

2022 ANNUAL GENERAL MEETING – CHAIRMAN'S ADDRESS

Ladies and gentlemen,

The 2022 financial year was another outstanding year for Sonic Healthcare, achieving record revenues and profit, whilst continuing to protect the communities we serve by providing COVID-19 pandemic related testing and immunisations, in addition to our normal essential healthcare services. In total, Sonic's 41,000 people provided over 145 million patient consultations in the year, across our seven countries of operation. It is safe to say that we have further progressed our ambition to be, and to be seen by all healthcare stakeholders, including governments, as an integral partner in delivering high quality, safe, reliable and cost-effective healthcare services.

The combination of pandemic related services and the strength of our base business enabled Sonic to report a net profit for the year of \$1.5 billion on revenues of \$9.3 billion, increases of 11% and 7% respectively. We continued our progressive dividend policy, rewarding shareholders with a 10% increase over the previous year, to \$1.00 per share for the year, a significant milestone for the company. From the payment of our inaugural dividend of 2 cents per share in 1994, the annual dividend per share has never decreased. Thanks to the strong performance of our Australian operations, both dividends for the year were fully franked.

Strong cash generation in the financial year reduced net interest-bearing debt by \$128 million, even after we invested A\$628 million in growing the Company through acquisitions and joint ventures. We also commenced our first ever share buyback in the second half, and by 30 June 2022 had bought A\$294 million of stock on-market, out of a 12-month target of up to A\$500 million. To date we have acquired A\$425 million of stock.

With record low gearing, a strong balance sheet, experienced and dedicated management teams, and Sonic's unique Medical Leadership culture that provides very significant competitive advantage, the company is well set for further growth through business acquisitions, other opportunities and ongoing organic growth, continuing our strategy that has proven successful over three decades.

Sonic's Board continues to embrace development, renewal and diversity in its own composition, as well as within the company more broadly. We are delighted that Professor Christine Bennett AO and Dr Katharine Giles have recently joined the Board as independent, non-executive directors. Christine and Kath are standing for election today and you will have an opportunity to hear from them and to ask them questions shortly.

As previously announced, Dr Philip Dubois and Dr Jane Wilson AO will retire as directors at the conclusion of this meeting. Philip and Jane have served Sonic extremely well and faithfully over many years. We highly value their contribution to the board and sincerely thank them on behalf of all shareholders for the work and expertise they have brought to bear for the benefit of all whom we serve.

Philip was appointed to the Board in 2001 following the acquisition of Queensland X-Ray (Sonic's largest radiology practice), where he was the practice leader. His presence on the Board played an important role in consolidating Sonic's radiology businesses into a cohesive group. He retired from his executive role as CEO of Sonic's Radiology division on 30 June 2020, having facilitated seamless succession from both his previous role as CEO of Queensland X-Ray, and then as CEO of Sonic Radiology.

Jane, a registered medical practitioner, joined the Sonic Board as a non-executive director in 2010, bringing broad experience in medical services, governance and capital markets. Her role as the Chair of the Risk Management Committee since 2010 has been invaluable, never more so than during the COVID-19 pandemic.

On behalf of the Board and management of Sonic Healthcare and all shareholders, I wish Philip and Jane the very best for the future, and sincerely thank them for their leadership and sage counsel over the last 21 and 12 years respectively.

A further significant development to the Board's governance structure during the year was the appointment of Professor Suzanne Crowe AO to the Risk Management Committee of the Board, enriching the Committee with her clinical and other expertise and experience.

Following today's AGM, Sonic's Board is expected to comprise seven independent directors plus two executive directors (being the Chief Executive Officer and the Chief Financial Officer), including a pathologist and three other medical practitioners, in keeping with the company's Medical Leadership culture. The Board's current gender diversity objective will also be satisfied, with 44% of directors (57% of non-executive directors) being female.

I note that Sonic's 2022 Sustainability Report is now available on Sonic's website. This publication is the next evolution of the Corporate Responsibility Reports we have prepared in previous years. This document provides a compelling summary of Sonic Healthcare's efforts and achievements in ESG initiatives. I highly recommend that all our stakeholders take the time to read it. There is much in the document that will be of interest; much to be proud of as shareholders and it gives a good sense of plans for ongoing action on ESG matters.

This year's Sustainability Report has added import, as it describes the formal sustainability, governance and management structures that have been established in the last year at Board, executive and operational levels, and details the company's material sustainability topics and net zero strategy as determined by the new Sonic Sustainability Steering Committee. The report also describes the ways in which Sonic continues to care for its people, the environment, its own communities and communities in acute need.

Sonic's standing as a socially responsible company continues to be recognised through ongoing inclusion in the FTSE4Good Index Series, the FTSE4Good Australia 30 Index, and by other external parties.

In summary, 2022 has been a year of great achievement and development for Sonic Healthcare. On behalf of the Board, I thank each and every Sonic staff member for their courage, dedication, expertise, and flexibility, and for the exemplary way in which they assist our patients, our referring physicians and other stakeholders every day. I add my congratulations and thanks to the leaders (including the directors) in Sonic for the exemplary manner in which they bring to life every day the culture of Medical Leadership which is the key driver of the clinical and financial success of this great Australian company.

I also thank you, our shareholders, for your continuing support of Sonic Healthcare.

Professor Mark Compton AM

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This announcement has been authorised by Sonic's Company Secretary, whose contact details are as follows:

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