

**THIS DOCUMENT IS IMPORTANT**

*If you do not understand it or are in any doubt about how to act, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.*



**SONIC HEALTHCARE LIMITED**

**ACN 004 196 909**

**NOTICE OF ANNUAL GENERAL MEETING 2013**

**AND**

**EXPLANATORY MEMORANDUM**

The Annual General Meeting of shareholders will be held in Ballroom 1, Four Seasons Hotel at 199 George Street, Sydney NSW on 21 November 2013, commencing at 10.00am (Sydney time).

If you are unable to attend the meeting, you are encouraged to appoint a proxy to attend and vote on your behalf. Proxies must be appointed in accordance with the instructions set out in the proxy form enclosed with this booklet. Proxy appointments and any authority documents must be received by no later than 10.00am (Sydney time) on 19 November 2013.

**A copy of Sonic's concise annual report for the financial year ended 30 June 2013 is accessible on Sonic's website at the following address: [www.sonichealthcare.com/annualreports.aspx](http://www.sonichealthcare.com/annualreports.aspx). As permitted by the *Corporations Act 2001* (Cth) (*Corporations Act*), a physical copy of the concise annual report has been sent only to shareholders who have elected to receive a physical copy.**

# Notice of Annual General Meeting 2013

Notice is given that the 2013 Annual General Meeting of Sonic Healthcare Limited (**Sonic** or the **Company**) will be held in Ballroom 1, Four Seasons Hotel, 199 George Street, Sydney NSW on Thursday, 21 November 2013, commencing at 10.00am (Sydney time).

## AGENDA

### ORDINARY BUSINESS

#### Financial Statements and Reports

To receive and consider:

- (a) the financial report of the Company;
- (b) the directors' report; and
- (c) the auditor's report,

for the financial year ended 30 June 2013.

#### Re-election of Directors

To consider and, if thought fit, pass each of the following resolutions as an ordinary resolution:

1. **THAT** Ms Kate Spargo, who retires in accordance with Article 71 of the Company's Constitution and, being eligible, offers herself for re-election, is re-elected as a director of the Company.
2. **THAT** Dr Jane Wilson, who retires in accordance with Article 71 of the Company's Constitution and, being eligible, offers herself for re-election, is re-elected as a director of the Company.
3. **THAT** Dr Philip Dubois, who retires in accordance with Article 71 of the Company's Constitution and, being eligible, offers himself for re-election, is re-elected as a director of the Company.

#### Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

4. **THAT** the remuneration report for the financial year ended 30 June 2013 is adopted.

**Note** that the vote on this resolution is advisory only and does not bind the Company or its directors. Under the Corporations Act, a 25% or higher "no" vote on the remuneration report resolution at an Annual General Meeting triggers a reporting obligation on a listed company to explain in its next Annual Report how shareholders' concerns are being addressed. If a 25% or higher "no" vote on the subsequent remuneration report occurs at the next Annual General Meeting, a resolution must be put to shareholders (a "spill resolution") that another general meeting be convened to consider the election of certain directors (the "spill meeting"). If the spill resolution is carried by an ordinary majority, the spill meeting must be held within 90 days and all directors that were directors when the 25% "no" vote was passed will cease to hold office immediately before the spill meeting (except for the Managing Director) and the general meeting will vote on whether those directors should be re-elected.

Please refer to the instructions in the Additional Information – Proxies section below for details of how to appoint a proxy for this resolution.

Sonic will disregard any votes cast on Resolution 4 by or on behalf of a member of the key management personnel (**KMP**) (being Sonic's directors) or their closely related parties, unless the vote is cast by that person as proxy for a person entitled to vote in accordance with the Proxy Form. A "closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP.

#### **ADDITIONAL INFORMATION:**

This Notice is accompanied by an Explanatory Memorandum which provides an explanation of the business of the meeting, including the proposed resolutions.

#### ***Voting Entitlements***

1. For the purposes of the 2013 Annual General Meeting, the shares of the Company that are on issue as at 7.00pm on 19 November 2013 will be taken to be held by the persons who held them at that time. Accordingly, you will be entitled to vote at the meeting if, and only if, you are a registered shareholder of the Company at 7.00pm (Sydney time) on 19 November 2013. Transfers registered after that time will be disregarded in determining shareholders entitled to attend and vote at the meeting.

#### ***Custodian Voting***

2. For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

#### ***Proxies***

3. A shareholder has a right to appoint a proxy, who need not be a shareholder of the Company.
4. If a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies. Where a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands in relation to that resolution.
5. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the shareholder's voting rights (disregarding fractions).
6. You may return your proxy form to Sonic's share registry by faxing, posting or delivering it to the relevant address below, or to the registered office of Sonic.

By fax: 1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)

By mail: Sonic Healthcare Limited  
C/o Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

7. To be effective for the scheduled meeting, your proxy form must be received no later than 48 hours before commencement of the Annual General Meeting (i.e. by 10.00am (Sydney time) on 19 November 2013). A proxy form accompanies this Notice.
8. Alternatively, you may appoint a proxy using an electronic facility available at the website [www.investorvote.com.au](http://www.investorvote.com.au). At the website, shareholders will be able to view an electronic version of the proxy form, which will accept proxy appointments and register them accordingly. A shareholder who wishes to use this facility must register their proxy appointment by no later than 10.00am (Sydney time) on 19 November 2013.

9. **DIRECTED PROXY VOTES**

If you specifically direct the proxy how to vote on a proposed resolution, the proxy may only vote on that item in the way that you have directed. If you appoint someone other than the Chairman of the meeting as your proxy and give them voting instructions, the Chairman of the meeting must cast those proxy votes on your behalf on a poll if your nominated proxy does not do so.

10. **UNDIRECTED PROXY VOTES**

You are encouraged to consider how you wish to direct your proxy to vote. Other than members of the KMP or their closely related parties voting as a proxy on Resolution 4, if a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit. Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.

If you wish to appoint a KMP (other than the Chairman) or their closely related party as your proxy, you must specify how they should vote on Resolution 4 by completing the "For", "Against" or "Abstain" boxes on the proxy form. If you do not do that, your proxy will not be able to exercise your vote on your behalf for that resolution. If you appoint the Chairman (or the Chairman is appointed by default) as your proxy in relation to Resolution 4, but do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution on the proxy form, you expressly authorise the Chairman to exercise your proxy in relation to Resolution 4 even though the item is connected directly or indirectly with the remuneration of a KMP, which includes the Chairman. If you wish to appoint the Chairman as proxy with a direction to vote against, or to abstain from voting on Resolution 4, you must specify this by completing the "Against" or "Abstain" boxes on the proxy form.

The Chairman intends to vote undirected proxies in favour of all items of business.

By ORDER of the Board of Directors



Paul Alexander  
Company Secretary

Dated: 22 October 2013

## EXPLANATORY MEMORANDUM

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### **ORDINARY BUSINESS**

#### **Financial Statements and Reports**

The financial report of the Company and the reports of the directors and auditors for the financial year ended 30 June 2013 will be laid before the Annual General Meeting, as required by the Corporations Act. Shareholders can access a copy of the reports (which form part of Sonic's 2013 Annual Report) and a copy of the concise annual report on the Company's website at [www.sonichealthcare.com](http://www.sonichealthcare.com). As permitted by the Corporations Act, a physical copy of the concise annual report has been sent only to shareholders who have elected to receive a physical copy.

During this item of business, shareholders will be provided with a reasonable opportunity to ask questions about, and make comments on, the reports and the management, business and performance of the Company.

Shareholders will also be given a reasonable opportunity to ask a representative of the Company's auditor, PricewaterhouseCoopers, questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements or the independence of the auditor in relation to the conduct of the audit. Shareholders may also submit a written question to PricewaterhouseCoopers if the question is relevant to the content of the auditor's report for the financial year ended 30 June 2013 or the conduct of the audit of the financial report for that year. Questions for the auditor must be received by the Company by no later than Thursday, 14 November 2013. At the meeting, PricewaterhouseCoopers will be given the opportunity to answer, or table written answers to, relevant questions.

#### **Resolutions 1, 2 and 3 – Re-election of Directors**

Under Article 71 of the Constitution of the Company and in accordance with the Listing Rules of ASX Limited, no director, other than the Managing Director, may hold office for a continuous period in excess of 3 years or past the third Annual General Meeting following the director's appointment, whichever is the longer, without submitting for re-election. Ms Kate Spargo, Dr Jane Wilson and Dr Philip Dubois are required to retire as directors at the end of the 2013 Annual General Meeting but, being eligible, offer themselves for re-election.

Brief biographical details of Ms Kate Spargo, Dr Jane Wilson and Dr Philip Dubois are set out on page 6.

**Ms Kate Spargo**

*L.L.B. (Hons), B.A., F.A.I.C.D.*

*Non-executive, independent Director, appointed July 2010*

Ms Spargo has gained broad business experience as both a legal advisor, having worked in private practice and government, and as a director. Ms Spargo has been a director of both listed and unlisted companies over the last fifteen years and her current directorships include the ASX listed companies Fletcher Building Limited (from March 2012) and UGL Limited (from October 2010). She is also a director of SMEC Limited, an engineering company with operations in around 40 countries, Investec Bank (Australia) Limited, ColInvest Limited and Suncorp Portfolio Services Limited. She is a member of the International Ethics Standards Board for Accountants. Ms Spargo is Chair of the Remuneration and Nomination Committee and is a member of the Audit Committee.

**Dr Jane Wilson**

*M.B.B.S., M.B.A., F.A.I.C.D.*

*Non-executive, independent Director, appointed July 2010*

Dr Wilson is a senior non-executive director with a background in medicine, finance and banking and has extensive experience in corporate finance, commercialisation of technologies and governance. Dr Wilson is a Fellow of the Australian Institute of Company Directors (AICD) and was the Queensland President and National Board Director of AICD from 2002 to 2004. She is currently a director of CathRx Ltd (since August 2005), Finance Director of The Winston Churchill Memorial Trust and a director of the General Sir John Monash Foundation. She is a member of the University of Queensland Senate, the Senate Finance Committee and the University of Queensland Faculty of Health Sciences Board. Dr Wilson was a director of Universal Biosensors Ltd from December 2006 until August 2013. Dr Wilson is Chairman of the Risk Management Committee and is a member of the Remuneration and Nomination Committee. Dr Wilson was named in the inaugural 2012 AFR/Westpac Top 100 Women Awards in the Board/Management category.

**Dr Philip Dubois**

*M.B., B.S., F.R.C.R., F.R.A.N.Z.C.R., F.A.I.C.D.*

*Executive Director, appointed July 2001*

Dr Dubois is Chairman of the Sonic Imaging Executive Committee and is Chairman and CEO of Queensland X-Ray. A neuroradiologist and nuclear imaging specialist, he is currently an Associate Professor of Radiology at the University of Queensland Medical School. He has served on numerous government and craft group bodies, including the councils of the Royal Australian and New Zealand College of Radiologists and the Australian Medical Association, and as Vice-President of the Australian Diagnostic Imaging Association. Dr Dubois is a member of Sonic's Risk Management Committee. He is a non-executive director of Magnetica Limited (since December 2004).

#### **Resolution 4 – Remuneration Report**

Sonic's 2013 Annual Report contains a remuneration report (which forms part of the directors' report), which sets out the board's remuneration policy and reports the remuneration arrangements in place for directors and specified executives for the financial year ended 30 June 2013.

A resolution for adoption of the remuneration report will be put to the vote at the Annual General Meeting, as required by section 250R of the Corporations Act. In accordance with the Corporations Act, the vote on Resolution 4 will be advisory only and will not bind the directors or the Company.

Shareholders will be provided with a reasonable opportunity to ask questions about and make comments on the remuneration report at the Annual General Meeting.

Under the Corporations Act, a 25% or higher "no" vote on the remuneration report resolution at an Annual General Meeting triggers a reporting obligation on a listed company to explain in its next Annual Report how shareholders' concerns are being addressed. If a 25% or higher "no" vote on the subsequent remuneration report occurs at the next Annual General Meeting, a resolution must be put to shareholders (a "spill resolution") that another general meeting be convened to consider the election of certain directors (the "spill meeting"). If the spill resolution is carried by an ordinary majority, the spill meeting must be held within 90 days and all directors that were directors when the 25% "no" vote was passed will cease to hold office immediately before the spill meeting (except for the Managing Director) and the general meeting will vote on whether those directors should be re-elected.

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