinary share capital in issue from time to time. If Sharesave Options are to be satisfied by a transfer of existing shares, this percentage limit will not apply. Insofar as it is necessary to ensure compliance with the guidelines issued from time to time by institutional investors, the percentage limit will apply to awards satisfied by the transfer of treasury shares.

Appendix Part I continued

Summary of the principal terms of the Primary Health Properties PLC Sharesave Plan 2021

10. Rights attaching to shares

Shares allotted or transferred under the Sharesave will rank alongside shares of the same class then in issue. The Company will apply to the FCA for the listing of any newly issued shares.

11. Variation of share capital

If there is a variation in the share capital of the Company, the Directors may make such adjustments as they consider appropriate to: (a) the number, amount or description of shares subject to any Sharesave Option; (b) the exercise price payable upon the exercise of any Sharesave Option; and/or (c) the acquisition cost of shares that have not been allotted or transferred following exercise of a Sharesave Option, provided that the market value and exercise price must be substantially the same before and after the variation in capital.

12. Alteration of the Sharesave

The Directors may amend the Sharesave in any respect. However, the provisions governing eligibility requirements, equity dilution, individual participation limits, the basis for determining the rights of participants to acquire shares and the adjustments that may be made following a rights issue or any other variation of capital cannot be altered to the advantage of existing or new participants without the prior approval of the Company's Shareholders in general meeting.

There is an exception for amendments which are necessary to comply with the requirements of the tax legislation governing the Sharesave, minor amendments to benefit the administration of the Sharesave, and amendments to take account of a change in legislation affecting the Sharesave or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the Sharesave or for any member of the Company's group or associated companies.

13. International

By approving the Sharesave, Shareholders will also authorise the Directors to adopt schedules to, or establish further plans based on, the Sharesave but which are modified to take account of local tax, exchange control or securities laws in any overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Sharesave (described in paragraphs 5 and 9 of this Appendix Part I, respectively).

The Directors do not currently intend to adopt or establish any such schedules or further plans.

This summary does not form part of the rules of the Sharesave and should not be taken as affecting the interpretation of their detailed terms and conditions. The Directors reserve the right up to the time of the 2021 AGM to make such amendments and additions to the rules of the Sharesave as may be necessary or as they consider appropriate and provided that such amendments do not conflict in any material respect with this summary.

Appendix Part II

Summary of the Primary Health Properties PLC 2021 Long Term Incentive Plan ("LTIP")

1. General

The LTIP is a discretionary share plan, with participants selected by the Remuneration Committee (the "**Committee**"). The LTIP is administered by the Committee.

2. Nature of awards

Awards under the LTIP can take the form of:

- A) options to acquire Ordinary Shares with an exercise price determined by the Remuneration Committee (the "**Options**"); or
- B) conditional rights to acquire Ordinary Shares for no or nominal consideration.

3. Eligibility

All employees (including executive directors) of the Company and its subsidiaries (the "**Group**") may be granted awards under the LTIP.

4. Grant of awards

The Committee has absolute discretion to select the persons to whom awards may be granted, the type of award to be granted and, subject to the limits set out under "Plan limits" below, in determining the number of Ordinary Shares to be subject to each award.

Awards may ordinarily be granted: (a) during the period of 42 days immediately after the end of a closed period of the Company (as determined in accordance with the UK Market Abuse Regulation); or (b) at any other times or in other circumstances, which, in the opinion of the Committee, are exceptional so as to justify the grant of awards. Awards may also be granted within the period of 42 days following the approval of the LTIP by the Company's shareholders.

No award may be granted after the tenth anniversary of the date on which the LTIP was approved.

5. Plan limits

On a given date, the total number of Ordinary Shares issued (or capable of issue) in respect of awards granted under the LTIP, when added to the total number of Ordinary Shares issued or capable of issue in respect of all other rights to subscribe for Ordinary Shares granted in the preceding ten-year period under the LTIP or any other share plan, may not exceed 10 per cent of the ordinary share capital of the Company in issue at that time. In addition, on a given date, the total number of Ordinary Shares issued (or capable of issue) in respect of awards granted under the LTIP, when added to the total number of Ordinary Shares issued or capable of issue in respect of all other rights to subscribe for Ordinary Shares granted in the preceding ten-year period under the LTIP or any other discretionary share plan, may not exceed 5% of the ordinary share capital of the Company in issue at that time. Ordinary Shares transferred out of treasury to satisfy awards will not count towards these limits, unless it is necessary to ensure compliance with any guidelines issued by institutional investors.

6. Individual limit

In any financial year, the maximum market value of any award granted to an award holder will not be more than 200 per cent of their base salary.

7. Vesting and exercise of awards

The Committee has discretion at the time of grant of an award to determine the basis on which an award will vest and to determine whether an award will be subject to a holding period. The vesting of awards under the LTIP may be made conditional on the achievement of objective performance targets, and/or the passage of time, set at the time of grant. If no condition is made, an award will vest in full on the third anniversary of its date of grant. Awards made to executive directors must be subject to objective performance targets unless exceptional circumstances apply.

To the extent that a holding period applies to an award, the award will not be released and, in the case of an option, may not be exercised until the expiry of such holding period unless the Committee in its discretion determines that an award be released before the end of the applicable holding period.

If the Committee imposes performance targets in respect of an award granted under the LTIP, the Committee may subsequently vary such performance targets if an event happens which leads the Committee to reasonably consider that the targets should be amended so as to constitute a fairer measure of performance provided that the new target will constitute a more effective incentive to the award holder and will not, in the opinion of the Committee, be easier nor more difficult to satisfy than the original performance target was intended to be when originally set. The Committee has the discretion to make adjustments to avoid formulaic outcomes.

Awards may be satisfied from newly issued shares, treasury shares or by an employee benefit trust (where such shares are acquired by the employee benefit trust from new issue or market purchase). The Committee also has discretion to satisfy all or part of an award using cash.

8. Dividend equivalents

Awards may be granted with the right to receive dividend equivalents in the form of additional shares. The Committee has discretion to substitute additional shares for an equivalent cash payment.

Appendix Part II continued

Summary of the LTIP

9. Cessation of employment

If an award holder ceases to be employed by the Group, awards will lapse automatically 30 days after the date of such cessation.

If, however, an award holder's employment ceases by reason of being a "good leaver" an award held by that individual will not lapse; instead:

- A) it shall be subject to pro-rating for time; and
- B) subject to attainment of the performance targets, it will vest at the normal vesting date (or later, in respect of any parts of the award that are subject to a holding period).

The Committee may, in its absolute discretion, determine that vesting be assessed at the date of cessation (applying the performance targets on such modified basis as it considers appropriate). In these circumstances, vested awards will be released immediately. Specific provisions apply in the event of the death of the award holder.

10. Takeover events

In the event of a takeover of the Company, awards vest (and in the case of Options, become exercisable) immediately subject, unless the Committee determines otherwise, to a time pro-rata apportionment of the number of shares under the awards and to the extent the Committee considers that the performance conditions have been satisfied (on such modified basis as the Committee decides should the takeover occur before the end of the relevant performance period).

11. Other award terms

Awards granted under the LTIP are not capable of transfer or assignment. Benefits obtained under the LTIP are not pensionable.

12. Adjustment of awards

The number of Ordinary Shares under an award, their nominal value and the exercise price of an Option may be adjusted by the Board in the event of any alteration to the share capital of the Company, a rights issue, sub-division, consolidation or reduction or any other variation on the share capital of the Company.

13. Malus and clawback

The Committee may determine at grant that clawback provisions apply to an award where it is discovered, within three years of the vesting of an award (or such other period determined by the Committee), that there has been a material misstatement in the financial results of the Company, that there has been a material error in assessing the extent to which any performance target has been satisfied or in determining the size and nature of the award, where an award holder has been deliberately misleading in relation to the financial performance of the Group, there has been a significant failure of risk management or other corporate failure, or an act of gross misconduct, or where an award holder has acted in any manner which in the opinion of the Committee has brought or is likely to bring any member of the Group into material disrepute or is materially adverse to the interests of any member of the Group.

In these circumstances, the Committee may make reductions to other awards held by the award holder which would otherwise vest under the LTIP and/or under any other share plan and/or require the award holder in question to repay amounts received.

14. Amendment

Without shareholder approval, no amendment may be made which would be to the advantage of any award holder to the Plan in relation to who may participate in the Plan; the number of shares or the cash amounts that may be allocated under the Plan and individual limits; the basis for determining an eligible employee's entitlement to shares or cash under the Plan; nor the adjustment as a result of a variation of capital, other than minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any award holder or member of the Group.

This summary does not form part of the rules of the LTIP and should not be taken as affecting the interpretation of their detailed terms and conditions. The Directors reserve the right up to the time of the 2021 AGM to make such amendments and additions to the rules of the LTIP as may be necessary or as they consider appropriate and provided that such amendments do not conflict in any material respect with this summary.