

Ramsay Health Care Limited

Notice of Annual General Meeting

Notice is given that the 2023 Annual General Meeting (**AGM**) of shareholders of Ramsay Health Care Limited (**Company**) is to be held on Tuesday, 28 November 2023 at 10.30am (Sydney time) at the Sofitel Sydney Wentworth Hotel, 61–101 Phillip Street, Sydney, New South Wales, Australia.



AGENDA

BUSINESS

1. Consideration of Reports

To receive and consider the Financial Report of the Company and its controlled entities and the Reports of the Directors and Auditor for the financial year ended 30 June 2023.

2. Adoption of the Remuneration Report

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

“That the Remuneration Report, which forms part of the Directors’ Report for the year ended 30 June 2023, be adopted.”

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company. A voting exclusion statement applies to this resolution (see Item 2 of the Explanatory Notes to this Notice of Meeting).

3. Election of Director candidates

3.1 Mr Michael Stanley Siddle

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

“That Mr Michael Stanley Siddle, a Non-Executive Director of the Company, being eligible, is re-elected as a Non-Executive Director of the Company.”

Note: Information about Mr Siddle appears in Item 3.1 of the Explanatory Notes to this Notice of Meeting.

3.2 Ms Karen Lee Collett Penrose

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

“That Ms Karen Lee Collett Penrose, a Non-Executive Director of the Company, being eligible, is re-elected as a Non-Executive Director of the Company.”

Note: Information about Ms Penrose appears in Item 3.2 of the Explanatory Notes to this Notice of Meeting.

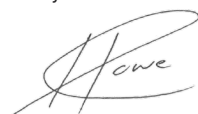
4. Grant of Performance Rights to Managing Director for FY2024

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

“That approval is given for the issue of 64,625 performance rights to the Managing Director, Mr Craig Ralph McNally, under the Equity Incentive Plan, on the terms and conditions outlined in the Explanatory Notes to this Notice of Meeting.”

Note: A voting exclusion statement applies to this resolution (see Item 4 of the Explanatory Notes to this Notice of Meeting).

By Order of the Board



Henrietta Rowe

Group General Counsel & Company Secretary
Sydney, New South Wales
Australia
10 October 2023

NOTES

These Notes and Explanatory Notes have been prepared to help shareholders understand the business to be put to shareholders at the forthcoming AGM. They relate to the resolutions set out in the Notice of Meeting and form part of the Notice of Meeting.

1. Participating in the AGM

Shareholders are invited to attend the AGM in person.

Shareholders may also watch a live webcast of the AGM online accessible via

<https://boardroomlimited.com.au/agm/ramsay2023>

or Ramsay's website at

<https://www.ramsayhealth.com/en/about/corporate-governance/>

Shareholders watching online will not be able to vote, ask questions or make comments via the webcast. If you are unable to attend the AGM in person, we encourage you to watch the live webcast, appoint a proxy to vote on your behalf and submit any questions that you have in advance of the meeting.

Shareholders should monitor the ASX and Ramsay's website where updates will be provided if it becomes necessary or appropriate to change the arrangements for holding or conducting the meeting.

2. Proxies

- a) A member entitled to attend and vote at the AGM is entitled to appoint a proxy. A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half the member's votes.
- b) A proxy need not be a member of the Company. A body corporate appointed as a member's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the AGM. The representative should ensure that the Company has been given evidence of his or her appointment, including any authority under which the appointment is signed, in advance of the AGM.
- c) Each of the resolutions set out in this Notice of Meeting will be decided by poll. On a poll, if:
 - a member has appointed a proxy (other than the Chairman of the meeting) and the appointment of the proxy specifies the way the proxy is to vote on the resolution; and
 - that member's proxy is either not recorded as attending the meeting or does not vote on the resolution,

the Chairman of the meeting will, before voting on the resolution closes, be taken to have been appointed as the proxy for the member for the purposes of voting on that resolution and must vote in accordance with the written direction of that member.

- d) Where the Chairman of the meeting is appointed, or is taken to be appointed, as a member's proxy and that member has not specified the way in which he is to vote for Items 2 and 4, then by completing and submitting the proxy form the member is expressly authorising the Chairman of the meeting to exercise the proxy as he decides notwithstanding that these Items are connected with the remuneration of the Company's key management personnel.
- e) The Chairman of the meeting intends to cast all available proxies in FAVOUR of each Item of business.
- f) For an appointment of a proxy for the meeting to be effective, the proxy's appointment and the power of attorney (if any) under which it is signed (or satisfactory proof of that power or a certified copy of it), must be received by the Company at the registered office or at the office of the Company's share registry, Boardroom Pty Limited, no later than **10:30am (Sydney time) on Sunday, 26 November 2023** (unless it has been previously provided).

Online: <https://www.votingonline.com.au/ramsayagm2023>

By mail: Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

By facsimile: +61 2 9290 9655

3. Corporate representatives

Corporate members should either: appoint a proxy (as set out above), appoint a corporate representative, or appoint an attorney. The instrument of appointment of a corporate representative must be received by the Company in advance of the meeting.

4. Entitlement to vote

For the purposes of determining entitlements to participate and vote at the meeting, shares will be taken to be held by the persons who are the registered holders at **7:00pm (Sydney time) on Sunday, 26 November 2023**. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to participate and vote at the meeting.

5. Questions and comments on management of the Company

In accordance with the Corporations Act 2001 (Cth) (**Corporations Act**), a reasonable opportunity will be given to shareholders, as a whole, to ask questions about or make comments on the management of the Company at the meeting.

A shareholder entitled to attend and be heard at the AGM may submit a written question to the Company before the meeting. Any questions should be emailed to enquiries@boardroomlimited.com.au by no later than **5:00pm (Sydney time) on Tuesday, 21 November 2023**.

The Chairman will endeavour to address as many of the more frequently raised relevant questions as possible. However, there may not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to any shareholder.

6. Questions for the Auditor

Shareholders may submit written questions to the Company's Auditor, Ernst & Young, if the question is relevant to the content of Ernst & Young's Audit Report for the year ended 30 June 2023 or the conduct of its audit of the Company's Financial Report for the year ended 30 June 2023.

Relevant written questions for the Auditor must be received by the Company by no later than **5:00 pm (Sydney time) on Tuesday, 21 November 2023**. Please send any written questions by email to enquiries@boardroomlimited.com.au or:

By mail: Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

By facsimile: +61 2 9290 9655

A list of relevant written questions will be made reasonably available to shareholders attending the meeting. While the Auditor is not obliged to provide written answers, if written answers are tabled at the meeting, they will be made available to shareholders as soon as practicable after the meeting.

EXPLANATORY NOTES

ITEM 1 – CONSIDERATION OF REPORTS

The Financial Report of the Company for the year ended 30 June 2023 and the Reports of the Directors and Auditor for the same period will be presented for consideration. A copy of Ramsay's 2023 Annual Report is available on our website at <https://www.ramsayhealth.com/en/investors/results-and-reports/>

As part of this item of business, the Chairman of the meeting will give shareholders as a whole a reasonable opportunity to ask questions about or make comments on the management of the Company.

The Chairman of the meeting will also give shareholders as a whole a reasonable opportunity to ask the Company's Auditor, Ernst & Young, 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 its financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

ITEM 2 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report for the year ended 30 June 2023 is contained in the 2023 Annual Report.

The Chairman of the meeting will give shareholders as a whole a reasonable opportunity to ask questions about, or comment on, the Remuneration Report. A resolution that the Remuneration Report be adopted will then be put to the vote. The vote on this resolution is advisory only and does not bind the Directors or the Company.

However, the Board does take the outcome of the vote and discussion at the AGM into account in setting remuneration policy for future years.

Directors' Recommendation

The Directors recommend that you vote in favour of this advisory resolution.

Voting Exclusion Statement

The Company will disregard any votes cast on Item 2:

- by or on behalf of a member of the key management personnel (KMP), details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2023 or their closely related parties (such as close family members and any controlled companies) regardless of the capacity in which the vote is cast; and
- as a proxy by a member of KMP as at the date of the AGM, or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Item 2:

- in accordance with a direction on the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy as he decides even though Item 2 is connected with the remuneration of KMP.

ITEM 3 – ELECTION OF DIRECTOR CANDIDATES

On 24 November 2020, Mr Michael Siddle and Ms Karen Penrose were re-elected and elected, respectively, as Directors of the Company. Mr Siddle and Ms Penrose are offering themselves for re-election in accordance with clause 7.1(d) of the Company's Constitution and their profiles are set out in Items 3.1–3.2 below.

As announced to the market on 27 June 2023, Mr Michael Siddle will step down as Chairman following the 2023 AGM. Mr Siddle also announced his intention to remain on the Board as a Non-Executive Director subject to re-election at the AGM.

3.1 Mr Michael Stanley Siddle

Chairman, Non-Executive Director, member of the People & Remuneration Committee and Nomination & Governance Committee – Appointed as Chairman 27 May 2014 and last re-elected on 24 November 2020.

Mr Michael Siddle was appointed as Chairman of the Company on 27 May 2014, having formerly been Deputy Chairman for 17 years and a founding Director. He has built up significant knowledge of the business and the private hospital industry after starting with the Company in 1968. Mr Siddle has extensive experience in the management of private hospitals and has been integrally involved in Ramsay Health Care's successful expansion through developments, mergers and acquisitions.

Mr Siddle serves as a member of the Company's People & Remuneration Committee and Nomination & Governance Committee. Mr Siddle is also a Trustee and director of the Paul Ramsay Foundation.

During the last three years, Mr Siddle has not served as a director of any listed companies other than Ramsay Health Care Limited.

As part of its annual review of director independence, the Board concluded that, given Mr Siddle's role as director of Paul Ramsay Holdings Pty Limited, which is a subsidiary of Paul Ramsay Foundation Limited, and his tenure on the Board, Mr Siddle is not considered to be independent under the 4th edition of the ASX Corporate Governance Principles & Recommendations. Notwithstanding this decision, the Board considers that Mr Siddle adds significant value to

the Board's deliberations given his considerable industry experience and expertise, as well as the corporate knowledge he brings to Board deliberations. These contributions will be particularly valuable over the course of the Chair transition process. For these reasons, the Board supports his re-election.

Directors' recommendation

For the reasons outlined above, the Directors (with Mr Siddle abstaining) recommend that you vote in favour of this resolution.

3.2 Ms Karen Lee Collett Penrose

Non-Executive Director, Chair of the Audit Committee and member of the Risk Management Committee – Appointed on 1 March 2020 and last elected on 24 November 2020.

Karen has had an extensive executive career in leadership and CFO roles, mainly in financial services. She is well-versed in financial management, customer outcomes and operating in a rapidly changing regulatory environment which stems from 20 years in banking with Commonwealth Bank and HSBC and eight years as a listed-company CFO.

Karen has been a full-time director since 2014 and is an experienced committee chair of audit and risk. In addition to being a Non-Executive Director of Ramsay, Karen also serves as a Director of Bank of Queensland, Cochlear and Estia Health. She is a member of Chief Executive Women and on the Board of Marshall Investments Pty Limited and Rugby Australia Limited.

In the past three years, Karen has served as a Director of the following listed companies:

- Bank of Queensland (appointed November 2015)
- Cochlear Limited (appointed July 2022)
- Estia Health (appointed October 2018)
- Ramsay Santé (appointed February 2021)
- Vicinity Centres (resigned September 2022)

The Board considers Ms Penrose to be independent.

Directors' recommendation

For the reasons outlined above, the Directors (with Ms Penrose abstaining) recommend that you vote in favour of this resolution.

ITEM 4 – GRANT OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR

ASX Listing Rule 10.14 requires the Company to obtain shareholder approval for the issue of securities to a Director under an employee incentive scheme.

The Company is seeking shareholder approval for the proposed grant of performance rights (**PRs**) to the Managing Director, Mr Craig McNally, under the Equity Incentive Plan (**the Plan**). The Board, consistent with past practice, is intending to source the shares to satisfy the vesting of PRs through on-market purchases which are excluded from the operation of Listing Rule 10.14.

Despite the fact that no new shares are intended to be issued in respect of the PRs, the Board is nonetheless seeking this shareholder approval in the interests of transparency, good corporate governance and to preserve flexibility in case, for any reason, it is ultimately considered in the Company's best interests to issue shares rather than source them on-market.

If shareholder approval is not obtained, the Board will consider alternative arrangements to appropriately remunerate and incentivise the Managing Director.

Under the Company's Long Term Incentive (**LTI**), each PR is an entitlement to receive a fully-paid ordinary share in the Company on terms determined by the Board, including vesting conditions linked to service and performance over a 3 year performance period. If the vesting conditions are satisfied, the PRs vest and shares (or, in limited instances, an equivalent cash payment) will be delivered to the executive. While the number of PRs to vest will primarily be determined by testing against the performance conditions, the Board retains the discretion to reduce the PR vesting outcome where it considers it appropriate in light of the Group's performance overall and any other relevant circumstances.

The Board, on the recommendation of the People and Remuneration Committee, proposes to grant PRs to Mr McNally in accordance with the terms of the Plan. The proposed grant of PRs to Mr McNally is in accordance with the Company's LTI strategy of aligning the LTI element of executive remuneration with the creation of shareholder wealth by linking reward with the strategic goals and performance of the Company.

The face value of the proposed grant of PRs to Mr McNally in FY24 has been set at 175% of his total fixed remuneration (i.e. \$3,650,325).

ASX Listing Rule 10.15.4 requires this Notice of Meeting to include details (including amount) of Mr McNally's current total remuneration for FY24:

Fixed Remuneration (excluding superannuation) (FR)	\$2,085,900
Short-term incentive	100% of FR at target (i.e. \$2,085,900) 125% of FR at maximum (i.e. \$2,607,375)
Long-term incentive	175% of FR on a face value basis (i.e. \$3,650,325)

Please refer to the Company's Remuneration Report contained in its 2023 Annual Report which contains full details of Mr McNally's remuneration package for FY23.

Mr McNally will be granted 64,625 PRs. The number of PRs has been determined by dividing the FY24 grant value of \$3,650,325 by the 5-day Volume Weighted Average of the Company's share price up to and including 3 July 2023 (AU\$ \$56.4846), with 3 July being the first trading day of the performance period.

The Company grants the LTI in the form of PRs because they create share price alignment between Mr McNally and shareholders but do not provide the full benefits of share ownership (such as dividend and voting rights) unless the PRs vest.

Performance Conditions:

The PRs proposed to be granted to Mr McNally will be divided into two equal tranches that are to be tested independently from each other:

- The first tranche will be subject to a relative total shareholder return (**TSR**) performance hurdle (**Parcel A**).
- The second tranche will be subject to an average actual return on invested capital (**ROIC**) and an earnings per share (**EPS**) performance hurdle (**Parcel B**).

There will be no retesting of either of the performance conditions.

a) TSR Performance Hurdle:

The relative TSR hurdle will be determined by measuring and ranking the Company's TSR at the end of the 3 year performance period relative to a comparator group comprising the S&P/ASX 100 index (adjusted as set out below).

The Board has determined that the S&P/ASX 100 index is the most appropriate comparator group for the FY24 grant given the Company's market capitalisation. This comparator group is adjusted to exclude companies in sectors having different drivers of operating performance, being those in the real estate, financial and resources industries. The Board has the discretion to adjust the comparator group, including to take into account acquisitions, mergers or other relevant corporate actions or a delisting.

Relative TSR is the most prevalent performance measure used in LTI plans within ASX100 companies. The Board is of the view that use of a TSR hurdle is appropriate as it provides a strong link between executive remuneration levels and shareholder value, such that executives benefit where there is a corresponding relative benefit delivered to shareholders over the relevant period. The Board also considers that it is appropriate to use a broad index-based comparator group rather than a sector-specific peer group as there are too few Australian healthcare companies of similar size and scope of operations to Ramsay for benchmarking purposes.

The following table sets out the percentage of Parcel A PRs that may vest based on the Company's TSR ranking over the performance period:

Company's TSR ranking in the comparator group	Percentage of 'Parcel A' PRs available to vest
TSR below 50th percentile	Nil
TSR at 50th percentile	50%
TSR between 50th and 75th percentile	Between 50% and 100%, increasing on a straight line basis
TSR above 75th percentile	100%

b) ROIC and EPS Performance Hurdle:

Vesting of Parcel B PRs is subject to a gateway requirement being met. The ROIC outcome for the Company over the three year performance period is tested relative to the weighted average cost of capital (**WACC**) for the Company over the three year performance period. The actual ROIC outcomes will need to meet a threshold level of performance relative to the WACC for vesting of any Parcel B PRs.

Subject to the gateway requirement being met, the percentage of Parcel B PRs that may vest will be based on the cumulative compound annual growth rate (**CAGR**) in EPS for the performance period in accordance with the following table:

CAGR	Percentage of 'Parcel B' PRs available to vest
Less than 3%	Nil
3% (threshold)	30%
Between 3% and 9%	Straight line pro-rata between 30% and 100%
9% (stretch)	100%

EPS measures the earnings generated by the Company attributable to each share on issue. In deriving EPS, statutory earnings will be adjusted for significant items where the Board considers it appropriate, based on the principles detailed in the Remuneration Report.

The number of shares for the purposes of the EPS calculation is the weighted average number of issued ordinary shares over the relevant financial year.

Hedging of Performance Rights:

The Company prohibits the hedging of PRs by senior executives.

Rights Attaching to Performance Rights:

PRs do not carry voting or dividend rights, however shares allocated upon vesting and exercise of PRs carry the same rights as other ordinary shares in the Company.

Treatment of PRs on Termination of Employment:

Where Mr McNally's employment ceases before his PRs have vested, the treatment of his unvested PRs depends on a number of factors, including the circumstances in which he has ceased employment.

Where Mr McNally's employment is terminated:

- for cause or he resigns, his unvested PRs will lapse; or
- in other circumstances, a pro rata portion of his unvested PRs will remain on foot (calculated based on the portion of the Performance Period that has elapsed up until the date of termination) and will be tested in the ordinary course subject to the performance hurdles outlined above.

The Board retains discretion to determine a different treatment where it considers it appropriate.

Clawback:

The Board has broad "clawback" powers to determine that PRs lapse, any shares allocated on vesting are forfeited or that amounts are to be repaid in certain circumstances (for example, in the case of serious misconduct).

Additional Information:

The Company provides the following additional information in relation to resolution 4.

- As the PRs form part of Mr McNally's remuneration package, the acquisition price for a PR is nil and no money is payable by the holder for a share on exercise of a PR.
- Mr McNally is the only Director entitled to participate in new awards under the Equity Incentive Plan. Non-Executive Directors are ineligible to participate in this Plan.
- No loans will be made in relation to the acquisition of PRs or shares under the Plan.
- 327,854 PRs have been granted to Mr McNally under the LTI programme in prior years since Mr McNally's appointment as Managing Director. These PRs were granted to Mr McNally as his LTI for no cost.
- If shareholders approve Item 4, then PRs will be granted to Mr McNally as soon as practicable after the date of the meeting and in any event no more than 12 months after the meeting (i.e. 28 November 2024).

- f) Details of any securities issued under the Plan will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after this resolution is approved and who are not named in this notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Directors' Recommendation

The Non-Executive Directors recommend that you vote in favour of Item 4.

Voting Exclusion Statement

The Company will disregard any votes on Item 4:

- cast in favour of the Item by or on behalf of Mr Craig McNally (being the only Director entitled to participate in the Equity Incentive Plan) or any of his associates (regardless of the capacity in which the vote is cast); and
- cast as a proxy by a member of KMP as at the date of the AGM, or their closely related parties,
unless the vote is cast on Item 4:
- as proxy or attorney for a person entitled to vote on the resolution in accordance with a direction given to the proxy or attorney to vote on the resolution in that way; or
- by the Chairman of the meeting as proxy for a person entitled to vote on the resolution, in accordance with an express authorisation to exercise undirected proxies as the Chairman decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

