

CEO's Message



Modern slavery is a grave form of exploitation which impacts every nation across the globe. It encompasses various human rights violations, including forced labour, forced marriage, human trafficking, debt bondage, slavery-like practices and the worst forms of child labour. It occurs when individuals are deprived of their freedom and the ability to choose their own work due to coercion, deception, threats and abuses of power.

While modern slavery can be found across all industries, with 7% of the global workforce employed in the property and construction sector and an estimated 18% of modern slavery victims found in the construction sector, we acknowledge our industry is vulnerable*. In line with our values, we have developed a modern slavery statement and framework centred around protecting the human rights of our employees and those across our supply chains.

We view our suppliers and subcontractors as an integral extension of our real estate business so have actively engaged with them to address modern slavery risks through joint collaboration and mitigation efforts. We have not identified any significant or substantial risks of modern slavery across our supply chains to date, but our business has support mechanisms in place to identify and mitigate risks, with a priority being on the wellbeing of the communities in which we operate.

Our commitment to continually refine and reflect on our methods and framework ensures that our processes remain effective in preventing and addressing exploitation.

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Craig Mitchell

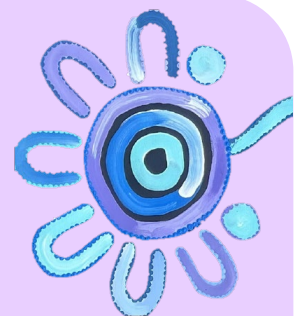
CEO – Northwest Healthcare Properties REIT and Director of Northwest Healthcare Australian Property Limited and Northwest Healthcare Australia RE Limited

Acknowledgement of Country

Northwest acknowledges the Traditional Owners of Country throughout Australia, especially the lands on which we live and work, and recognises their continuing connection to lands, waters and communities.

Northwest also acknowledges the Rangatiratanga of Māori as Tangata Whenua and Treaty of Waitangi partners in Aotearoa New Zealand.

We pay our respects to all First Nations peoples and to Elders past, present and emerging.



*[Australian Human Right Commission](#)

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 fourth annual statement and NWHARE's second annual statement and is for the Australian Financial Year ended 30 June 2023. 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 22 November 2023. 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 22 November 2023.

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.

We have 62 members of staff in Australasia and have offices in Auckland, Melbourne and Sydney.

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 2023 the Trust is the owner of an approximate NZ\$3.4 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\$526 million and provide asset management and facility management services to 45 properties.

As at 30 June 2023 NWHARE provides trustee services to an approximate AU\$3.3 billion healthcare property portfolio owned by a number of trusts and funds in Australia, with a committed fund through development spend of approximately A\$74 million. NWHARE provides asset management and facility management services to 26 properties.

Our supply chains

Our supply chain relationships are pivotal to our success, and our business model, rooted in building strong connections, enabling us to choose premium, reputable suppliers who share our values. We continuously assess our interactions with supply chains, considering our close ties with suppliers situated near our real estate assets and our predominantly in-house operations, which pose a low risk for modern slavery concerns.

Our primary supply chains fall into two main categories: asset management and construction and development. Additionally, we acknowledge the importance of our operational supply chain that supports our business activities.

Asset management supply chain and construction and development supply chain

Our asset management supply chain includes local service and equipment providers, facility maintenance, professional service firms, cleaners, landscapers, and security service providers, all located near our real estate assets in Australia and New Zealand.

The construction and development aspect of our business engages project management, design, construction services, equipment, and construction material suppliers, as well as professional service firms, all local to our real estate assets across Australia and New Zealand.

Operational supply chain

Our operational supply chain encompasses professional service such as lawyers, accountants, auditors, landlords of our premises, and office equipment including furniture, technology products, and supply providers.

Our commitment to ESG

Northwest has developed and instituted an ESG policy aligned with its commitments to prioritising ESG. Connecting place and possibility in healthcare, education and research, Northwest's properties are where innovative solutions are created, refined and delivered to the communities in which we operate. Our leadership team promotes value-add partnerships and demonstrates execution excellence and deep expertise.

Our sustainability strategy is grounded in the conviction that ESG topics, including the combatting of modern slavery risks, are at the heart of the value we deliver to stakeholders. Our sustainability commitments help us amplify our collective impact, empowering our partners, enabling the next generation of the workforce and engaging in the sustainable evolution of healthcare.

The REIT's business activities impact a range of key stakeholders including employees, investors, healthcare professionals, partners and the communities in which we operate. We have organised our approach into four strategic pillars: Thriving tenants, Healthy planet, Inclusive company and Strong communities.


2022 and 2023 saw us make tangible progress towards goals set in 2021 including surveying our tenants and our employees globally on a wide range of issues, including their views on sustainability.

Ongoing continued commitments include aims to increase partner, employee and tenant engagement and to support the communities in which we operate. We are committed to social goals including:

- **Inclusive culture:** Cultivate an environment that advances equity, reflects diversity and demonstrates inclusivity for all stakeholders
- **Employee wellbeing:** Build strong and trusted relationships with employees by, among other things, using data to inform policies and programmes that improve the employee experience and offering advanced professional development opportunities
- **Stronger partnerships:** Communicate and engage with tenants and healthcare partners and offer expertise to help them implement sustainable solutions and further the tenant partnership experience.

To ensure our ESG infrastructure supports equitable, transparent and responsible conduct, we are committed to two environmental and social governance goals:

- **Risk management:** Integrate ESG and climate-related risks into our overall risk management process
- **Honest communication:** Disclose and communicate ESG goals and performance in a manner that is accurate and consistent and reflects our achievements and opportunities for growth.



Using the UN Guiding Principles on Business and Human Rights and their foundation of respect for all, as an organisation we celebrate International Human Rights Day.

To celebrate and educate our staff, we held a *Success in 60* event to acknowledge World Human Rights Day in December 2022. Our guest speaker was Sheila Watt-Cloutier who, it has been reported, has been nominated for the Nobel Peace Prize for her advocacy work on the impact of global climate change on human rights, especially in the Arctic.

Risks of modern slavery

We are mindful of the complex supply chains within the procurement of construction products across the industry and with the collaboration of our peers, industry bodies and our tenant operators, we seek continual improvement towards identifying and mitigating modern slavery.

We consider the most significant area of risk in our supply chain is the engagement of offshore suppliers or providers of goods and services in the real estate and construction industries. With the procurement of many raw materials including bricks, solar panels and cement outsourced to locations at high risk of modern slavery and the engagement locally of cheap labour, ensuring we have a clear insight into the potential risks across these tiered supply chains is crucial for us to have a sound understanding of our risk exposure which will further inform our mitigation strategy.

We consider the risk of modern slavery in our own organisation to be low on the basis that the services are carried out by professional workforces and predominantly in-house operations in Australia and New Zealand. As all our employees are employed in professional services roles and hold either permanent or contract positions and are paid above the living wage, we acknowledge the risk of modern slavery within our direct operations to be low.

Actions taken to address risks

We are committed to ensuring that appropriate due diligence and risk assessments are undertaken before we engage and onboard any new suppliers and we are confident in our process to identify and review any potential risks of modern slavery practices in our supply chains.

This year, again, we asked tenant partners, suppliers and contacts within our operational, asset management, development and construction supply chains to respond to a self-assessment modern slavery questionnaire designed to assist us in understanding how modern slavery risks in our supply chains are addressed. We were heartened by the overwhelmingly positive responses we received which demonstrated the thought and attention placed on mitigating the risks of modern slavery in the respondents' industries and supply chains. The responses indicated proactive implementation of risk identification and mitigation practices, with many having carried out modern slavery workshops to train staff, due diligence on their own suppliers and some voluntarily implementing modern slavery policies.

When we act as the principal, development manager or capital provider for construction and development projects and in our role as asset manager, we diligently address supply chain risks by requiring contractual counterparties to comply with modern slavery laws and require prompt reporting of any suspected or actual modern slavery within their supply chains connected to these arrangements, ensuring appropriate remedial actions are taken. To date we have not identified or had reported to us any non-compliance with modern slavery laws.

We are currently finalising a Supplier Code of Conduct which will ensure further rigour is brought to the governance aspect of our relationship with suppliers. We expect all suppliers with which we engage to commit to the terms of the code. One of the key requirements will be a commitment to eradicating modern slavery and human rights violations.

We continue to entrench modern slavery clauses within our tender and leasing contracts requiring third parties to demonstrate their commitment to compliance with all laws, including those set out in the Act.

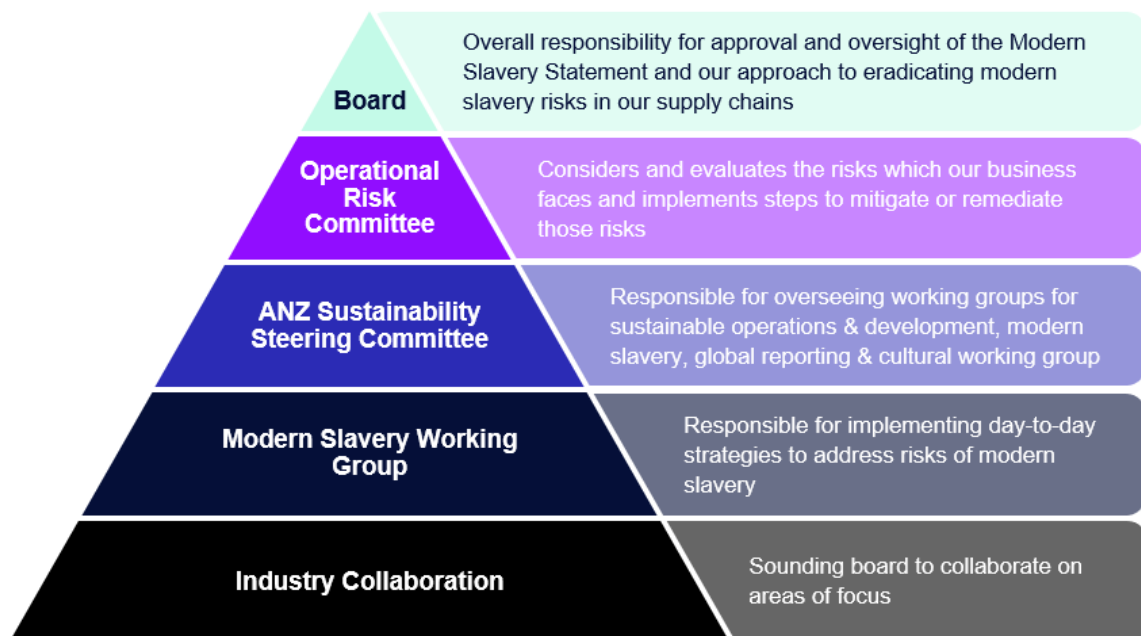
Leadership & Governance

The Regional General Counsel ANZ remains responsible for compliance with the Act across Australia and New Zealand in consultation with the Modern Slavery Working Group (**MSWG**) and the Operational Risk Committee (**ORC**).

The ORC comprises several senior executives across the acquisition, management, development, treasury and legal teams. Through it and the ANZ Sustainability and Steering Committee, the MSWG has been tasked with implementing the practical, day-to-day strategies to identify and address risks of modern slavery in our supply chains. Key focus areas are decided in consultation with senior executives.

The ORC is responsible for: supervising policies related to reputation, legal matters, compliance, operational issues, climate related risks, healthy and safety and other relevant risks as deemed appropriate. The ORC meets monthly to consider and evaluate the risks which our business faces and to consider the most efficient methods to mitigate or remediate those risks. The agenda incorporates modern slavery to ensure this is considered at each meeting. A key role of the ORC is to review the effectiveness of the processes in place to identify, mitigate and remediate the risks of modern slavery in our supply chains.

The representation below sets out our responsibility and reporting structure to ensure best practices for governance and accountability.



Our commitment to eradicating modern slavery

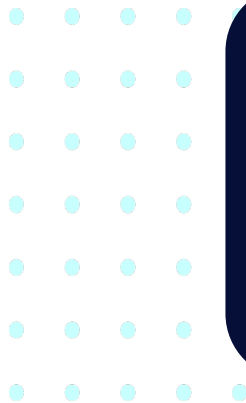
Human slavery, people trafficking and forced labour have a considerable impact on the world and we are dedicated to safeguarding our operations in accordance with the highest ethical standards and all applicable laws.

Our staff are part of a unique and challenging business, where they have the opportunity to thrive and advance their careers within a collaborative culture. We are unwavering in our dedication to fostering a workplace that is devoid of any type of discrimination, where every staff member and prospective employee is treated with respect and dignity.

This commitment to fair and just treatment extends across all aspects of employment, including recruitment, selection, placement, training, growth, advancement, compensation, benefits, termination, and the overall work environment. We maintain a robust system for receiving and investigating non-compliance issues through our various corporate policies, including our Whistleblower Policy and global Code of Business Conduct and Ethics (the **Code**).

All staff are required to commit annually to compliance with the Code which was most recently reviewed on 29 June 2023 and adopted by the Board of Directors of the manager of the Trust. The Code sets the tone for the collaborative and non-discriminatory culture which is a cornerstone of our business operations. The Code of Conduct is publicly available online to ensure staff, tenant partners, suppliers and contacts within our operational, asset management, development and construction supply chains are able to access it.

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.



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Northwest is committed to ensuring our operations have sufficient risk mitigation strategies to address supply-chain risks and our engagements with our employees, tenants and supply chains is equitable, inclusive and fair.

Key areas of focus

In the ensuing year, we are committed to these key areas of focus:

Pillars	Actions
Thriving Partners	<p>Ongoing assessment of the potential modern slavery risks in our operations with an emphasis on identifying any medium to high risk areas or changes to risk profiles of any of our suppliers.</p> <p>The MSWG will conduct further and ongoing due diligence on potential and current suppliers with a view to formalising a selection process based on an acceptable level of risk in the context of each Company's risk appetite and the supplier's take-up of the Supplier Code of Conduct.</p> <p>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.</p> <p>Embed supplier training on modern slavery by qualified professionals into our ESG training schedule to address select groups of suppliers at a time.</p>
Strong Communities	<p>Review supplier contracts (using data sets) to ensure they contain terms consistent with the Act and, where possible, require suppliers to use template documents which we have prepared, and which oblige compliance with these terms.</p>
Inclusive Company	<p>Ongoing staff training carried out by qualified professionals across the key risk areas (including construction). A briefing to all staff was again provided in 2023 and training is to be done annually.</p> <p>Formal risk management training including refresher courses for key staff and the MSWG to ensure modern slavery risks can be identified within daily operations.</p> <p>Incorporate modern slavery training into all onboarding processes for new staff to be delivered by the Regional General Counsel.</p>
Enablers (Corporate Governance)	<p>Review and refine policies on the possible impacts of modern slavery on our operations, including establishing sustainable procurement policies and implementing the Supplier Code of Conduct.</p> <p>Expand work done by MSWG to address all aspects of our business.</p>