



## Joint Modern Slavery Statement

### *Introduction*

This joint statement is made by NorthWest Healthcare Australian Property Limited ACN 083 065 034 (**NWHAPL**) and NorthWest Healthcare Australia RE Limited ACN 612 310 148 (**NWHARE**) (each a **Company** and together the **Companies, we** or **our**).

The Companies make this statement in accordance with section 14 of *the Modern Slavery Act 2018* (Cth) (**Act**).

The Act requires reporting entities subject to the Act to produce an annual modern slavery statement.

This is NWHAPL's third annual statement and NWHARE's first annual statement and is for the Australian Financial Year ended 30 June 2022.

This statement was prepared in consultation with each of the Companies. The draft statement was provided to the Board of each of the Companies on multiple occasions for consideration and comment, including on 20 October 2022. Each was given an opportunity to consider and provide comments on this statement prior to publication. This was also prepared in consultation with the entities owned or controlled by the Companies.

This modern slavery statement has been approved by the principal governing body of each of the Companies, namely the Board of Directors of each Company on 24 October 2022.

### **Our structure**

NWHAPL and NWHARE are public companies, incorporated in Australia, with their registered office at Level 45, Rialto South Tower, 525 Collins Street, Melbourne, Victoria, Australia.

The Companies are ultimately majority owned by NorthWest Healthcare Properties REIT which is a publicly traded REIT listed on the Toronto Stock Exchange (TSX:NWH.UN) (the **REIT**).

NWHAPL is the trustee of two Australian healthcare real estate owning trusts which are subsidiaries of the New Zealand Exchange (the **NZX**) listed Vital Healthcare Property Trust (NZX: VHP) (the **Trust**).

NWHARE acts as trustee of a number of real estate owning trusts or funds in Australia.

We operate as a single platform across Australia and New Zealand and have substantially the same systems, information sharing protocols and processes across all our operations, whether in Australia or New Zealand. To the extent this statement describes operations and the risk of modern slavery in the operations and supply chains, the descriptions apply to all reporting and controlled entities.

## **Our operations**

Our business, which is conducted in New Zealand and Australia, involves acquiring, managing, maintaining and developing high quality healthcare real estate. Our portfolio is diversified across private hospitals, out-patient facilities, medical office buildings and aged care facilities. A significant number of our activities are conducted in-house.

As at 30 June 2022 the Trust is owner of an approximate NZ\$3.3 billion healthcare property portfolio in New Zealand and Australia and is New Zealand's largest specialist, and only NZX-listed, owner of healthcare real estate. We have a committed construction and fund through development spend of approximately NZ\$463 million and provide asset management and facility management services to 47 properties.

As at 30 June 2022 NWHARE provides trustee services to an approximate AU\$3.4 billion healthcare property portfolio owned by a number of trusts and funds in Australia and 24 properties to which we provide asset management and facility management services.

We have 59 members of staff in Australasia and have offices in Auckland, Melbourne and Sydney.

The REIT's approach to environmental, social responsibility and corporate governance (**ESG**) is set out in a letter from the CEO in the 2021 NorthWest Healthcare Properties Sustainability Report.

*Our approach to sustainability has four pillars: our tenants, our planet, our people, and our communities. Our tenants are our top priority. They are experts in healthcare, and for nearly 20 years, in order to better help them achieve what's possible, we've made it our mission to be the experts in healthcare real estate. We aim to help them deliver better health outcomes, reduce their costs, and advance their evolving sustainability objectives. In addition to improving environmental quality and energy management in our buildings, we have established a sustainable development framework and continue to innovate new ways to support sustainable operations. ...*

*We can only do this with the talent and passion of our people, so we are working every day to ensure NorthWest Healthcare Properties is an engaging and inclusive employer of choice. ...*

*As our business expands and evolves, our rigor and accountability to people, planet, and business value will guide each new phase of growth.*

Previously, the REIT has committed to evolve its ESG policies to ensure:

- I. ESG considerations are incorporated into our decision-making processes and staff are provided with guidelines for implementing ESG initiatives at our properties**

Over the past year we have enhanced our asset acquisition processes to ensure team members consider all relevant aspects of ESG in our decision-making process to acquire, develop and manage real estate assets. This is to ensure our healthcare operator tenants, their patients, staff and visitors have the proper space to support a positive building experience.

## II. **We define our position on ESG for the benefit of stakeholders as required**

In 2021, the REIT established a sustainability committee to lead the development of our organisational sustainability strategy. This process started with a materiality assessment that allowed us to explore and define the topics most relevant to the REIT and its stakeholders. From this analysis, 10 core topics emerged as most material, forming the basis of NorthWest's sustainability strategy.

## III. **ESG policies and practices reflect the diversity, health and safety and wellbeing of our staff**

Our people define who NorthWest is. An inclusive company celebrates every team member, and we continually implement engagement activities to build this working environment, taking employee satisfaction insights into account. We also ensure the health and safety of our team members

### ***Our supply chains***

Our relationship with stakeholders, tenants, counterparties and suppliers is key to our success and our relationship-focused business model enables us to select premium grade and reputable suppliers whose values align with ours.

We undertake ongoing assessment of our touchpoints with supply chains and consider the nature of, and relationship with, our suppliers (being local to where our real estate assets are located) and our operations (a significant proportion of which is conducted in-house) means there is a low risk for those supply chains to manifest modern slavery risks.

The Companies' main supply chains can be categorised into two main functions, **asset management supply chain** and **construction and development supply chain**.

We also recognise the role of our **operational supply chain** which supports our business operations.

### ***Asset management supply chain***

Our asset management supply chain involves providers of services and equipment; facility maintenance providers; professional service firms, including lawyers and valuers; cleaners and landscapers and providers of security services. These suppliers are local to where our real estate assets are located in Australia and New Zealand.

### ***Construction and development supply chain***

The construction and development aspect of our business involves providers of project management, design and construction services; equipment and construction materials; professional service firms, including lawyers and valuers.

These suppliers are local to where our real estate assets are located in Australia and New Zealand.

When our role is that of principal, development manager or capital provider of construction and development projects, we seek to address any supply chain risk by obliging our contractual counterparties to comply with all laws relating to modern slavery and to notify us promptly on becoming aware of any actual or suspected modern slavery in a supply chain

connected with those contractual arrangements so that appropriate remedial action can be taken.

### ***Operational supply chain***

This supply chain includes professional service firms, including lawyers, accountants and auditors; the landlords of our premises and suppliers of office equipment and supplies.

### ***Our commitment***

We recognise the significant impact human slavery, people trafficking and forced labour have on society and are committed to ensuring our operations are conducted in accordance with the highest ethical standards and all applicable laws.

Our staff are part of a unique and challenging business, where they are given the opportunity to grow and develop their careers in a collaborative culture.

We are committed to providing a workplace which is free from any form of discrimination and in which all staff and prospective staff are treated with respect and dignity.

Fair and equitable treatment applies to all aspects of employment including, but not limited to, recruitment, selection, placement, training, development, promotion, compensation, benefits, termination and the work environment.

Our commitment is further evidenced by the many corporate policies we have in place, for example, we have a well-developed whistleblower policy and an employee assistance programme which provides emotional and psychological assistance to staff.

All staff are required to commit annually to compliance with the REIT's global Code of Business Conduct and Ethics which was most recently reviewed on 4 December 2020 (the **Code**) and adopted by the Board of Directors of the manager of the NZX listed Trust in 2021. The Code sets the tone for the collaborative and non-discriminatory culture which is a cornerstone of our business operations.

We also have policies which support our day-to-day operations and provide guidance to staff in their interactions with others to ensure our core values are maintained.

### ***Compliance and effectiveness measures***

Over the past year we have entrenched in our business the carrying out of appropriate due diligence and risk assessments before we onboard new suppliers and are committed to having processes in place to identify and address any risks of modern slavery practices in our supply chains.

In 2020, we received a 100% response rate to the due diligence questionnaire which we provided to a broad selection of suppliers and tenants, across the asset management, construction and development and operational supply chains. These responses illustrated to us that the risks in our supply chain of modern slavery were relatively low, and assisted us in understanding the proactive steps being undertaken by our suppliers in addressing potential modern slavery risks. An overwhelming majority of these suppliers had already adopted mitigation strategies to address any identified risks and many of them had published their own modern slavery statements.

In Australasia we have prepared proforma contracts, for use in tender processes, which oblige third party contractors to demonstrate their commitment to compliance with all laws, including those set out in the Act.

In preparing for this modern slavery statement, we have consulted with senior executives to establish the key areas of focus in the relevant period. The Regional General Counsel ANZ has taken ownership and responsibility for compliance with the Act across the Australian and New Zealand business together with the Operational Risk Committee (**ORC**) which comprises several senior executives across the acquisition, management, development, treasury and legal teams. The ORC meets monthly to consider and evaluate the risks which our business faces and to implement steps to mitigate or remediate those risks. The agenda for each ORC meeting has been updated to include a line item on modern slavery to ensure this is considered at each meeting. This includes considering the effectiveness of the measures which we have introduced as a business to identify, mitigate and remediate the risks of modern slavery in any of our supply chains.

Particular steps which we will undertake in the ensuing reporting period, include:

1. consulting and developing with the REIT additional global policies which respond to our ESG commitment and reviewing existing policies to ensure they reflect best practice;
2. ongoing assessment of the potential modern slavery risks in our operations with an emphasis on identifying any high risk areas or changes to risk profiles of any of our suppliers;
3. ongoing training for staff in modern slavery requirements;
4. conducting further and ongoing due diligence on potential and current suppliers;
5. reviewing supplier contracts to ensure they contain terms consistent with the Act and, where possible, obliging suppliers to use proforma documents which we have prepared and which oblige compliance with these terms; and
6. taking steps to address any potential modern slavery risks identified and implementing effective mitigation and, if necessary, remediation steps throughout our business in addition to those which are already in place.

**Craig Mitchell**



**Director of NorthWest Healthcare Australian Property Limited ACN 083 065 034 and  
NorthWest Healthcare Australia RE Limited ACN 612 310 148**