

## **Modern Slavery and Human Trafficking Statement**

### **INTRODUCTION**

This is the annual statement published by Primary Health Properties PLC (“PHP”) in accordance with its reporting obligations under the Modern Slavery Act 2015 (the “Act”). The Act introduced a number of measures to combat slavery and human trafficking and improve the transparency of reporting on modern slavery, including a requirement on companies with an annual turnover of at least £36m to report annually on its workforce and supply chain, and specifically to confirm that workers are not enslaved or trafficked.

This Statement relates to PHP and its subsidiaries (the “Group”) and is made in respect of its financial year ended 31 December 2019. 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 listed Real Estate Investment Trust which specialises in the ownership of modern purpose-built healthcare facilities, the majority of which are leased to general practitioners and other associated healthcare users. The identification of investment opportunities, their acquisition and management are all outsourced by PHP to Nexus Tradeco Limited (the “Adviser”) who also provides all financial, administrative and company secretarial services to the Group.

The Group therefore has no employees and currently has no risk of any slavery or human trafficking among its workforce.

The Group’s portfolio consists of over 487 properties across the UK and during the year covered by this statement, the Group grew its assets in the Republic of Ireland for the same uses to 16 having a value of approximately €200 million. Our business is predominately within the UK and accordingly our geographic risk of slavery and human trafficking is considered to be low.

Through the Adviser, the Group has relationships with a number of suppliers in the construction, cleaning and property maintenance industries and which is where we have identified our main slavery and human trafficking risk. PHP does not consider its risks associated with other suppliers, such as bankers, accountants and other professional service providers to be material.

### **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 and applauds efforts being made globally to eliminate such practises. PHP expects its suppliers, contractors and service providers (“Suppliers”) to also support the elimination of such practices.

We have therefore adopted an Anti-slavery Policy 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. We will monitor and update our policy as necessary.

We expect all of our Suppliers to comply with our policy and a copy of the policy has been sent to all our suppliers following its launch.

## **DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

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, contractor and service providers to act ethically, with integrity and to have in place effective systems and controls to combat modern slavery place anywhere in their own business or in any of their supply chains.

We have implemented the following safeguards through the Adviser.

- **Due diligence:** Before a new supplier, contractor or service provider is approved, appropriate due diligence on the supplier will be carried out. 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:** For our material suppliers in those areas where we have identified risk in our supply chain, PHP will endeavour, through its relationship with the Adviser, to include contractual clauses on the supplier to ensure it and any sub-contractors or sub-suppliers comply with the law on anti-slavery and human trafficking, where these are not already in place. Appropriate rights to audit compliance will be sought, where possible.
- **Breaches:** - PHP will view any breaches by a supplier of the PHP policy/code or the supplier's contractual commitments (if any) very seriously. Breaches may result in PHP requiring an immediate remediation plan. PHP may also terminate its relationship with any supplier that is in breach or fails to co-operate with remedying a breach.

PHP will continue to monitor the safeguards listed above and consider implementation of further measures if required.

**Steven Owen, Chairman**

Primary Health Properties PLC

Date: 27 November 2019