



Spire Healthcare

2021

Modern slavery statement



Looking after you.



This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (the Act) and sets out the steps taken by Spire Healthcare Group plc, and other relevant group companies¹ (Spire), in preventing modern slavery and human trafficking in its business and supply chains. This statement covers the calendar year 2021 (also Spire's financial year).

Our structure, business and supply chains

Spire Healthcare is the largest private hospital group, by turnover, in the United Kingdom. During 2021, working in close partnership with NHS trusts and around 8,150 experienced consultants, our hospitals and clinics delivered personalised care to almost 870,000 insured, self-pay and NHS patients across England, Wales and Scotland. Spire is a public company quoted on the London Stock Exchange (SPI: LSE) and its registered office is 3 Dorset Rise, London, EC4Y 8EN. You can read more about the business in our latest **Annual Report**.

At the heart of Spire is our purpose to 'make a positive difference to our patients' lives through outstanding personalised care'. This underpins everything we do and we strive to deliver our purpose by living our six values, which include: 'doing the right thing' and 'caring is our passion'.

These values, in particular, demonstrate our people-focused approach and commitment to act ethically and with integrity in all our relationships.

In 2018, a cross-department 'Working Group' was established to oversee modern slavery risk in the business. The Group includes senior representatives from Legal, HR, Procurement, Operations and Audit and Risk.

As a national, multi-site organisation, we buy a wide-range of goods and services, from surgical equipment and medicines, through to clothing and waste disposal. Some of these products and services are used in the provision of healthcare to patients, such as joint prostheses, whilst others will be used in the business, such as office supplies. We engage thousands of suppliers, making our end-to-end supply chains extensive and complex. However, 80% of total spend is with c.230 vendors. At tier-one (direct) level 98.6% of our suppliers are UK-based businesses, but as is often the case we have limited visibility beyond that level and acknowledge that it will be in the remote parts of long global supply chains where there will be more risk.

¹Spire Healthcare Group plc and Spire Healthcare Limited both of which fall within the scope of the Act

Due diligence processes

In 2021, we maintained our modern slavery due diligence process for all material new suppliers (those with an annual spend of £1m+), whereby if any such supplier is deemed medium or high risk then they would be further risk assessed through a detailed modern slavery questionnaire. There were no issues identified, via this process. If an issue were to arise then, on a case-by-case basis, we would first look to work with any supplier where there is realistic prospect of remedy/reform. However we would not hesitate to engage alternative suppliers, or immediately cease dealings with that supplier if necessary.

Risk assessment and management

We recognise that, whilst we are a UK-based business, modern slavery is a complex, global issue which affects the healthcare sector. The two main areas of focus in our business are at front-line level, in safeguarding patients (and anyone else who comes through our facilities), and in our supply chain.

In terms of our business operations, we believe practitioners and our staff are uniquely placed to identify and deal with modern slavery through the training and protections in place to protect patients. The safeguarding system trains those practitioners and other colleagues (clinical and non-clinical) to recognise and report signs of abuse. We believe the rigour of this system materially mitigates the risk of modern slavery from either going undetected, or being inadequately dealt with at front-line level. The front-line risk is further controlled by the support, training and infrastructure in place for all colleagues to be able to raise concerns, through our network of local 'Freedom to Speak up Guardians', central concerns email or, if necessary, via a confidential external helpline.

In our 2020 statement, we identified local contracting of low/un-skilled labour as a possible risk area requiring review. We highlighted that whilst this was not core business practice at Spire (so not an area of material modern slavery risk) we would seek to gain assurance on the position. Following further investigation across a number of sites we found no issues. Hospitals have a limited number of such arrangements and those they have are typically long-term relationships with trusted local suppliers of services such as landscaping,



window cleaning and overnight security. Hospitals are also equipped with guidance and a risk assessment tool, in Spire's Purchasing Policy, for evaluating such risk in local service contracts. The vast majority of people who run our business are employed and must satisfy all necessary employment checks for their role. We have also increased our minimum hourly rate above the new national living wage, with an enhanced rate for sites closest to central London.

The most significant risk of modern slavery within our business is in our group supply chain. In our 2020 statement, we highlighted how we were acutely aware that the pandemic had worsened the landscape for modern slavery and that, combined with the massive global demand for PPE, this was a higher risk area and one where we would focus our efforts in 2021. To that end in 2021, we engaged directly with senior representatives from a selection of our major PPE suppliers (outside of PPE supplied via the NHS) to understand how they address modern slavery risk in their international business and supply chain. We were reassured by the level of engagement on the issue and the systems and processes these suppliers had to identify, monitor and mitigate the risk of modern slavery – particularly through the

use of third-party auditors and their future plans to evolve their operating model to reduce/remove use of labour at risk of modern slavery. In 2021 we also made substantial progress on rationalising the total number of live suppliers with associated spend (c.15% reduction) and focusing our attention, and an increasing proportion of spend, with longstanding incumbent suppliers.

During the next 12 months, we will focus on concluding our assessment exercise of a suitable third-party management system which can provide a robust evaluation platform that establishes the level of performance and risk of our key suppliers across a range of areas including the environment, labour and human rights, fair business practices, ethics and sustainable procurement.

Measuring effectiveness

We have re-considered the use of KPIs, or other quantitative metrics, to measure our progress. In 2021, we maintained a qualitative approach by assessing our business for areas where modern slavery has the potential to have the most impact and then focus on these areas to identify, undertake and continuously build on appropriate actions that will have the biggest impact on reducing and ultimately eliminating modern





slavery from touching our business. We will review the introduction of KPIs again in 2022 following the introduction of a supplier evaluation tool and availability of more relevant data.

Policies

In 2021, our Whistleblowing Policy was replaced with a broader Raising Concerns Policy to ensure that anyone who works at Spire feels informed, empowered and encouraged to raise any concerns of suspected wrongdoing or harm in our business. The key policies relating to Safeguarding Adults at Risk and the Procedure for Safeguarding Children and Young People remain up-to-date and contain specific references to modern slavery risk. In 2022, the group Purchasing Policy will be reviewed and updated.

Training

Training and raising awareness is absolutely fundamental to ensure all our colleagues understand the importance of this issue, and particularly at front-line level, know the practical signs of modern slavery and how to respond. All non-hospital colleagues in central functions are required to complete Safeguarding Children and Young People (Combined Level 1 and 2) and Safeguarding Adults at Risk (Combined Level 1 and 2) which cover modern slavery as a category of abuse. All Spire's registered healthcare professionals are required to

complete Level 3 Safeguarding Adults and all our hospital Safeguarding Leads are trained to Level 4 Safeguarding Officer Training (which covers relevant local authorities' modern slavery safeguarding protocols and the duty to notify).

For the third successive year, on National Anti-Slavery Day in October, we raised awareness of modern slavery risk, across the Group on our employee app Ryalto. In 2022, we will continue to develop and roll-out our training programme to raise awareness on modern slavery risks including it as a standing agenda item on our Registered Managers' training day.

We abhor the practice of modern slavery – it cuts right across Spire's purpose and the values we live daily. We are committed to continuously developing and strengthening our approach, each year, to make meaningful progress towards eradicating this crime.

This statement was approved by the Board of Directors of Spire Healthcare Group plc on 11 May 2022.

Justin Ash,
Chief Executive Officer
11 May 2022