

Supplier Code of Conduct

Priory is the leading independent provider of mental healthcare and adult social care in the UK. We have two divisions, which together support the needs of over 28,000 people every year. Our purpose is to empower each person in our care to take steps towards a healthy future and live their lives as positively and independently as possible. Over the years, we have developed and maintained a reputation for delivering a real and lasting difference for everyone we support.

The purpose of the Supplier Code of Conduct is to ensure that all Priory suppliers are aware of and adhere to the standards and ethical principles outlined. Within this document, 'suppliers' are defined as those who sell products or/and services; this includes contractors and sub-contractors.

Labour

Priory is committed to acting ethically and with integrity in all our business dealings and relationships. This includes implementing and enforcing effective systems and controls to ensure that modern slavery is not taking place anywhere in our own business, or in any of our supply chains.

We are also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015 and Human Trafficking and Exploitation (Scotland) Act 2015. We expect the same standards from all of our contractors, suppliers and other business partners. As part of our processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. We expect that our suppliers will hold their own suppliers to the same high standards. Priory also complies with all relevant pay laws and regulations.

Bribery, fraud and corruption

Priory condemns bribery, fraud and corruption in all its forms and takes a zero-tolerance approach to them. It is Priory policy to conduct all of its business in an honest and ethical manner. Priory is committed to acting professionally, fairly and with integrity in all

its business dealings and relationships, wherever in the world it operates. Where necessary, this includes enforcing effective systems to counter bribery, fraud and corruption. Priory will attempt to pursue all sanctions against those found to have committed any form of bribery, fraud or corruption, as well as attempting to seek recovery of any monetary losses incurred.

Priory upholds all laws relevant to countering bribery, fraud and corruption, in operations in the jurisdiction in which we operate. We are bound by the laws of the UK, including the Bribery Act 2010, The Fraud Act 2006, and Common Law Fraud in Scotland (Fraud and Bribery Legislation), in respect of our conduct both in the UK and elsewhere.

Equality and discrimination

Priory is committed to the achievement of equal opportunities. It is unlawful to discriminate either directly or indirectly in the recruitment process, or at any time during the employment lifecycle, because of any of the nine protected characteristics as defined by the Equality Act 2010. Priory recognises that the Equality Act 2023 was introduced to protect people from discrimination in the workplace and in wider society; it consolidated protections previously provided in separate pieces of legislation, making it easier to understand, strengthening protection and setting out different ways in which it is unlawful to treat someone.

As such, Priory will not tolerate:

- (a) Discrimination, both direct and indirect as defined by law

- (b) Discrimination, harassment or victimisation against an individual because they are associated with another individual who has a protected characteristic or perceived to be associated with an individual with a protected characteristic

- (c) Discrimination, harassment or victimisation of any colleagues, service users, visitors or third parties

Health and safety

It is the policy of Priory to ensure, so far as is reasonably practicable, the health, safety and welfare of the service users, colleagues and visitors who may be affected by our activities and services. In order to achieve this, it is our policy to provide a healthy and safe environment, with safe equipment, systems of work and adequate information, instruction, training and supervision, as required for this purpose. Mandatory common standards and guidance are adhered to, while Priory policies cover a range of subject-specific areas, such as manual handling, work with display screen equipment, and control of hazardous materials, general risk assessment and first aid. These standards are very comprehensive. However, where internal guidance does not cover a specific issue, Priory will adopt the practices or standards recommended in Health and Safety Executive (HSE) publications, relevant national standards and local guidance.

Where we enter into partnership agreements with other organisations to deliver services, or to undertake projects, we establish that there is adequate co-ordination of health and safety arrangements between the organisations. We also make reasonable enquiries to establish the competence of any potential partnership organisation, in cases where the nature of the activities involved can impact on the health and safety of our service users, colleagues and others who may be affected by the partnership activity or service.

Environment

Priory recognises the need to address environmental issues, while ensuring that the highest standards of care continue to be delivered in all areas of its operations. Increasing concern about the environment and the associated environmental legislation mean that environmental management issues are also a priority at Priory. Throughout Priory operations, we focus on the following key considerations: waste reduction, energy and utility management, air emissions, waste consumption and transport. We adhere to relevant legislation across all of our Priory functions.

Environmental, social and governance (ESG) drive

We are committed to reducing our carbon footprint by implementing energy-efficient practices, utilising renewable energy sources, reducing consumption and limiting waste. Priory aims to minimise environmental impact through sustainable procurement practices, ensuring that products and services sourced align with eco-friendly standards, and have positive social impact.



Our Priory Green strategy drives our activity in this area, and we are proud of the progress we are making:

- + 100% of the electricity we use across our 300 hospitals and homes comes from renewable sources
- + 99.93% of the waste collected by our waste disposal supplier, Veolia, has been diverted from landfill and 34.39% of the waste has been recycled
- + We are also replacing oil boilers with liquefied petroleum gas (LPG) boilers or air source heat pumps
- + We are using paper that is more environmentally conscious
- + As a colleague benefit, qualifying colleagues can buy a new electric car via salary sacrifice
- + We continue to install LED lighting on all refurbishment projects across the group

IT security

Priory depends on its computers, data, information processing capabilities and telecommunications systems for our day-to-day business. IT systems are now a critical part of our information infrastructure. It is vitally important, therefore, that the security of these systems and the data held by Priory is maintained.

Priory has deployed an information security management system (ISMS) to ensure the confidentiality, integrity and availability of Priory information. Using a process of risk management and continual improvement, Priory aims to ensure that the ISMS adapts to changes, in order to continually identify and reduce new IT security risks. Priory has implemented corporate policies that cover IT security, data protection and vendor management.

All suppliers handling Priory information are required to go through an information security risk assessment to demonstrate their services are secure to process confidential information.

Once this is approved, they enter into commercial contracts with Priory, prior to the commencement of services that contain detailed data protection

and confidentiality provisions, and any specific contractual requirements like data storage/processing locations. This reflects the requirements of the legal framework and therefore, the NHS Data Security and Protection Toolkit, as well as ISO 27001.

This includes suppliers involved in the storage, transmission and processing of information or through fulfilment of their contract, those who have access to information assets, even where the information is encrypted or otherwise generally inaccessible to the supplier.

Risk management

Priory is committed to ensuring that all risks are identified and managed promptly in accordance with statutory, regulatory and best practice requirements. Risk management equates to good management practice. It is a proactive approach that aims to identify, assess, prioritise and respond to risk, as a means of minimising, and where possible eradicating, negative consequences. All of our sites and suppliers will contribute to the risk management process by identifying risks and assessing the extent of those risks, particularly in terms of the impact of the risk and the probability of the risks being realised. Where the identified risks have significant potential to impact on the overarching objectives of Priory, they are populated onto the corporate risk register.

Business partner dialogue

Suppliers will communicate the standards and principles outlined in this document to any sub-contractors and business stakeholders who have involvement in the supply of products or services to Priory. The supplier will ensure all parties are committed to conformance and best practice.