SONIC
HEALTHCARE
LIMITED

Annual Report
2026

ABN 24 004 196 909

Corporate Directory

DIRECTORS
Prof MR Compton AM | *Chairman*
Dr JP Newcombe | *Managing Director*
Mr CD Wilks | *Finance Director*
Prof C Bennett AO
Prof S Crowe AO
Dr K Giles
Mr N Mitchell
Ms KD Spargo
Ms N Wakefield Evans AM

COMPANY SECRETARY
Mr PJ Alexander

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AUDITOR
PricewaterhouseCoopers

SOLICITORS
Allens
Gilbert+Tobin
Norton Rose Fulbright

BANKERS
Australia and New Zealand Banking Group
BNP Paribas
Commerzbank
Commonwealth Bank of Australia
Crédit Agricole CIB
Crédit Industriel et Commercial
DNB Bank
HSBC
JPMorgan Chase Bank
Mizuho Bank
MUFG Bank
Westpac Banking Corporation

STOCK EXCHANGE LISTINGS
Sonic Healthcare Limited shares are listed on the Australian Securities Exchange (SHL.AX). Sonic Healthcare Limited also has a Level 1 sponsored American Depositary Receipt (ADR) facility managed by BNY Mellon (the 'Depositary'). Sonic Healthcare Limited's ADRs are traded under the code SKHHY.

Verification of unaudited information in this Annual Report

Unaudited information in this Annual Report comprises all information included in the Annual Report other than the Financial Report, the Remuneration Report within the Directors' Report, the Directors' Declaration, the Consolidated Entity Disclosure Statement, the Independent Auditor's Report and the Auditor's Independence Declaration.

The Sustainability Report includes disclosures prepared in accordance with the Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*, with limited assurance obtained (provided by the Company's auditor) over specified climate-related disclosures as described in the Sustainability Report, specifically over Governance, Strategy (sub-paragraphs 9(a), 10(a) and 10(b)), and Scope 1 and 2 emissions.

The integrity of the unaudited information has been verified as materially accurate and/or reasonable using the following processes:

- Financial information included in the unaudited information has been reconciled to the current and/or prior audited Financial Reports, prepared using the same reporting and consolidation processes and controls applied in the preparation of the Financial Report, or sourced from reputable third parties.
- Operational, strategic, sustainability and governance information has been reviewed by the executives and subject matter experts responsible for the relevant areas of the business.
- Material disclosures have been reviewed for consistency with information previously disclosed to the market and other supporting documentation.
- The unaudited information has been reviewed and approved by the Chief Executive Officer, Chief Financial Officer, the Audit Committee and the Board.
- Forward-looking statements and opinions included in the unaudited information, which may be identified by terminology such as "expects", "believes", "targets", "plans", "intends", "aims", "may", "likely", "should", "could", "is estimated" or similar expressions, are not guarantees of future performance and involve known and unknown risks, uncertainties and assumptions. Actual results may differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on forward-looking statements.

Cover
Tariro Mavinyu, Scientific Officer at Douglass Hanly Moir Pathology in Sydney, Australia

Inset
Dr Saurabh Prakash, Anatomical Pathologist and Dermatopathologist at Melbourne Pathology in Victoria, Australia

Contents

Chairman's Letter

Dear Fellow Shareholders,

I am pleased to present Sonic Healthcare's 2026 Annual Report on behalf of the Company's Board of Directors.

Sonic Healthcare delivered a strong result for the 2026 financial year, achieving earnings guidance and reporting revenue of A$10.9 billion, underlying EBITDA of A$1.93 billion and underlying net profit of A$621 million. Revenue increased by 13%, including organic growth of 5%, and underlying net profit grew 17%, reflecting the strength of Sonic Healthcare's market positions, growth in advanced diagnostics, ongoing acquisition synergies and disciplined execution across the Group, including of the LADR acquisition.

The Board declared total dividends for the year of A$1.08 per share, an increase on the prior year and a continuation of Sonic Healthcare's long-running progressive dividend history. Our progressive dividend remains a core capital management priority, alongside maintaining an investment-grade balance sheet, pursuing selective and synergistic acquisitions and considering share buybacks where surplus capital and market conditions support them. Sonic Healthcare's investment-grade credit profile and available liquidity provide significant flexibility to invest in future growth while maintaining prudent financial discipline.

The 2026 financial year marked an important milestone in Sonic Healthcare's history with the retirement of Dr Colin Goldschmidt as Chief Executive Officer and Managing Director. Colin's contribution to Sonic over more than three decades has been extraordinary. Under his leadership, Sonic Healthcare evolved from an Australian pathology company into one of the world's leading medical diagnostics businesses, while maintaining the distinctive Medical Leadership culture that remains central to our success. On behalf of the Board and shareholders, I once again express our sincere gratitude to Colin for his vision, dedication and outstanding service.

The Board is delighted with the appointment and early performance of Dr Jim Newcombe as Chief Executive Officer and Managing Director.

Jim brings deep knowledge of Sonic's business, culture and strategic priorities and has articulated a clear vision centred on high-value medicine at scale, operational excellence and disciplined capital allocation.

The Board looks forward to working closely with Jim and the executive leadership team as Sonic Healthcare enters its next phase of growth.

FY2026 was a year of important strategic progress. The integration of Laboratory Group Dr. Kramer & Colleagues (LADR) in Germany proceeded successfully and has further strengthened Sonic Healthcare's leadership position in one of the world's largest diagnostics markets. The acquisition is performing strongly and reinforces Sonic Healthcare's long track record of creating shareholder value through carefully selected, strategically and culturally aligned acquisitions.

The Board was pleased with management's continued focus on operational excellence, productivity improvement and long-term value creation. Significant progress was made in realising acquisition synergies, advancing digital transformation initiatives and strengthening returns on invested capital. Management also continued to optimise Sonic Healthcare's capital structure, including the completion of the Brisbane laboratory sale-and-leaseback transaction, which unlocked substantial value while maintaining operational flexibility.

The Board believes that sustainable long-term shareholder value creation is achieved through responsible governance and a commitment to serving the interests of patients, healthcare professionals, employees, communities and shareholders. Sustainability considerations continue to be embedded within Sonic Healthcare's governance, strategy and risk management frameworks, consistent with our Medical Leadership philosophy and long-term approach to value creation.

This Annual Report includes climate-related financial disclosures for the first time under Australia's new mandatory sustainability reporting framework. These disclosures reflect several years of preparation, including detailed assessment of climate-related risks and opportunities, enhancement of governance structures, maturation of emissions reporting capabilities and integration of climate considerations into Sonic Healthcare's enterprise risk management processes. The Board views climate-related reporting as an important component of transparency and accountability and believes it strengthens stakeholders' understanding of the resilience of Sonic's business and strategy over the long-term.

Sonic Healthcare delivered a strong result for the 2026 financial year, achieving earnings guidance and reporting revenue of A$10.9 billion, underlying EBITDA of A$1.93 billion and underlying net profit of A$621 million.

The Board is encouraged by the progress achieved against Sonic Healthcare's environmental objectives, including reductions in operational greenhouse gas emissions and increased use of renewable electricity compared with the prior reporting period, as well as continued improvement in ESG reporting and governance practices. Sonic Healthcare's sustainability performance continues to be recognised through strong external ESG ratings, including MSCI 'AA Leader' status, ISS ESG 'Prime' status and Morningstar Sustainalytics 'Low Risk' status. Full details of Sonic Healthcare's progress on all material ESG topics for the 2026 financial year can be found in the annual Sustainability Impact Report, which will be published on the Company's website in November 2026.

The Board remains committed to maintaining high standards of governance. During the year we continued to review Board composition, succession planning and risk management processes to ensure Sonic Healthcare remains well positioned to manage the increasing complexity of a global healthcare organisation.

Sonic Healthcare's Board currently comprises seven non-executive Directors with a diversity of tenures and skills, all of whom the Board considers to be independent, plus two Executive Directors (being the Chief Executive Officer and the Chief Financial Officer). The Board includes a pathologist and three other medical practitioners in keeping with the Company's Medical Leadership culture. The Board's gender diversity objective (minimum 40% membership of both male and female members) continues to be satisfied, with 56% of directors being female and 44% male.

Kate Spargo has previously advised that she will permanently retire from the Board by the end of her current 3-year term (in 2027). Neville Mitchell has also advised that should he be re-elected at the 2026 Annual General Meeting, he will permanently retire from the Board by the end of that three-year term (in 2029). The Board intends to conduct a process to recruit one, and perhaps two, new independent Non-executive Directors over the next twelve months.

The Board remains confident that Sonic Healthcare's governance framework, experienced leadership team and strong Medical Leadership culture provide a solid foundation for future success.

The long-term fundamentals supporting demand for healthcare diagnostics remain highly attractive. Ageing populations, increasing healthcare utilisation, advancing technology and the growing importance of personalised and preventative medicine continue to create significant opportunities for Sonic Healthcare. Combined with our market-leading positions, Medical Leadership culture, strong balance sheet and diversified international footprint, these factors give the Board great confidence in Sonic Healthcare's prospects.

On behalf of the Board, I thank our doctors, scientists, managers and employees around the world for their dedication and professionalism. Their expertise and commitment remain the foundation of Sonic Healthcare's success. I also thank my fellow Directors for their diligence, insight and contribution throughout the year.

Finally, thank you, our shareholders, for your continued support and confidence in Sonic Healthcare.

Professor Mark Compton AM
Chairman

CEO's Report

Sonic Healthcare delivered strong financial and operational performance in the 2026 financial year. We cared for our global communities by delivering highest quality medicine while achieving underlying EBITDA guidance and continuing to invest in the capabilities that will support our long-term growth.

Financially, revenue increased by 13% to A$10.9 billion, including strong organic revenue growth of 5%. Underlying EBITDA increased by 11% to A$1.93 billion while underlying net profit rose by 17% to A$621 million, with underlying earnings per share increasing by 14% to 125.6 cents. Cash generated from operations rose by 8% to A$1.41 billion.

These results reflect the strength of Sonic Healthcare's diversified global portfolio, operating leverage generated by organic growth, and continued realisation of acquisition synergies alongside disciplined cost management. We remain a partner of choice for doctors and patients around the world, who every day choose Sonic Healthcare to provide them with highly personalised, innovative medical services.

High-value medicine at scale

During my first ten months as CEO, I have had the privilege of meeting many of Sonic Healthcare's people and visiting our operations around the world. These experiences have reinforced my appreciation for the distinctive strengths and competitive differentiators of our Company.

Sonic Healthcare's investment proposition is clear: we deliver high-value medicine at scale, driving growth and financial performance. Three core differentiators underpin this value proposition: our scale and diversification, our unique Medical Leadership culture and our operational excellence.

Sonic Healthcare is one of the world's leading medical diagnostics companies. We operate across nine countries and 11 markets with a team of 47,000 employees, including 2,200 pathologists and radiologists, working through a network of 330 laboratories and 3,200 patient access points. During FY2026, our people supported 144 million patient consultations. Each of these consultations represents a moment when a patient and their doctor rely on Sonic Healthcare for an answer they can trust.

Medical Leadership

Medical Leadership places the delivery of high-quality medicine and patient care at the centre of everything we do. It enables Sonic Healthcare to attract and retain outstanding medical and scientific professionals, maintain the highest standards of medical excellence and build trusted, long-term relationships with referring doctors and their patients.

These relationships create a powerful and self-reinforcing value cycle. Medical quality and service support organic growth and market share gains, generating financial value and allowing us to reinvest in our people, infrastructure, technology and innovation while creating value for shareholders.

The strength of this model was evident in FY2026. Group organic revenue increased by 5%, with particularly strong performance in advanced diagnostics. Sonic Genetics in Australia achieved growth of 15%, while Biovis in Germany grew by 12%. Specialist referrals in Australian Pathology increased by 7% and our direct-to-consumer business in Germany, Mein Direktlabor, grew by more than 60%.

Operational performance

Germany, LADR and Poland

The acquisition of Laboratory Group Dr. Kramer & Colleagues, or LADR, completed on 1 July 2025. This was a major strategic milestone for Sonic Healthcare. LADR is one of Germany's leading medical laboratory groups and, as Germany's oldest medical laboratory practice, celebrated its 80th anniversary during the year. The acquisition materially strengthened our market-leading position in Germany and, through LADR's existing (majority owned) operations in Poland, expanded Sonic Healthcare's geographic footprint into a ninth country.

LADR is highly complementary to Sonic Healthcare's existing German operations, adding substantial scale, specialist medical expertise and a medical consumables trading and logistics business. The acquisition provides significant opportunities to leverage Sonic Healthcare's national laboratory infrastructure, procurement capabilities, specialist testing network and shared services. LADR contributed A$59 million of net profit to Sonic Healthcare during

FY2026, with the return on the acquisition already above Sonic Healthcare's cost of capital and further substantial synergies to come.

We began extending LADR's medical consumables trading and logistics services to Sonic Healthcare's broader referring-doctor network. Extensive integration work was completed across sales, logistics, technical maintenance, information technology and financial systems. These initiatives demonstrate the potential to derive further value from the combination of LADR's capabilities and Sonic Healthcare's established national platform.

More broadly, Germany delivered statutory revenue growth of 43%, including organic growth of 5%. Growth was supported by advanced diagnostics, including genetics, specialised biochemistry and personalised precision medicine, as well as expanding direct-to-consumer testing services.

At the beginning of FY2027, we realigned our German management and operational structure, bringing 11 federation members into three unified operating divisions. This realignment is designed to accelerate consolidation, synergy capture and operating efficiencies across our German business, which is now our largest, contributing 25% of the revenue of Sonic Healthcare.

Australian Pathology

Australian Pathology achieved organic revenue growth of 5%, supported by continued growth in specialist referrals, select private billing initiatives and the commencement of the North Shore Private Hospital and Hollywood Private Hospital contracts.

A major national laboratory platform procurement process was completed during the year, supporting further efficiencies across our operations and the development of our new Docklands hub laboratory in Melbourne, which is due to open in mid-calendar year 2027. We continued to strategically right-size our collection centre network to improve productivity, deliver lease cost savings and provide a better patient experience.

The Fair Work Commission's Gender Undervaluation review resulted in wage increases for phlebotomists and health professionals. Our industry association continues to engage in good faith with the Australian Government regarding potential offsetting funding.

United States

In the United States, underlying organic revenue growth was 2% after adjusting for the loss of a major payer contract in Alabama and the rationalisation of part of our anatomical pathology operations.

Our newly formed Advanced Diagnostics division in the USA grew strongly (16% organically), supported by the national expansion of Cairo Diagnostics, ThyroSeq® and other specialised testing services. Cairo was acquired in August 2025 to broaden our advanced diagnostic testing offering.

More than 70% of our dermatopathology volume is now processed through our proprietary PathologyWatch digital pathology platform, supporting workload distribution, productivity and a broader geographic reach.

Our US operating review is already delivering tangible benefits. We have rationalised nine anatomical pathology practices, secured procurement savings across a range of non-clinical expenditure categories and reduced corporate headcount across centralised support functions.

Further initiatives include the optimisation of external reference testing and the centralisation of selected corporate functions, including compliance, legal, human resources and marketing. Collectively, the cost initiatives locked in to date are expected to add A$25 - A$30 million to FY2027 earnings. Further profit-enhancing opportunities remain under active consideration.

Switzerland

Switzerland achieved organic growth of 4% in Constant Currency, accelerating to 6% in the second half. Strong margin expansion reflected the realisation of synergies from the integration of the SYNLAB Suisse and Dr Risch acquisitions.

Four laboratory mergers have been completed in Geneva, Lausanne, Zurich and Ticino, with the two largest remaining mergers, in Berne and Lucerne, planned for FY2027. Further optimisation initiatives are under way across procurement, logistics, sales, information technology and external reference testing.

Regulatory changes effective from 1 July 2026 are expected to reduce FY2027 Swiss revenue by approximately CHF20 million, reflecting fee reductions affecting 10 high-volume tests. We are working on a range of initiatives across the business to mitigate this impact.

United Kingdom

The United Kingdom delivered revenue growth of 17% in Constant Currency, supported by the first full-year contribution from the Hertfordshire and West Essex NHS contract.

Our new Watford hub laboratory was completed and ready for commissioning as planned. However, the transfer of testing volumes has progressed more slowly than anticipated because of operational issues within the NHS. The planned margins for the contract are now expected to be achieved by the second half of FY2028.

We remain confident in the long-term value of this 15-year contract and in our ability to apply our proven integrated pathology network model. The Watford laboratory is also well positioned to support additional growth in community-based diagnostics across the region.

During the year, we acquired Cellular Pathology Services, expanding our capabilities in the attractive and growing private anatomical pathology market. We continue to pursue other growth opportunities across both the public and private pathology sectors.

Radiology and Sonic Clinical Services

Radiology achieved organic revenue growth of 7% and underlying EBITDA growth of 5%, supported by continued demand for higher-value modalities, including CT, MRI and PET-CT.

Ten greenfield sites were opened over the past two years. These sites are initially margin dilutive while patient volumes develop but on average are expected to become accretive approximately 18 months after opening. We also continued the deployment of AI-enabled tools designed to enhance radiologist productivity and clinical workflows.

Sonic Clinical Services increased revenue by 5% and EBITDA by 25%, with significant margin expansion from a low base. Performance improved in the second half, following the introduction of the Australian Government's Bulk Billing Practice Incentive Program. Our skin health business continued to perform strongly, supported by its highly personalised approach to patient care.

We also refined the operating and management structures across our medical centre, occupational health and skin health businesses to promote shared services and other efficiencies. Further benefits are expected in FY2027.

Investing in our digital future

During FY2026, we commenced a major initiative to modernise Sonic Healthcare's global digital infrastructure. This transformation covers three connected areas: our back-office platforms, our laboratory and radiology operating systems and our clinical applications.

We are migrating finance, supply chain and human resources platforms to modern cloud-based systems, optimising specialist laboratory and radiology workflows and scaling AI-enabled patient, doctor and clinical applications. Together, these investments will create a more interconnected and scalable platform, improving efficiency while expanding our capacity to innovate and deploy new technologies responsibly.

Approximately A$30 million per annum is planned to be invested in the back-office component over the next three years. The resulting platform is expected to support greater standardisation and scale efficiencies, including through shared services and the responsible application of AI.

Disciplined capital management

We remain focused on improving earnings per share and returns on invested capital. During the year, Sonic Healthcare completed the sale and leaseback of its Brisbane hub laboratory for A$445 million, releasing capital at an effective pre-tax cost of approximately 5.6% and crystallising value that was not reflected on the balance sheet.

We also entered into a conditional contract for the sale of our surplus property at 95 Epping Road, Macquarie Park, and continue to evaluate further property transactions, including potential sale and leaseback opportunities relating to our Docklands development and Macquarie Park laboratory campus.

At 30 June 2026, debt cover was 2.2 times and available liquidity was approximately A$1.6 billion. These metrics support our investment-grade balance sheet objective and preserve our capacity to invest in organic growth, technology, infrastructure and selective synergistic acquisitions.

Outlook

The fundamental drivers of demand for Sonic Healthcare's services remain positive. Ageing populations, the increasing prevalence of chronic disease and the growing focus on personalised and preventative medicine continue to support demand across our markets. We also see substantial opportunities in advanced diagnostics, digital medicine and direct-to-consumer testing.

We enter the new financial year with strong organic growth momentum and a substantial program of operational initiatives. Our priorities include continuing the US operating review, realising further acquisition synergies, improving productivity through procurement, automation and clinical AI, and maintaining disciplined capital allocation.

We are working to mitigate the effects of regulatory fee changes in Switzerland and the extended integration timetable for the UK NHS contract. While these factors will influence FY2027 EBITDA growth, we remain confident in the fundamental strength and long-term prospects of the Group.

Sonic Healthcare's foundations are strong. We have leading market positions, trusted brands, outstanding medical and scientific expertise and a culture that places patients and doctors at the heart of our decision-making. I am confident that these characteristics position us to deliver sustainable growth, improved returns and long-term value for shareholders, whilst operating in a sustainable and responsible manner.

Finally, I would like to thank Sonic Healthcare's 47,000 people around the world. Their expertise, commitment and deep care for our communities are the foundation of our success. It is their work, performed every day across thousands of locations, that enables Sonic Healthcare to deliver high-value medicine at scale and earn the continuing trust of doctors and patients.

Dr JP Newcombe
CEO and Managing Director

Financial History

Note that FY2026, FY2025 and FY2024 revenue and earnings comparisons with earlier years have been impacted materially by the reduction in COVID-19 related revenue.

As at 30 June	2026	2025	2024	2023	2022
	$'000	$'000	$'000	$'000	$'000
Base business revenue			8,904,958	7,683,541	6,911,644
COVID-19 revenue			62,447	485,407	2,428,510
Total revenue	**10,867,370**	9,645,448	8,967,405	8,168,948	9,340,154
Earnings before interest, tax, depreciation and amortisation (EBITDA)[5,6]	**1,881,921**	1,724,994	1,634,542	1,707,524	2,830,447
Net profit after tax[5,6]	**608,293**	513,597	511,094	684,984	1,460,566
Net cash flow from operations	**1,405,451**	1,296,790	1,071,512	1,471,033	2,225,821
Total assets	**16,780,639**	16,053,918	14,826,474	13,014,629	12,552,013
Total liabilities	**8,287,339**	7,580,702	6,751,349	5,092,767	5,123,839
Net assets	**8,493,300**	8,473,216	8,075,125	7,921,862	7,428,174
Net interest-bearing debt[1]	**3,068,504**	2,818,404	2,348,928	886,340	811,803

Statistics					
Diluted earnings per share (cents)[5,6]	**123.0**	106.7	107.2	145.0	302.5
Dividends declared per ordinary share (cents)[2]	**108.0**	107.0	106.0	104.0	100.0
Dividend payout ratio[2]	**87.7%**	101.8%	99.4%	71.7%	32.5%
Gearing ratio[3]	**25.9%**	24.7%	22.3%	9.9%	9.7%
Interest cover (times)[3]	**10.0**	10.1	12.0	29.4	47.3
Debt cover (times)[3]	**2.2**	2.1	1.9	0.6	0.3
Net tangible asset backing per share ($)	**(3.14)**	(2.69)	(2.19)	0.28	0.14
Return (after tax) on invested capital (ROIC)[4]	**6.5%**	5.9%	6.5%	8.8%	19.7%
Return (after tax) on equity[5,6]	**7.2%**	6.2%	6.4%	8.9%	21.0%

1 Net interest-bearing debt excludes lease liabilities under AASB 16.
2 Dividends declared and payout ratio relate to the dividends declared out of the profits for the relevant year, rather than when the dividend is paid.
3 Calculated using debt facility covenant definitions, which exclude AASB 16.
4 ROIC is calculated as tax effected (using the effective tax rate and adjusted for the tax benefit of goodwill amortisation) EBIT (pre-AASB 16 and excluding the impacts of significant non-recurring items), less minority interests, divided by invested capital. Invested capital is measured as total pre-AASB 16 equity (excluding minority interests) plus net interest bearing debt (excluding lease liabilities under AASB 16). Invested capital is the average of the opening and closing position.
5 2024 includes a non-recurring gain relating to the sale of West division in USA.
6 2026 includes non-recurring items, refer to page 16 for details.

Inset
Dr Joris Broeders,
Skin Cancer Doctor at
Australian Skin Cancer
Clinics Balgowlah,
Sydney, Australia.

Annual Report 2026

30 JUNE 2026

SONIC HEALTHCARE LIMITED
ABN 24 004 196 909

Directors' Report

Your Directors present their report on the Group consisting of Sonic Healthcare Limited and the entities it controlled at the end of, or during, the year ended 30 June 2026.

DIRECTORS

The following persons were Directors of Sonic Healthcare Limited during the whole of the financial year and up to the date of this report unless otherwise stated:

Prof MR Compton AM | *Chairman*
Dr JP Newcombe | *Managing Director (from 20 November 2025)*
Mr CD Wilks | *Finance Director*
Prof C Bennett AO
Prof S Crowe AO
Dr K Giles
Mr N Mitchell
Ms KD Spargo
Ms N Wakefield Evans AM

Dr CS Goldschmidt retired as a Director at the Company's Annual General Meeting held on 20 November 2025.

PRINCIPAL ACTIVITIES

During the year the principal continuing activities of the Group consisted of the provision of medical diagnostic services and the provision of administrative services and facilities to medical practitioners.

DIVIDENDS

Details of dividends in respect of the current year and previous financial year are as follows:

	2026	2025
	$'000	$'000
Interim dividend paid on 19 March 2026 (2025: 20 March 2025)	**222,407**	211,378
Final dividend paid on 17 September 2026 (2025: 18 September 2025)	**311,370**	311,370
Total dividend for the year	**533,777**	522,748

On 19 August 2026, the Board declared a final dividend in respect of the year ended 30 June 2026 of 63 cents per ordinary share, 60% franked, paid on 17 September 2026, with a record date of 3 September 2026. An interim dividend of 45 cents per ordinary share, 60% franked, was paid on 19 March 2026.

A final dividend of 63 cents per ordinary share, 35% franked, was paid on 18 September 2025, in respect of the year ended 30 June 2025, out of profits of that year. The interim dividend in respect of the year ended 30 June 2025 was 44 cents per ordinary share, 0% franked, paid on 20 March 2025.

DIVIDEND REINVESTMENT PLAN (DRP)

The Company's Dividend Reinvestment Plan remained suspended for the FY2026 final dividend, as it was through the 2026 and 2025 financial years.

OPERATING AND FINANCIAL REVIEW

Operations

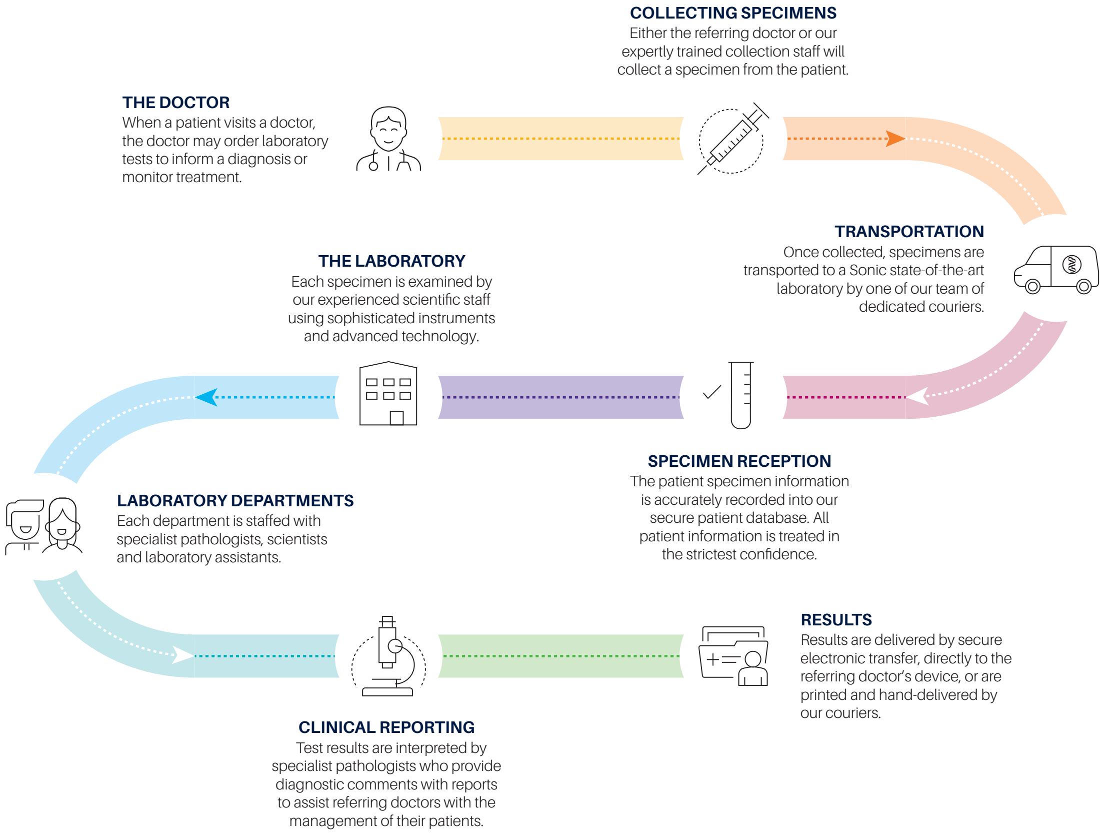
Sonic Healthcare is one of the world's leading providers of medical diagnostic services, contributing to the medical care of over 140 million patients in FY2026. The Group provides highly specialised pathology/clinical laboratory and diagnostic imaging (including radiology) services to clinicians (GPs and specialists), hospitals, community health services, and their patients. Sonic is the world's third largest provider of pathology/clinical laboratory services (referred to in some markets as 'laboratory medicine') and was the first company to do so on a global basis. Currently employing more than 47,000 people, Sonic enjoys strong positions in the laboratory markets of nine countries, being the largest private operator in Australia, Germany, Switzerland, the UK and Liechtenstein, the second largest in Belgium and New Zealand and the third largest in the USA, along with a presence in Poland. In addition, Sonic is the largest operator of medical centres and skin cancer clinics, and the largest occupational health provider in Australia, and the second largest participant in the Australian diagnostic imaging market.

These strong market positions allow Sonic to leverage existing infrastructure to realise synergies and to grow earnings.

Pathology is the study and diagnosis of disease through examination of organs, tissues, cells and bodily fluids. It is a broadly defined and complex scientific field which seeks to understand the mechanisms of disease and abnormality of cells and tissues, as well as the body's means of responding to and repairing abnormalities. Pathology and laboratory tests are an essential component in the delivery of modern healthcare services and are estimated to influence approximately 70% of healthcare decisions and 100% of cancer diagnoses. Laboratory medicine is a unique medical specialty, in that pathologists and laboratory technicians typically do not see patients directly, but rather serve as consultants to other physicians.

The clinical laboratory process is depicted below:

The Clinical Laboratory Process

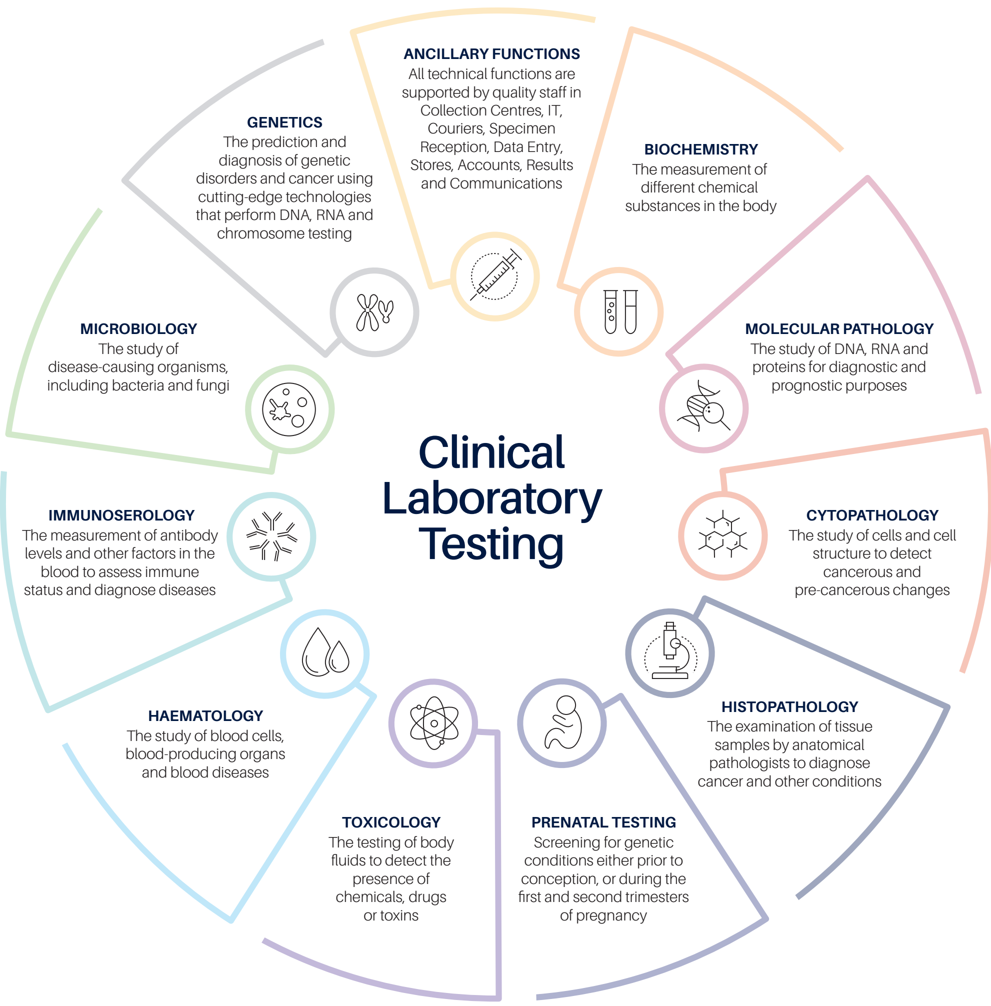


Directors' Report

OPERATING AND FINANCIAL REVIEW

In some countries in which Sonic operates, laboratories offer specimen collection services, although referring doctors still do some collections themselves. In Australia, approximately 35% of specimens are collected by the referring doctor. In Germany, Belgium and Switzerland, laboratories generally do not offer specimen collection services.

Laboratory medicine tests generally fall into categories as shown below:



Histopathology and cytopathology ('anatomical pathology') mainly involve the diagnosis of cancers by the examination of tissue and cells. The testing of other body specimens (blood, urine, sputum etc.) is usually referred to as clinical laboratory or clinical pathology testing. In some markets, such as Australia and New Zealand, it is usual for laboratories to provide both anatomical pathology and clinical laboratory testing as part of the one service. In other markets, anatomical pathology can be seen as a separate service.

Sonic's laboratories are highly sophisticated, providing broad menus of complex tests, in addition to state-of-the-art automation for accurate and rapid turnaround of routine tests. Sonic offers a range of more than 3,000 different tests. Sonic's large laboratories reach or exceed tertiary teaching hospital laboratory standards and are recognised for their specialised testing expertise, for example, in anatomical pathology, genetic and molecular testing.

OPERATING AND FINANCIAL REVIEW

Diagnostic imaging (including radiology) is the medical specialty of using medical imaging technologies to diagnose and treat diseases. The array of imaging technologies includes magnetic resonance imaging (MRI), computed tomography (CT), positron emission tomography (PET), nuclear medicine studies, ultrasound, mammography, bone densitometry and general X-ray. Diagnostic imaging also includes interventional radiology, the performance of medical procedures under the guidance of imaging technologies.

In addition to clinical laboratories and diagnostic imaging, Sonic conducts a number of smaller complementary businesses (disclosed in the Other category in the Segment information note, along with corporate office costs). The most significant of these are the Independent Practitioner Network (IPN) medical centre business, the Sonic HealthPlus occupational health business, and Australia's largest skin health business, which together involve more than 200 primary care clinics across Australia, providing facilities and administrative services to around 2,000 general practitioners. Approximately 70% of all Australians live within 10 kilometres of a Sonic clinic.

Financial results

A summary of consolidated revenue and earnings is set out below.

				% Change	
	2026 Constant Currency[1]	2026 Statutory	2025	2026 Constant Currency v 2025	2026 Statutory v 2025
	$'000	$'000	$'000		
Revenue	10,858,157	**10,867,370**	9,645,448	12.6%	12.7%
Gain related to sale and leaseback of property	106,746	**106,746**	–		
Total	10,964,903	**10,974,116**	9,645,448		
EBITDA before non-recurring items	1,915,901	**1,933,126**	1,747,101	9.7%	10.6%
Non-recurring items (net)	(52,700)	**(51,205)**	(22,107)		
EBITDA[2]	1,863,201	**1,881,921**	1,724,994		
Depreciation	(769,014)	**(771,498)**	(722,519)	6.4%	6.8%
EBITA	1,094,187	**1,110,423**	1,002,475	9.1%	10.8%
Amortisation of intangibles	(98,460)	**(97,548)**	(92,846)	6.0%	5.1%
Net interest expense	(187,768)	**(188,338)**	(158,764)	18.3%	18.6%
Income tax expense	(184,067)	**(188,215)**	(206,943)	(11.1)%	(9.0)%
Net (profit) attributable to minority interests	(27,865)	**(28,029)**	(30,325)	(8.1)%	(7.6)%
Net profit attributable to Sonic shareholders	596,027	**608,293**	513,597	16.0%	18.4%
Non-recurring items (net of tax)	13,271	**12,696**	17,217		
Net profit before non-recurring items	609,298	**620,989**	530,814	14.8%	17.0%
Cash generated from operations		**1,405,451**	1,296,790		8.4%
Earnings per share					
Basic earnings per share (cents per share)	120.6	**123.1**	107.0	12.7%	15.0%
Diluted earnings per share (cents per share)	120.5	**123.0**	106.7	12.9%	15.3%
Diluted earnings per share before non-recurring items (cents per share)	123.2	**125.6**	110.3	11.7%	13.9%

[1] For an explanation of Constant Currency refer to (a) on the following page
[2] EBITDA = Earnings before interest, tax, depreciation and amortisation

An explanation of the figures reported above is provided in the following pages of this report.

Directors' Report

OPERATING AND FINANCIAL REVIEW

Explanation of results

a) *Constant Currency*

As a result of Sonic's expanding operations outside of Australia, Sonic is increasingly exposed to currency exchange rate translation risk, meaning that Sonic's offshore earnings and assets fluctuate when reported in AUD.

The average currency exchange rates for the year to 30 June 2026 for the Australian dollar (A$, AUD or $) versus the currencies of Sonic's offshore earnings varied from those in the comparative period, impacting Sonic's AUD reported earnings ('Statutory' earnings). The underlying earnings in foreign currency are not affected.

As in prior periods, in addition to the statutory disclosures, elements of Sonic's results for the year have also been presented on a 'Constant Currency' basis (that is, using the same exchange rates to convert the current period foreign earnings into AUD as applied in the comparative period, being the average rates for that period). This facilitates comparability of the Group's performance, by providing a view on the underlying business performance without distortion caused by exchange rate volatility.

In preparing the Constant Currency reporting, the foreign currency elements of the relevant line item in the Income Statement is restated using the relevant prior period average exchange rate. There is only this one adjustment to each line item, so no reconciliation is required.

The average exchange rates used were as follows:

	2026 Statutory	2025 and Constant Currency
AUD/USD	**0.6787**	0.6479
AUD/EUR	**0.5819**	0.5958
AUD/GBP	**0.5057**	0.5007
AUD/CHF	**0.5383**	0.5616
AUD/NZD	**1.1603**	1.0963
AUD/PLN	**2.4698**	–

To manage currency translation risk, Sonic uses 'natural' hedging, under which foreign currency assets (businesses) are matched to the extent possible with same currency debt. Therefore:

- as the AUD value of offshore assets changes with currency movements, so does the AUD value of the debt; and
- as the AUD value of foreign currency EBIT changes with currency movements, so does the AUD value of the foreign currency interest expense.

As Sonic's foreign currency earnings grow, debt is repaid, and interest rates change, the natural hedges have only a partial effect, so AUD reported earnings do fluctuate. Sonic believes it is inappropriate to hedge translation risk (a non-cash risk) with real cash hedging instruments.

OPERATING AND FINANCIAL REVIEW

b) *Revenue*

Revenue breakdown	2026 Statutory Revenue	% of 2026 Statutory Revenue	2026 Constant Currency Revenue	2025 Statutory Revenue	2026 Constant Currency v 2025
	AUD M		AUD M	AUD M	Growth
Laboratory – Australia and New Zealand	**2,213**	**20.4%**	**2,214**	2,104	5.2%
Laboratory – USA	**2,048**	**18.9%**	**2,146**	2,110	1.7%
Laboratory – Europe	**5,055**	**46.5%**	**4,947**	3,975	24.5%
Radiology – Australia	**1,037**	**9.6%**	**1,037**	970	6.9%
Other	**499**	**4.6%**	**499**	465	7.3%
Revenue	**10,852**	**100%**	**10,843**	9,624	12.7%
Interest income	**15**		**15**	22	
Total revenue	**10,867**		**10,858**	9,645	12.6%

FY2026 organic revenue growth for the Group was 5%.

Organic revenue growth by laboratory market was as follows:

- Australia 5%
- USA 0%
- Germany 5%
- Switzerland 4% (6% in the second half of the financial year)
- UK 17%
- Belgium 3%

Organic growth in the laboratory segment was augmented by the LADR acquisition in Germany on 1 July 2025 and the Cairo Diagnostics acquisition in the USA on 18 August 2025. UK revenue growth was especially strong, following the commencement of the Hertfordshire and West Essex (HWE) NHS outsource contract on 1 March 2025. US organic growth was impacted by the loss of a payor contract in Alabama (from January 2025) and the rationalisation of unprofitable anatomic pathology practices (excluding these impacts US organic growth would have been 2%).

Radiology organic revenue growth was strong at 7%, though lower than in recent years due to a change in Department of Veteran Affairs referral guidelines that impacted MRI growth. This change has now annualised.

Revenue for Sonic Clinical Services ('SCS'), mainly comprising Sonic's medical centre, occupational health and skin health businesses (the major component of the Other segment, which also includes other minor operations), grew 5%, including the impact of the acquisition of National Skin Cancer Clinics in April 2025. Organic revenue growth was 1%, and strengthened in the second half of the financial year.

Directors' Report

OPERATING AND FINANCIAL REVIEW

c) *Earnings*

Underlying (excluding non-recurring items) EBITDA for the Group grew 10.6% on the prior year. Earnings for the Group were impacted by the following non-recurring items:

AUD M	FY2026 EBITDA Impact	Tax Effect*	FY2026 NPAT Impact	FY2025 EBITDA Impact	Tax Effect*	FY2025 NPAT Impact
Gain on sale and leaseback of Brisbane hub lab (completed June 2026)	106.7	19.9	126.6	–	–	–
US debtors adjustment (related to revenue recognised in FY2024 and FY2025)	(33.0)	8.4	(24.6)	–	–	–
Australian wage remediation (related to years prior to FY2026)	(14.0)	4.2	(9.8)	–	–	–
Software intangibles impairment	(82.8)	24.8	(58.0)	–	–	–
Acquisition costs	(8.2)	–	(8.2)	(4.8)	–	(4.8)
Restructuring costs	(13.6)	3.8	(9.8)	(17.3)	4.9	(12.4)
Back office digital transformation investment	(6.3)	1.9	(4.4)	–	–	–
Tax deduction denial related to pre-FY2020 claims	–	(24.5)	(24.5)	–	–	–
Total	**(51.2)**	**38.5**	**(12.7)**	**(22.1)**	**4.9**	**(17.2)**

*Refer to (g) Tax expense below for further commentary on tax effects of non-recurring items.

Underlying EBITDA margin movements by market in FY2026 were as follows:

Market	Key Drivers
Germany (excl. LADR) **Switzerland** **Sonic Clinical Services**	Strong margin expansion, driven by: ▪ Operating leverage from organic growth, driven by market leadership ▪ Advanced diagnostics growth (e.g. highly specialised testing, genetics) ▪ Synergy capture from acquisitions ▪ Cost discipline
Australian Pathology **Belgium**	Margin maintained with: ▪ Fee change impacts offset by operating leverage from organic growth and revenue diversification (e.g. private billing and specialist referrals) ▪ Cost discipline
USA **United Kingdom** **Radiology**	Margin lower, with initiatives to address: ▪ USA – low organic growth 〉 FY2027 focus: continue operating review to grow revenue and improve margins ▪ UK – HWE integration delay and labour cost increase 〉 FY2027 focus: driving organic growth and operational efficiencies ▪ Radiology – initial margin dilution from greenfield sites and MRI changes 〉 FY2027 focus: driving organic growth, cost discipline and productivity gains

Labour costs as a percentage of revenue reduced by 30 basis points versus the prior year, reflecting tight cost control and changes in the mix of Sonic's business (including the addition of the LADR Group).

Consumables cost increased 30 basis points as a percentage of revenue largely due to changes in the mix of Sonic's business (including the addition of the trading business acquired as part of the LADR Group), as well as testing mix. Sonic continues to achieve savings through procurement initiatives, including for example, a major laboratory platform procurement process was completed during the year in Australia which is delivering significant savings.

OPERATING AND FINANCIAL REVIEW

d) *Depreciation*

Depreciation increased 6.8% from the prior year (6.4% on a Constant Currency basis), significantly less than the growth in the business (revenue growth was 12.7%).

e) *Intangibles amortisation*

Intangibles amortisation mainly relates to internally developed and purchased software.

f) *Interest expense*

Net interest expense increased 18.6% on the prior year (18.3% at Constant Currency rates), mainly due to the business acquisitions completed during FY2026.

Sonic's debt is drawn in foreign currencies as 'natural' balance sheet hedging of Sonic's offshore operations (refer to (a) Constant currency above).

Interest rate risk management arrangements are in place in accordance with Sonic's Treasury Policy.

g) *Tax expense*

The reported effective rate for the year was 22.8%, however this was impacted by a number of non-recurring items (refer to (c) Earnings above). The underlying effective tax rate for the year was 26%, slightly lower than the guidance provided in August 2025 and February 2026 of ~27%, mainly due to the mix of profitability in jurisdictions with differing corporate tax rates. Several of Sonic's countries of operation have corporate tax rates below Australia's 30% rate.

Included in the non-recurring items was the gain on the sale and leaseback of Sonic's Brisbane hub laboratory. The combination of the use of ~A$170 million of accumulated capital losses (not previously recognised on the balance sheet) and the timing differences between lease accounting expenses under AASB 16 versus tax deductions for rent have resulted in the net impact to tax expense of this gain being a credit of A$19.9 million.

Also included in the non-recurring items is the tax expense related to the denial of historical tax deductions following the outcome of a tax audit and a court decision against another taxpayer.

h) *Cash flow from operations*

Cash generated from operations was 8% higher than in the comparative period, impacted by 26% higher interest payments primarily related to acquisitions made in FY2026. Gross operating cash flow equated to 93% of EBITDA (excluding non-recurring items that are non-cash). Conversion of EBITDA to cash was impacted by working capital movements, predominantly the timing of creditor payments, including repayments related to the Change Healthcare situation. As advised in previous Annual Reports, in February 2024, Change Healthcare (an outsource billing and payment service provider) experienced a cyber event, which prevented parts of Sonic's USA business from billing and/or collecting debtors. During FY2024 and early FY2025 Sonic received interest free advances to replace the cash that would have been received from debtors. Since that time repayments have been made as debtors have been collected. The balance of advances from Change Healthcare to be repaid after 30 June 2026 is ~US$18 million. As a result of the complexities around revenue recognition largely related to the Change Healthcare situation, Sonic has made a one-off non-cash adjustment of ~US$22 million in FY2026 to reduce the carrying value of US debtors to their estimated realisable value. The revenue to which this adjustment relates was recognised in FY2024 and FY2025.

Directors' Report

OPERATING AND FINANCIAL REVIEW

Financial position

Sonic's net assets at 30 June 2026 of A$8,493M increased by A$20M, or 0.2%, on the prior year. The main components of this increase were:

- A$371M increase for shares issued as part consideration for acquisition of LADR
- A$84M due to retained earnings (operating profit less dividends and other adjustments)
- A$30M reserve movement for share based payments
- A$396M decrease relating to net currency exchange rate translation impacts
- A$65M decrease in reserves due to minority interest transactions.

Excluding the impacts of AASB 16, net (of cash) interest-bearing debt increased A$250M (9%) from the prior year level to A$3,069M. This increase resulted from A$625M of payments for business acquisitions and investments. Currency exchange rate movements of A$248M partially offset this increase. Of the business acquisitions completed in the year, the only one that was material to Sonic was the LADR acquisition in Germany. A significant component of the total consideration for these acquisitions was attributable to goodwill.

Sonic's net interest-bearing debt at 30 June 2026 (excluding AASB 16 impacts) comprised:

	Facility limit (M)	Drawn (M)	AUD (M) available
Notes held by USA investors – USD (fixed coupons)	US$550	US$550	–
Notes held by USA investors – Euro (fixed coupons)	€685	€685	–
Bank debt facilities			
USD (multicurrency) limits	US$100	–	145
Euro (multicurrency) limits	€709	€599	181
AUD (multicurrency) limits	A$607	–	607
CHF (multicurrency) limits	CHF474	CHF448	46
Minor debt/finance leasing facilities	n/a	A$7+	–
Cash	n/a	A$(654)+	654
Available liquidity at 30 June 2026			**1,633**
Net interest-bearing debt (excluding lease liabilities under AASB 16)		**A$3,069**	

+ Various currencies

Sonic's credit metrics at 30 June 2026 were as follows:

	30.6.26	31.12.25	30.6.25
Debt cover (times)	2.2	2.5	2.1
Interest cover (times)	10.0	9.5	10.1
Gearing ratio	25.9%	29.0%	24.7%

Definitions:
- Debt cover = Net Debt/EBITDA (bank covenant limit <3.5)
- Interest cover = EBITA/Net interest expense (bank covenant limit >3.25)
- Gearing ratio = Net Debt/[Net Debt + equity] (USPP note covenant limit <55%)
- Calculations as per Sonic's senior debt facility definitions, which exclude the impacts of AASB 16 *Leases*

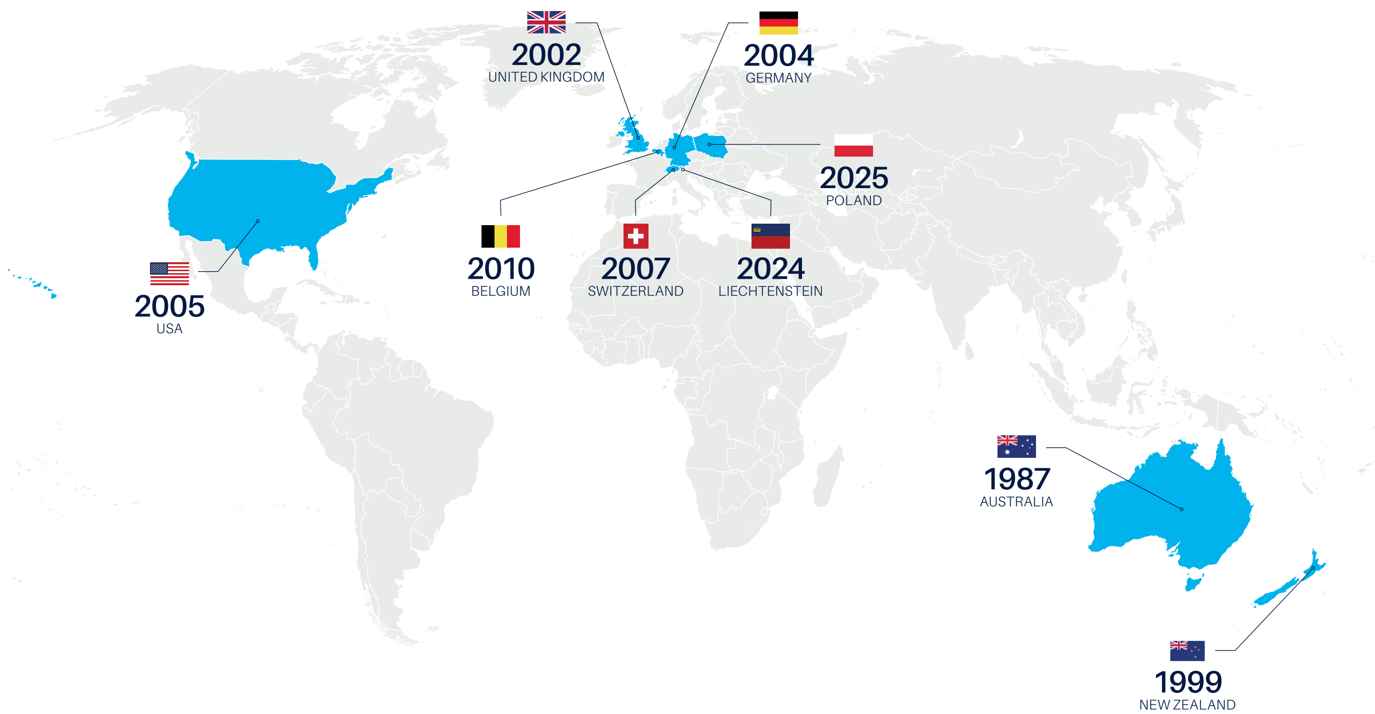
OPERATING AND FINANCIAL REVIEW

Sonic's current senior debt facility limits are due to expire as follows (**note that the figures shown below are the facility limits, not drawn debt**):

Calendar Year	AUD (M)	USD (M)	Euro (M)	CHF (M)
2026	–	–	200	–
2027	450	–	245	–
2028	–	–	185	97
2029	157	100	304	–
2030	–	300	–	–
2031	–	–	320	125
2032	–	150	85	152
2033	–	–	–	100
2034	–	–	200	–
2035	–	100	–	–
2039	–	–	100	–
	607	**650**	**1,639**	**474**

In July 2026, Sonic entered into a €245 million bank debt facility to effectively refinance the €200 million of Euro debt maturing in November 2026.

Countries of operation
(Years shown are the years Sonic entered each market)



Directors' Report

OPERATING AND FINANCIAL REVIEW

Business model and strategies

Since the early 1990s, Sonic Healthcare has consistently pursued and promoted a management and operational philosophy of Medical Leadership. The impact of this approach has been to develop a company whose services are optimally aligned with the needs of physicians and their patients. Medical Leadership encompasses a management commitment to the maintenance of professionalism and 'good medicine' at all times. It fosters an understanding of the doctor–patient relationship and it puts quality first.

Sonic's operations are structured as a federation, with individual subsidiaries or geographical divisions working in a synergistic network to achieve best practice outcomes in terms of service and business excellence. The structure reinforces the identity and management autonomy of each local operation. Each operation has its own CEO or President and management team. When Sonic acquires businesses, they generally maintain their management autonomy, brand and, consequently, their local 'flavour'. This is the structure that is most resonant with local medical communities and which best preserves acquired goodwill. However, Sonic's operations work in a collaborative way within the structure, via central executives and widespread inter-company communication, to achieve synergies and improved performance. Detailed benchmarking within the Group leading to best practice, group purchasing, IT, E-health, quality system sharing and centralisation of testing are all examples of continuous improvement activities within the Group.

Sonic's Medical Leadership philosophy and federation structure have resulted in significant brand differentiation in the market place. The Company's operations are viewed as specialist medical practices, rather than as businesses. This market differentiation has not only fostered strong organic revenue growth over the years but has often made Sonic the preferred acquirer when laboratory or radiology practice founders and owners wish to realise the value of their practices without seeing their focus on the medical nature of the business lost to a more 'corporatised' acquirer. Similarly, hospital systems choose to partner with Sonic for laboratory services on the basis of Sonic's culture. Sonic's culture and structure have also served to attract and retain top pathologists, radiologists, scientific staff and managers, with staff turnover at this important senior level consistently at very low levels.

Sonic's strategy is to utilise its unique culture, values and structure to grow revenue organically (including through winning laboratory outsourcing contracts) and to complete value-enhancing acquisitions and joint ventures, so as to achieve and build upon leading positions in targeted geographic laboratory markets. These positions provide sufficient size and infrastructure to facilitate synergies and economies of scale to drive margin improvements, earnings growth and increasing returns on capital invested. Sonic has a successful track record of consolidating fragmented markets, using its market differentiation to drive both organic revenue growth and to attract like-minded laboratories for acquisition. Sonic is also well placed to benefit from the increasing trend for governments and others to outsource their diagnostic testing to the private sector, in order to address growing healthcare costs.

The Company's principal objective is to increase value for its stakeholders (including shareholders, staff and the community) in a sustainable manner while ensuring that its operations are conducted ethically and in accordance with the Company's Core Values, Code of Conduct, Medical Leadership culture, medical ethics and law.

Sonic Healthcare's investment proposition is to deliver high-value medicine at scale, driving growth and financial performance. Three core differentiators underpin this value proposition: scale and diversification, Sonic's unique Medical Leadership culture and operational excellence.

Prospects for future years

Sonic operates in attractive and growing global healthcare markets, carefully chosen based on a range of factors, including political, legal and financial stability, reliable and stable healthcare funding systems, fragmentation of the market and cultural understanding. Within these markets there is increasing demand for diagnostic services arising from growing and ageing populations, new tests and preventative medicine. Against this favourable backdrop, Sonic expects to continue for the foreseeable future to grow revenue, earnings and returns on investment organically, including through outsourcing contracts, and further enhanced by synergistic business acquisitions and joint ventures. Organic growth in the markets in which Sonic participates has averaged approximately 5% per annum over the long term (excluding COVID-19 revenue fluctuations). Based on recent trends and other factors, Sonic believes organic growth could even be higher than this into the future.

OPERATING AND FINANCIAL REVIEW

Laboratory operations offer many levers which can be adjusted to optimise individual processes, and Sonic's managers are constantly seeking efficiency gains within their businesses, aided by the early adoption of new technologies and the sharing of experiences with colleagues from around the globe.

Sonic expects that the use of artificial intelligence in pathology and radiology will cause step-changes in efficiency, quality, and capacity in coming years, and the Company is investing in IT and infrastructure, including for digital pathology, to unlock these benefits. In addition to Sonic's own specific investments and strategies in this space, increasingly AI tools are becoming available in the market generally that will add efficiency to Sonic's operations over time.

Sonic's capital management priorities are to:

- Maintain an investment grade balance sheet.
- Maintain progressive dividends with medium-term target dividend payout ratio of 70-80% of net profit.
- Pursue selective synergistic acquisitions.
- Conduct share buy-backs where surplus capital and market conditions support them.

Whilst the present focus for acquisitions is on Sonic's existing markets, a 'watching brief' is maintained to identify opportunities that arise for further prudent and strategic international expansion.

Sonic intends:

- to operate in a sustainable and responsible manner;
- to preserve Sonic's reputation, culture and Core Values; and
- to ensure the attraction and retention of the best people to drive the business forward, including retaining key staff from acquisitions.

As a result of Sonic's size and global market presence, opportunities present themselves from time to time that are not necessarily part of Sonic's core strategies but may be synergistic. These opportunities are assessed by management and the Board to determine whether their pursuit is in the best interests of shareholders. Further information on likely strategic developments has not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the interests of the Group.

Directors' Report

OPERATING AND FINANCIAL REVIEW

Risks

Sonic's approach to identifying and managing business risks is described in the Corporate Governance Statement included in this Annual Report. The major risks to consider in assessing Sonic's future prospects are:

- A pandemic or epidemic could impact Sonic's patient volumes and/or ability to provide core services. Whilst the experience with the COVID-19 pandemic demonstrated Sonic's resilience and the important role of a major laboratory company in such a scenario, this may not be the case in every circumstance.
- Sonic's reported revenue and earnings will fluctuate with changes in the currency exchange rates between the Australian dollar (Sonic's reporting currency) and the currencies of Sonic's offshore operations. As previously noted, Sonic uses foreign currency borrowings as a partial (natural) hedge.
- In most of Sonic's markets the majority of revenue is priced based on fee schedules set by government or quasi-government bodies and, especially in the USA, insurance companies. As a result of the strong underlying volume growth drivers, healthcare funders will sometimes use fee cuts or other adjustments to curb growth in their outlays. Sonic mitigates this risk through its geographic and line-of-business diversification, by seeking diversified sources of revenue for its services within markets, and by being one of the largest, more efficient operators and therefore less impacted by adverse market changes than smaller, less efficient players. In general, fee pressures drive further market consolidation, feeding into Sonic's core strategy of growth both organically and by acquisition, with attendant synergy capture and economies of scale.
- Healthcare businesses are subject to significant levels of regulation. Changes in regulation can have the impact of increasing costs or reducing revenue (through volume reductions). Sonic attempts to mitigate this risk by using its market leadership positions to help shape the healthcare systems in which it operates. Sonic takes active roles in industry associations, and encourages its people to take leadership positions in colleges and other professional and craft organisations. In addition, Sonic's size and efficiency allows it to benefit from market consolidation driven by the impacts of regulatory changes on smaller players.
- Loss of a licence or accreditation required to operate one or more of Sonic's businesses could impact revenue both directly and through damage to Sonic's reputation. The likelihood of this risk having a material impact is considered low, given the focus on quality within Sonic.
- Sonic's strategies include the acquisition of businesses and entering into joint ventures and long-term contracts to provide diagnostic testing. There is a risk that an acquisition, joint venture or contract may not achieve its expected financial performance, or give rise to an unexpected liability. Sonic seeks to mitigate these risks through thorough due diligence, and through warranties and indemnities in acquisition and contract documentation.
- There is always the risk of heightened competition in Sonic's markets, whether from more aggressive behaviour of an existing competitor, or from a new competitor. This could include a competitor introducing a new development in testing or introducing new tests that result in less demand for Sonic's services. A change in competition could impact revenue and/or costs. Sonic's leadership is alert to potential changes in the marketplace and reacts swiftly when threats are perceived. Technological changes in diagnostic testing tend to happen more slowly than in industries such as consumer goods. For a testing technology to reach the point of widespread use, it must first be proven to be 'good medicine', including obtaining regulatory approvals and through peer review, and secondly, healthcare funders must be willing to pay for it (for example, by inclusion on government or quasi-government fee schedules). These inherent delays allow competitors and other market participants to revise their own strategies to address the competitive threat. In addition, the broad range of tests (~3,000) offered by Sonic's laboratories provides protection against new developments.
- Relationships with referring physicians (including general practitioners, surgeons and other specialists), hospital groups and other parties with whom Sonic contracts to provide services are important to Sonic's businesses. If, for any reason, Sonic failed to maintain strong relationships with these parties or damaged its reputation with them, there would be a risk that it could lose business to competitors.

OPERATING AND FINANCIAL REVIEW

- Sonic's businesses rely on information technology systems. A disruption to a core IT platform, including as a result of a cybersecurity breach, could have significant operational, financial and/or reputational impacts, particularly if confidential patient data were to be obtained by unauthorised persons. Sonic has implemented strategies to mitigate this risk. The Company has a comprehensive Information Security Management System (ISMS) in place, supported by staff training and awareness programs. Internal systems are monitored and regularly tested (at a minimum, as changes are made to the core software or infrastructure). The information security objectives of confidentiality, integrity, access and privacy are achieved by the implementation of a multi-layered approach and application of key controls (defence-in-depth). Sonic's ISMS sets out the controls in the following domains: Governance and Administrative, Information Security, Personnel Security, Physical Security, Operational Security, Technical Security and Cyber Security. External facing systems are monitored and regularly tested (including third party penetration testing). As part of Sonic's compliance work for specific country requirements (such as KRITIS in Germany, ISO27001 in the UK, ISM and ISO27001 in Australia, SOC2, ISO27001 and HITRUST in USA) these protections are continually reviewed and improved. An external provider is engaged to conduct Global NIST Maturity Audits for all of Sonic's countries of operation, assessing ongoing improvements against a baseline.
- Whilst individual events are unlikely to have any significant impact, inaccurate diagnostic results due to actual or alleged mistakes or errors could result in financial loss and/or reputational damage, particularly if the issue is systemic. Sonic maintains insurance cover to mitigate its financial exposure and has processes in place to manage reputational risks.
- Sonic uses prudent levels of debt to reduce its cost of capital and to increase earnings per share. It is therefore subject to the risk of rising interest rates (either on floating rate debt or when existing facilities expire), the future availability of funding, and potential breach of a term or condition of its debt facilities. Sonic has a sophisticated Treasury Policy in place to manage these risks, developed and overseen by Sonic's Treasury Management Committee, which includes a renowned expert external consultant.
- With operations in nine jurisdictions, Sonic is potentially exposed to changes in taxation legislation or interpretation which could increase its effective tax rate.

In 2026, the Sonic Board has continued its careful consideration of environmental and social sustainability risks, with a particular focus on climate-related risks and human rights. Sonic monitors and manages climate-related risks via the Company's enterprise risk management framework. Please refer to the Sustainability Report for Sonic's climate-related disclosures.

Although Sonic's operations are located in developed nations with well-established laws governing labour standards and human rights, the Company remains vigilant in its review of its own operations and global supply chain to identify and reduce the risk of modern slavery practices. Please refer to Sonic Healthcare's 2026 Modern Slavery Statement (available in November 2026) for more details.

The above list should not be taken to be a comprehensive list of risks associated with Sonic. In particular, it excludes risks relating to the general economic environment and other generic risk areas that affect most companies.

Sonic's geographic, business line and branding diversification, plus our federation structure, broad menu of tests offered and low customer concentrations mean that few, if any, of the usual operating risks faced by a healthcare business would have a material impact on Sonic as a whole.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since the end of the financial year, no matter or circumstance not otherwise dealt with in these financial statements has arisen that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years other than in July 2026, Sonic entered into a €245 million bank debt facility to effectively refinance €200 million of Euro debt maturing in November 2026.

Directors' Report

Left to Right
Prof Suzanne Crowe
Nicola Wakefield Evans
Dr Katharine Giles
Neville Mitchell
Prof Mark Compton
Dr Jim Newcombe
Prof Christine Bennett
Chris Wilks
Kate Spargo

INFORMATION ON DIRECTORS

a) Directors' profiles

Professor Mark Compton AM
Chairman
BSc MBA FAICD FCHSM FIML FRS (NSW)
Non-executive, independent Director, appointed October 2014 (Chairman from November 2015)

Prof Compton has extensive senior executive experience in healthcare services. He is currently Adjunct Professor in Management (Healthcare Leadership) at Macquarie University (Macquarie Business School), Non-executive Director of The Hospitals Contribution Fund of Australia and Non-executive Chairman of not-for-profit organisations St Luke's Care and the Order of St John (St John Ambulance). His previous experience includes Chief Executive Officer of each of St Luke's Care, Immune Systems Therapeutics Limited and the Royal Flying Doctor Service of Australia. He was also Chief Executive Officer and Managing Director of the formerly ASX-listed companies SciGen Limited and Alpha Healthcare Limited. Prof Compton has also held a number of non-executive director roles, including as Non-executive Chairman of ASX-listed Next Science Limited from May 2021 (Non-executive Director from 2018) to 23 August 2023, and for formerly ASX-listed Independent Practitioner Network Limited (2004-2008). He was also Chairman of the Woolcock Institute of Medical Research, Non-executive Director of Macquarie University Hospital and Chairman and Chancellor of St John Ambulance Australia (having served as a volunteer for more than 50 years). In recognition of his work in the healthcare sector and his service to the community, he was awarded the Centenary Medal of the Commonwealth of Australia, appointed by Her Majesty the Queen as a Knight in the Order of St John in 2004 and as Bailiff Grand Cross in 2017, and was appointed as a Member of the Order of Australia (AM) in January 2010. He is a member of the Audit Committee and the Remuneration and Nomination Committee.

Dr Jim Newcombe
CEO and Managing Director
BMedSci (Hons) MPH (Hons) MBBS FRACP FRCPA GAICD
Executive Director, appointed November 2025

Dr Newcombe is the CEO and Managing Director of Sonic Healthcare. He is a registered medical practitioner with specialist qualifications in clinical microbiology and infectious diseases. Dr Newcombe joined Sonic in 2017 and previously served as Chief Executive Officer of Douglass Hanly Moir Pathology, Sonic's founding practice and one of its largest laboratories globally. Dr Newcombe has extensive experience across pathology, clinical medicine and healthcare management in both the public and private sectors. Dr Newcombe is a member of the Risk Management Committee.

Christopher Wilks
CFO and Finance Director
BCom FAICD
Executive Director, appointed December 1989

Mr Wilks became Finance Director and Chief Financial Officer of Sonic Healthcare in 1993. He has a background in chartered accounting and investment banking and was previously a partner in a private investment bank. Mr Wilks has held directorships in a number of public companies and is currently a Non-executive Director of Silex Systems Limited (since 1988), a listed company divested by Sonic in 1996.

Directors’ Report

INFORMATION ON DIRECTORS

Emeritus Professor Christine Bennett AO

MBBS FRACP Master Paed GAICD

Non-executive, independent Director, appointed September 2022

Professor Bennett is a specialist paediatrician with over 40 years of healthcare industry experience across the private, public and not-for-profit sectors. She holds a Bachelor of Medicine, Bachelor of Surgery from the University of Sydney, a Master of Paediatrics from the University of New South Wales, and is a Fellow of the Royal Australasian College of Physicians. Professor Bennett is an experienced non-executive director in for-profit and social enterprises and is currently a Non-executive Director of ASX-listed Regis Healthcare Limited (since March 2018), and the Australian Digital Health Agency (since March 2025), a member of Chief Executive Women and Patron of Research Australia. She was Convenor of the Champions of Change Coalition STEM and Health Group for gender equality until April 2026, and was an advisor to the Digital Health Cooperative Research Centre until the end of June 2026. Her previous Board non-executive director roles include Telstra Health, HeartWare Limited, Symbion Health Limited and Chair of Sydney Children’s Hospital Network. In December 2021, Professor Bennett retired from and was awarded Emeritus Professor by The University of Notre Dame Australia where she was Deputy Vice Chancellor, Enterprise & Partnerships and Dean, School of Medicine, Sydney for over ten years. Her prior experience has included being Group Executive and Chief Medical Officer for MBF and then Bupa Health and Care Services; CEO and later Chair of Research Australia; Managing Director of Total Health Enterprise Ltd; Partner in Health and Life Sciences for KPMG Australia; CEO of Westmead Hospital and Community Health Services; General Manager for the Royal Hospital for Women; and Head of Planning in NSW Health. Professor Bennett was awarded an Officer of the Order of Australia (AO) in the 2014 Australia Day Honours in recognition of her distinguished service to medicine and health care leadership. Professor Bennett is a member of the Risk Management Committee.

Professor Suzanne Crowe AO

MBBS (Hons) FRACP MD FAICD

Non-executive, independent Director, appointed April 2020

Professor Crowe is a qualified medical specialist and physician-scientist, holding MBBS (Hons) and MD degrees from Monash University, and specialist qualifications in Infectious Diseases from the Royal Australasian College of Physicians. She is a Fellow of the Australian Institute of Company Directors, a Fellow of the Australian Academy of Health and Medical Sciences and holds a Diploma in Medical Laboratory Technology from the Royal Melbourne Institute of Technology University. Professor Crowe’s current positions include Non-executive Director of ASX- and NASDAQ-listed Avita Medical, Inc. (from January 2016), and Emeritus Professor of Medicine at Monash University, Melbourne (from 2020). She was a Non-executive Director of St Vincent’s Health Australia Ltd from January 2013 until October 2021. She retired from Burnet Institute as Associate Director in 2018 following a 30-year research career, having played an integral role in Burnet’s development as a global research organisation. Professor Crowe retired as Principal Specialist in Infectious Diseases at The Alfred Hospital, Melbourne in 2019 after 35 years of service. She has served as a Member of the Prime Minister’s Science Engineering and Innovation Council (India/China Working Group), as Head of the World Health Organization (WHO) Regional Reference Laboratory for HIV Resistance Testing and as an HIV advisor to WHO for 25 years. She was appointed as an Officer of the Order of Australia (AO) in 2020, in recognition of her distinguished service to health and aged care administration, clinical governance, biomedical research, and to education. Professor Crowe is Chair of the Risk Management Committee and a member of the Remuneration and Nomination Committee.

INFORMATION ON DIRECTORS

Dr Katharine Giles

MBBS (Hons) MBA GAICD

Non-executive, independent Director, appointed September 2022

Dr Giles holds a Bachelor of Medicine, Bachelor of Surgery (Hons) and an MBA (Dean's Honours list) from the University of Western Australia. She is a registered medical practitioner with the Medical Board of Australia. After initially practicing as a medical doctor, Dr Giles moved to commercial pursuits which combined science, medicine and health. Dr Giles is currently Managing Director and Chief Executive Officer of OncoRes Medical (since 2017), which is developing a novel imaging technology to improve cancer outcomes. Dr Giles is also a Venture Partner at Brandon Capital Partners (since 2012), a venture capital firm dedicated to developing and supporting Australian life sciences businesses. She was previously an Investment Manager with Stone Ridge Ventures, a fund manager specialising in seed-to-early-stage technology investment, and a Founding Director of the Australian Government's National Reconstruction Fund Corporation. Dr Giles has start-up experience in medical apps, diagnostics and fitness devices and has served on the boards of private health care related technology companies. She is a member of the Curtin Commercialisation Advisory Panel.

Neville Mitchell

BCom CA

Non-executive, independent Director, appointed September 2017

Mr Mitchell is a qualified Chartered Accountant with international healthcare and finance experience. He was Chief Financial Officer and Company Secretary of ASX-listed Cochlear Limited (until March 2017), a world leading medical device developer, manufacturer and seller of hearing devices. Mr Mitchell is currently on the boards of ASX-listed Fisher and Paykel Healthcare Corporation (Non-executive Director from November 2018, Non-executive Chair from August 2024) and Sigma Healthcare Limited (Non-executive Director from February 2023). He was formerly a Non-executive Director of ASX-listed Osprey Medical, Inc. (from July 2012 until May 2022) and QBiotics Group Limited (from November 2017 to May 2023). He has also performed roles with a number of industry and government committees. Mr Mitchell is Chair of the Audit Committee and a member of the Risk Management Committee.

Kate Spargo

LLB (Hons) BA FAICD

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 for more than 20 years and is currently a director of the ASX-listed company Bapcor Limited (from March 2023). Ms Spargo also holds non-executive director roles with CIMIC Group Limited and Geelong Football Club Limited. Ms Spargo was previously a Non-executive Director of Fletcher Building Limited, Xenith IP Group Limited, Adairs Limited (from May 2015 to September 2024), Sigma Healthcare Limited (from December 2015 to February 2025) and the Future Fuels Cooperative Research Centre. Ms Spargo is Chair of the Remuneration and Nomination Committee and is a member of the Audit Committee.

Directors' Report

INFORMATION ON DIRECTORS

Nicola Wakefield Evans AM

BJuris LLB FAICD

Non-executive, independent Director, appointed February 2025

Ms Wakefield Evans is a highly experienced non-executive director, business leader and corporate finance lawyer. She holds a Bachelor of Jurisprudence and a Bachelor of Laws from the University of New South Wales and is a qualified lawyer in Australia, Hong Kong and the United Kingdom. Over a 35 year international career, she has gained a broad range of commercial, business management, capital management, strategy and legal experience in the financial services, health, energy and infrastructure sectors. She was a corporate advisory partner at King & Wood Mallesons for more than 20 years and also held several key management positions at the firm including Managing Partner International in Hong Kong and Managing Partner, Practice in Sydney. Ms Wakefield Evans is currently a member of the Australia Future Fund Board of Guardians, and a Non-executive Director of Qube Holdings Limited, the Clean Energy Finance Corporation, the GO Foundation, The University of New South Wales Foundation Limited and the Cruising Yacht Club Australia. She is also Chair of MetLife Australia and a member of the Australian Government's Takeovers Panel. Ms Wakefield Evans' previous non-executive directorships have included Viva Energy Group Limited (until April 2026), Lendlease Group (until November 2024) and Macquarie Group Limited (until February 2024).

In 2019 Ms Wakefield Evans was invited by the Australian Government to be a member of the Australian delegation to the United Nations Commission on the Status of Women. She is a member of Chief Executive Women, and in 2023 was appointed as a Member of the Order of Australia (AM) in recognition of significant service to business, the law, and diversity. In 2026, she won the AFR BOSS Director Excellence award. Ms Wakefield Evans is a member of the Remuneration and Nomination Committee.

b) Company Secretary

Paul Alexander

BEc CA FCSI GAICD

Mr Paul Alexander has served as Deputy Chief Financial Officer of Sonic Healthcare Limited since 1997 and has been the Company Secretary since 2001. Prior to joining Sonic, Mr Alexander gained 10 years' experience in professional accounting practice and also served for two years as Financial Controller and Company Secretary of a subsidiary of a UK headquartered multinational company.

INFORMATION ON DIRECTORS

c) Directors' interests in shares, options and performance rights as at 24 September 2026

Director's name	Class of shares	Number of shares	Interest	Number of options	Number of performance rights
Dr JP Newcombe	Ordinary	–	Personally	490,342+	69,390+
CD Wilks	Ordinary	535,799	Personally	400,192+	84,080+
	Ordinary	112,867	Beneficially	–	–
Prof MR Compton	Ordinary	459	Personally	–	–
	Ordinary	16,557	Beneficially	–	–
Prof C Bennett	Ordinary	8,200	Beneficially	–	–
Prof S Crowe	Ordinary	3,788	Personally	–	–
	Ordinary	6,125	Beneficially	–	–
Dr K Giles	Ordinary	5,600	Beneficially	–	–
N Mitchell	Ordinary	9,770	Beneficially	–	–
KD Spargo	Ordinary	3,000	Personally	–	–
	Ordinary	28,000	Beneficially	–	–
N Wakefield Evans	Ordinary	6,500	Beneficially	–	–

+ Vesting of options and performance rights is subject to challenging performance conditions designed to align the interests of the Executives with those of shareholders. None of the performance rights have vested to date. 25,000 of Dr JP Newcombe's and 23,686 of CD Wilks' options have vested to date.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2026, and the number of meetings attended by each Director (while they were a member of the Board or relevant Committee) were:

			Meetings of Committees					
	Full meetings of Directors		Audit		Remuneration and Nomination		Risk Management	
Director's name	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held	Number of meetings attended	Number of meetings held
Dr CS Goldschmidt	3	3	–	–	–	–	1	1
Dr JP Newcombe	8	8	–	–	–	–	2	2
CD Wilks	11	11	–	–	–	–	–	–
Prof MR Compton	11	11	4	4	3	3	–	–
Prof C Bennett	11	11	–	–	–	–	3	3
Prof S Crowe	10	11	–	–	3	3	3	3
Dr K Giles	11	11	–	–	–	–	–	–
N Mitchell	11	11	4	4	–	–	3	3
KD Spargo	11	11	4	4	3	3	–	–
N Wakefield Evans	11	11	–	–	1	1	–	–

Directors' Report

INSURANCE OF OFFICERS

The Company has entered into agreements to indemnify all Directors of the Company that are named above, and current and former Directors of the Company and its controlled entities, against all liabilities to persons (other than the Company or related entity) which arise out of the performance of their normal duties as Director or executive officer, unless the liability relates to conduct involving lack of good faith. The Company has agreed to indemnify the Directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

The Directors' and officers' liability insurance provides cover against costs and expenses, subject to the terms and conditions of the policy, involved in defending legal actions and any resulting payments arising from a liability to persons (other than the Company or related entity) incurred in their position as a Director or executive officer, unless the conduct involves a wilful breach of duty or an improper use of inside information or position to gain advantage. The insurance policy does not allow disclosure of the nature of the liabilities insured against or the premium paid under the policy.

ENVIRONMENTAL REGULATION

The Group is subject to environmental regulation in respect of the transport and disposal of medical waste. The Group contracts with reputable, licensed businesses to dispose of waste. The Directors believe that the Group has complied with all relevant environmental regulations and there have been no investigations or claims during the financial year.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001*. In the opinion of the Directors, none of the services provided undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 52.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers Australia) for audit and non-audit services during the year are disclosed in Note 34 – Remuneration of auditors.

SHARE OPTIONS

Information on share options is detailed in Note 35 – Share-based payments.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Instrument to the nearest thousand dollars or, in certain cases, to the nearest dollar.

REMUNERATION REPORT

Letter from the Chair of the Remuneration and Nomination Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present the 2026 Remuneration Report.

This has been an important year for Sonic Healthcare. The Company delivered a strong financial and operational result while also completing one of the most significant leadership transitions in its history. Throughout this period of change, Sonic has remained firmly anchored in its Medical Leadership culture, Core Values and commitment to delivering high-quality medicine to the communities we serve.

Sonic reported revenue of A$10.867 billion for the year, an increase of 13%, including organic revenue growth of 5%. Underlying EBITDA increased by 11% to A$1.933 billion, underlying net profit increased by 17% to A$621 million and underlying earnings per share increased by 14% to 125.6 cents. The Company also maintained its progressive dividend, increasing total dividends for the year by one cent to A$1.08 per share. These results reflected strong underlying growth, operating leverage, disciplined capital management and the continued realisation of acquisition synergies.

Pleasingly, growth was broad-based across the Group. Our laboratory businesses benefited from the successful integration of recent acquisitions, including LADR in Germany and Cairo Diagnostics in the United States, while our radiology operations continued to deliver strong growth despite changes to certain referral arrangements in Australia. Sonic also continued to realise substantial benefits from recent acquisitions in Switzerland. Sonic Clinical Services also performed well, supported by the acquisition of National Skin Cancer Clinics and stronger momentum in the second half of the year. These outcomes reflect the value of Sonic's diversified healthcare model and our ongoing focus on high-quality patient care, operational excellence and sustainable growth.

The year also marked continued investment in Sonic's future, including digital and artificial intelligence initiatives, operational improvement programs and leadership development activities designed to position the Company for sustainable long-term growth.

A new chapter of leadership

The year marked the succession of Dr Jim Newcombe as Chief Executive Officer and Managing Director following the retirement of Dr Colin Goldschmidt in November 2025.

Dr Goldschmidt's contribution to Sonic over 32 years as CEO was extraordinary. Under his leadership, Sonic grew from a single Sydney laboratory into one of the world's leading medical diagnostics companies. Just as importantly, he established and protected the culture of Medical Leadership that continues to distinguish Sonic today. The Committee and the Board remain deeply grateful for his vision, dedication and enduring legacy.

Dr Newcombe assumed the role with a clear focus on performance, growth and value creation while preserving the cultural foundations that have underpinned Sonic's success. During his first months as CEO, he has reinforced operational excellence across the Group, advanced Sonic's digital and AI agenda, and strengthened the executive leadership team through several key appointments designed to enhance performance, innovation, and strategic execution.

A significant initiative under Jim's leadership has been the development of the Global Leaders Summit, which brought together senior leaders from across the federation to align on Sonic's strategic priorities through to 2030. The Summit reflects a strong belief that Sonic can continue to benefit from greater collaboration, knowledge sharing, and strategic alignment while preserving the local leadership and accountability central to the federated model.

Changes to remuneration structures for 2026

No adjustments have been made to the Company's remuneration framework in 2026.

Remuneration outcomes

The Committee's objective remains to ensure that executive remuneration is appropriately aligned with Sonic's performance, culture and the long-term interests of shareholders. The Company's remuneration framework continues to balance financial performance with the leadership behaviours and strategic outcomes that have long underpinned Sonic's success.

Directors' Report

REMUNERATION REPORT

In assessing remuneration outcomes during the year, the Committee considered not only strong earnings growth and shareholder returns, but also executive leadership in areas such as commitment to and promotion of Sonic Healthcare's Core Values, Medical Leadership, the successful integration and transition of the new executive team and maintaining Sonic's standing and reputation with a range of external stakeholders, particularly investors.

The award of an STI is based on both an EBITDA target (80% of the opportunity) and strategic qualitative or non-financial targets (20% of the opportunity). The EBITDA target for FY2026 was set based on the Company's earnings guidance provided to the market (in August 2025), with a grid to determine the level of award based on the EBITDA achieved. The achievement of an underlying constant currency EBITDA of A$1.888 billion before certain non-recurring items for the year resulted in an award of 85.8% of the relevant component of the target STI award. Half of the qualitative component of the STI opportunity was linked to achieving sustainability targets aligned with the Company's ongoing commitment to the environment, people, communities and good governance. The remaining half was linked to clear cultural, strategic and operational objectives. The Committee undertook a discerning evaluation of the executives' performance against all of these targets and was satisfied that the performance hurdles were achieved. As a result, the Board awarded them the full 20% of STI attributed to these performance measures.

For the LTI with a performance measurement period of 3 years to 30 June 2026, none of the options and rights will vest. Under the ROIC performance condition, 77.1% of the target average ROIC was achieved, with the minimum hurdle being 100%. For the relative total shareholder return component, the relative TSR achieved equated to the 15th percentile, with the minimum hurdle being the 51st percentile. Aggregate EPS for FY2024 to FY2026 was 69.3% of the target required to achieve any vesting associated with that measure.

We remain committed to a remuneration approach that is transparent, aligned to performance and capable of attracting and retaining leaders with the expertise required to operate a global healthcare organisation of Sonic's scale and complexity.

Committee succession

This is my final letter as Chair of the Remuneration and Nomination Committee. I will retire as Chair following the 2026 Annual General Meeting, although I will remain a member of the Committee and look forward to continuing to contribute to its work.

I am delighted that my fellow Committee member, Nicola Wakefield Evans AM, will succeed me as Chair. Nicola brings extensive public company board experience and substantial experience serving on board committees responsible for remuneration, nominations, governance and sustainability matters. Since joining the Sonic Board in February 2025, she has made a valuable contribution to the Committee's work. She has demonstrated sound judgement, strong governance capability, and a balanced approach to remuneration oversight. I am confident she is exceptionally well qualified to lead the Committee into its next chapter.

Remuneration Reports are necessarily complicated by their nature, and we continually try to enhance the readability of our Report, including welcoming feedback from shareholders and proxy advisers for consideration in future years.

Finally, I would like to thank my fellow Committee members, the Board and management for their support throughout the year. Most importantly, I thank Sonic's doctors, scientists, leaders and employees around the world. Their expertise, dedication and commitment to patients continue to drive Sonic's success and reputation, and they remain the foundation upon which the Company's long-term performance is built.

Kate Spargo
Chair, Remuneration and Nomination Committee
24 September 2026

REMUNERATION REPORT

In this report

a) Key management personnel
b) Year in review
c) 2026 performance and remuneration outcomes for Executive Directors
d) 2026 Executive Director remuneration framework
e) Remuneration governance
f) Non-executive Director remuneration
g) Statutory remuneration disclosures for key management personnel
h) Other statutory disclosures

a) Key management personnel

The table below lists the Directors of Sonic Healthcare Limited, who were the key management personnel (KMP) of the Group throughout the financial years ended 30 June 2026 and 2025 unless otherwise stated.

Name	Position
Non-executive Directors	
Prof MR Compton AM	Chairman
Prof C Bennett AO	Non-executive Director
Prof S Crowe AO	Non-executive Director
Dr K Giles	Non-executive Director
N Mitchell	Non-executive Director
LJ Panaccio (until 19 November 2024)	Non-executive Director
KD Spargo	Non-executive Director
N Wakefield Evans AM (from 10 February 2025)	Non-executive Director
Executive Directors	
Dr JP Newcombe (from 20 November 2025)	Managing Director
Dr CS Goldschmidt (until 20 November 2025)	Managing Director
CD Wilks	Finance Director

The Board is satisfied that given the Company operates in a federation structure and the consequent distributed management model, there are no other KMP at the Group level.

b) Year in review

Sonic Healthcare reported revenues of $10.9 billion and a net profit for the year to 30 June 2026 of $608 million. Sonic's businesses performed strongly during the year, with the Group achieving 5% organic revenue growth. The EBITDA earnings guidance range Sonic provided to the market in August 2025 was $1.87–1.95 billion on a Constant Currency basis, and this was achieved, with Constant Currency EBITDA of $1.916 billion before non-recurring items.

REMUNERATION REPORT

During the year, Sonic's management teams globally were acutely focussed on driving organic growth, tightly controlling costs, and progressing the many workstreams required to realise the synergies expected from the significant acquisitions the Company has made in Switzerland, Germany and the USA in recent years. A significant development during the year was the completion on 1 July 2025 of the acquisition of Laboratory Group Dr. Kramer & Colleagues ('LADR') – one of the 'Top 5' medical laboratory groups in Germany. LADR is one of the largest acquisitions ever undertaken by Sonic, with an enterprise value of €423 million. This acquisition has solidified our market leadership position in Germany and is providing substantial synergy opportunities. The sellers, who are now part of the senior leadership of Sonic Healthcare Germany, were attracted by Sonic's Medical Leadership culture, and took 13.8 million Sonic shares as part of the consideration, clearly demonstrating their commitment and belief in Sonic's future.

Shareholders were rewarded with total dividends for the year of A$1.08 per share, up 1% on FY2025, supported by the Company's strong balance sheet, cash flows and future earnings expectations.

Sonic's sustainability strategy continued to be successfully implemented in FY2026, with the completion of key short-term milestones and progress made as expected towards longer term goals. Details will be provided in the 2026 Sustainability Impact Report, to be published in November 2026.

c) 2026 performance and remuneration outcomes for Executive Directors

The Board did not exercise discretion to adjust any variable remuneration performance targets or outcomes for 2025 or 2026. In light of 2026 performance, remuneration outcomes were as follows:

i) Fixed Remuneration

Fixed Remuneration was set at $1,750,000 per annum for Dr JP Newcombe (pro-rated from 20 November 2025) inclusive of any superannuation or salary packaging components. Fixed Remuneration for CD Wilks has remained unchanged since 2023 at $1,200,000.

ii) STI outcomes

Under the EBITDA performance condition, the relevant portion of the STI was paid based on the EBITDA level achieved per the grid below (with pro rata applying between levels).

The Constant Currency EBITDA earnings guidance range Sonic provided to the market in August 2025 was A$1.87–1.95 billion. The Target EBITDA was set at the 75th percentile of this range, being A$1.93 billion. The actual FY2026 Underlying Constant Currency EBITDA achieved was A$1.888 billion[1], resulting in a payout of 85.8% of the relevant target component under the EBITDA performance condition, which relates to 80% of the total target STI amount.

There is a 1% cap on the contributions to EBITDA allowed from acquisitions arising during the financial year that were not included when guidance was set. This has been assessed for FY2026, and the contribution is less than 0.5%; therefore no adjustment was required.

	FY2026 EBITDA A$M	% of Target EBITDA	% of 80% of STI
Maximum payout level	3,860	200.0%	150%
Guidance top end	1,950	101.0%	120%
Target	**1,930**	100.0%	100%
Guidance bottom end	1,870	96.9%	80%
Threshold payout level	1,834	95.0%	50%

The remaining 20% of the target STI award was subject to the qualitative strategic performance conditions. The performance conditions were met in full resulting in 100% of the relevant component being paid. Detailed information was sought from a range of sources both within and outside of the Company and an assessment of the performance of the Executives was made by the Board.

[1] Constant Currency EBITDA before non-recurring items was A$1.916 billion, however certain elements of the non-recurring items were deemed to have been allowed for when earnings guidance was set, such that the appropriate EBITDA outcome was assessed at A$1.888 billion.

REMUNERATION REPORT

50% of the portion of the target STI award related to qualitative strategic performance conditions (the 20%) is assessed based on progress with the Company's environmental, governance and sustainability (including climate) objectives, and is assessed against the achievement of specific milestones/objectives for the year. For the 2026 year these were:

- Oversee and support preparation for year one AASB S2 climate-related disclosures.
- Undertake assurance of Sonic's global scope 3 greenhouse gas emissions for FY2026, in preparation for limited assurance requirements of mandatory climate disclosures in FY2027.
- Maintain or improve Sonic's external sustainability ratings.
- Ensure appropriate resourcing and organisational structures are in place to progress the Company's sustainability strategies, progress against targets and overall sustainability program maturity.

These milestones/objectives were achieved.

The other 50% of the relevant portion (20%) of the target STI award was assessed with reference to the following factors:

- Demonstrate ongoing leadership commitment to Sonic's Core Values.
- Maintain stability and engagement of Medical Leadership during executive transition.
- Ensure new executive appointees are fully integrated and aligned with Sonic's leadership culture.
- Maintain Sonic Healthcare's standing and reputation with external stakeholders, including investors.

Each of these 'qualitative' factors were given equal weighting, and each were further broken down into specific KPIs that were required to be met. Evidence was obtained to support their achievement.

For 2026, CD Wilks could achieve an additional STI of up to $300,000 related to successful integration with the new Sonic senior leadership team. An assessment by the Board noted the successful integration of the new executives and alignment with Sonic's leadership culture resulting in 100% of the STI being awarded.

The table below summarises the 2026 STI outcomes.

	STI target as a % of Fixed Remuneration	Target STI $	% of Target STI actually awarded	% of Target STI forfeited	Actual STI award $
Dr JP Newcombe*					
2026	100%	1,069,178	88.7%	11.3%	948,073
Dr CS Goldschmidt*					
2026	92%	856,423	88.7%	11.3%	759,416
2025	92%	2,201,368	75.0%	25.0%	1,650,643
CD Wilks					
2026	130%	1,563,206	90.8%	9.2%	1,420,123
2025	105%	1,263,206	75.0%	25.0%	947,185

* Dr JP Newcombe's STI pro-rated for period of service from 20 November 2025 to 30 June 2026. Dr CS Goldschmidt's STI pro-rated for period of service from 1 July 2025 to 19 November 2025.

Directors' Report

REMUNERATION REPORT

iii) LTI outcomes

The options and performance rights issued as LTI for the Executives are subject to challenging vesting conditions. Of the options and performance rights with a performance measurement period for three years to 30 June 2026, 0% (2025: 0%) satisfied the performance conditions, as follows:

LTI outcomes (1 July 2023 to 30 June 2026)			
Performance measure	Overall weighting	Performance achieved	% eligible to vest
Relative TSR	45%	15th percentile	0%
Aggregate Earnings Per Share[1]	33%	316.7 cents	0%
Target Average ROIC[2]	22%	77.1% of target ROIC	0%
Total	**100%**		**0%**

[1] For the Aggregate EPS component of the LTI issue made in FY2024, the performance was as follows: FY2024 EPS: 103.1, FY2025 EPS: 100.2, FY2026 EPS: 113.4, for a total aggregate EPS of 316.7 cents over the three-year performance period. The minimum hurdle was 457 cents and the maximum hurdle was 480 cents. EPS was calculated on a Constant Currency basis.

[2] For the ROIC component of the LTI issue made in FY2024, the performance was as follows: FY2024 (target: 9%, achieved: 6.5%), FY2025 (target: 9%, achieved: 5.9%) and FY2026 (target: 6.5%, achieved: 6.5%). This resulted in 77.1% of the target ROIC being achieved over the three-year performance period. ROIC was calculated excluding the impacts of the accounting standard AASB 16 and significant non-recurring items. Refer to the Financial History for a description of the methodology.

REMUNERATION REPORT

iv) Historical performance of the Group and relationship to remuneration of key management personnel

The table below summarises Sonic Healthcare's performance over the last five years and the changes in remuneration of key management personnel (but excluding Non-executive Directors who do not receive performance-based or equity-based remuneration). Note that FY2022 and FY2023 included significant profits derived from high volumes of COVID-19 related testing.

	2022	2023	2024	2025	2026	Compound average annual growth rate[1]
Growth in EBITDA (on a Constant Currency basis)	10.7%	(40.7)%	(7.2)%	4.1%	8.0%	(7.2)%
Net profit attributable to members ($M)	1,461	685	511	514	608	(14.3)%
Diluted earnings per share (cps)	302.5	145.0	107.2	106.7	123.0	(14.7)%
Dividends declared per share (cps)	100	104	106	107	108	3.5%
Enterprise value[2] ($M)	16,386	17,633	14,984	15,688	13,354	(7.1)%
Total Shareholder Return[3]	32.0%	27.7%	(23.5)%	(10.0)%	(35.0)%	n/a
Change in total Fixed Remuneration of Executives[4]	0%	3.2%	0%	0%	(10.2)%	(1.5)%
Change in STI of Executives[4]	0%	(64.3)%	(58.6)%	274.9%	20.4%	(7.8)%
Change in total remuneration of Executives[5]	13.3%	(21.9)%	(14.2)%	26.2%	(24.2)%	(6.2)%
LTI vesting (for 3-year performance period ended that year)	100%	84.3%	25%	0%	0%	n/a

[1] The compound average annual growth rate is calculated over the five-year period shown with 2021 as the base year.
[2] Enterprise value is the Company's market capitalisation (number of issued shares times closing share price) plus net interest-bearing debt (excluding lease liabilities under AASB 16) at 30 June.
[3] Total Shareholder Return is calculated over a rolling three-year performance period and assumes dividend reinvestment.
[4] Change in total Fixed Remuneration and STI of Executives is the percentage increase/(decrease) over the prior year of total Fixed Remuneration and STI of all key management personnel in place for the relevant periods (but excluding Non-executive Directors).
[5] Change in total remuneration of Executives is the percentage increase/(decrease) over the prior year of total remuneration (cash plus long service leave accrued plus the calculated value of equity remuneration but excluding termination benefits) of all key management personnel in place for the relevant periods (but excluding Non-executive Directors).

The table above demonstrates the relationship between the performance of the Group and the remuneration of its key management personnel. Remuneration has fluctuated from year to year largely dependent on the extent to which the STI performance hurdle related to EBITDA was met. Total remuneration has also fluctuated depending upon whether elements of equity-based remuneration have met challenging (non-market based) performance conditions.

v) Retirement of Dr CS Goldschmidt

On 20 November 2025 Dr CS Goldschmidt retired as CEO and Managing Director of the Group after 32 years in the role. It was agreed that, given the circumstances of Dr CS Goldschmidt, including his service period and the fact that he would continue to provide services to the Company as an advisor to the Board and a mentor to the new CEO of Douglass Hanly Moir, Dr CS Goldschmidt should retain his outstanding equity awards, subject to their existing vesting hurdles and times. In addition Dr CS Goldschmidt was eligible for the FY2026 STI pro-rated for his period of service in the year.

Directors’ Report

REMUNERATION REPORT

d) 2026 Executive Director remuneration framework

i) Remuneration strategy

Sonic Healthcare’s remuneration opportunities are structured and set at levels that are intended to attract, motivate and retain Executives capable of leading and managing the Group’s operations, and to align remuneration with the creation of value for shareholders.

Sonic Healthcare’s remuneration policy links the remuneration of the Managing Director and the Finance Director to Sonic’s performance through the award of conditional entitlements. These conditional entitlements relate to the performance of the Group and align reward with the creation of value for shareholders.

The remuneration strategy is designed to support Sonic’s business strategy. In particular, the approaches support the unique nature of the decentralised federated structure, complexity of the global organisation and the acquisitive nature of the business.

Summary of remuneration components

The graphic below summarises the target remuneration components and timing of delivery, excluding the additional STI for CD Wilks of up to $300,000 related to successful integration with the new Sonic senior leadership team, which is payable in cash in Year 1.

		Year 1	Year 2	Year 3
Fixed Remuneration (FR)	100% Cash	Base salary, superannuation and other benefits		
STI (Target was 100% of FR for JP Newcombe and 105% of FR for CD Wilks)	60% Cash 40% Equity at Target level	80% based on EBITDA 50% Cash, 50% Equity	Equity • No further performance conditions • Minimum 2 year hold	
		20% based on Strategic Objectives 100% Cash		
LTI (Target was 178% of FR for Dr JP Newcombe and 107% of FR for CD Wilks)	50% granted as Options 50% granted as Performance Rights	50% based on Relative Total Shareholder Return 25% based on Aggregate Earnings per Share 25% based on Target Average Return on Invested Capital		

REMUNERATION REPORT

The table below outlines the purpose, performance link and value to shareholders of each remuneration component.

	Fixed Remuneration (FR)	Short-Term Incentive (STI)	Long-Term Incentive (LTI)
Purpose	Baseline level of remuneration to attract and retain individuals with the skills, experience and capability to deliver the business strategy. Executive Directors may take part of their base salary as other benefits, such as motor vehicles, including any associated fringe benefits tax.	Motivate and reward for contributing to the achievement of annual financial and strategic objectives.	Align participants with long-term business strategy and the creation of shareholder value and returns over the long term.
Performance link	Reviewed annually, taking into account market benchmarks, performance and experience of Executive Directors and Company performance.	Performance is assessed against EBITDA targets and strategic objectives.	Performance is assessed against Relative Total Shareholder Return (TSR), Earnings per Share (EPS) and Return on Invested Capital (ROIC).
Value delivered to shareholders	The remuneration of current Executive Directors reflects the individual's significant commitment to the success of Sonic Healthcare.	Aligned to earnings and delivery of annual strategic objectives that support the longer-term strategy. Deferred portion delivered in equity.	The LTI is fully delivered as equity and performance measures are aligned to long-term shareholder returns and value creation.

ii) Market positioning of fixed and total remuneration opportunities

Remuneration arrangements for Dr JP Newcombe and CD Wilks are reviewed annually by the Remuneration and Nomination Committee, referencing market benchmarking. Consideration is given to companies of similar size and complexity based on market capitalisation, global complexity (determined by offshore portion of revenue) and industry. Companies in the Financials and Metals and Mining sectors are excluded from market comparisons.

Fixed Remuneration and Total Target Remuneration (being Fixed Remuneration, STI and LTI) were targeted at the median for the Managing Director and at the 80th percentile for the Finance Director when set.

The target market positioning reflects the value of the specific individuals to Sonic Healthcare taking into consideration the following factors:

- Dr JP Newcombe commenced as Managing Director in November 2025, having been with the Company in senior roles for eight years prior to that.
- The Finance Director, CD Wilks, has led the Company in driving sustained share price growth, demonstrating Medical Leadership and delivering significant shareholder value over more than 30 years. He is among the longest tenured and successful incumbents in his role within the ASX 200, having served in the role since 1993. The Board considered it appropriate to recognise the value of the knowledge, skills and experience the Finance Director brings to Sonic Healthcare, as well as the sustained performance delivered.
- Reflecting this sustained performance, the Finance Director has built and retained a large shareholding with Sonic Healthcare over his significant tenure, resulting in a high level of alignment with shareholders.
- The role and strategic responsibilities of CD Wilks are considered broader than those of a typical CFO role.

Directors' Report

REMUNERATION REPORT

iii) Remuneration mix

The table below provides a summary of target remuneration mix for 2026 for Dr JP Newcombe and CD Wilks:

	Fixed Remuneration (% of total remuneration)	Target STI (% of total remuneration)	LTI opportunity (% of total remuneration)
Dr JP Newcombe	~26%	~27%	~47%
CD Wilks	~30%	~38%	~32%

iv) Detailed overview of STI and LTI arrangements

Additional information for the STI and LTI arrangements for the year ended 30 June 2026 are detailed below.

STI Plan

Key question	Sonic Healthcare approach
Who is eligible to participate in the STI plan?	The Managing Director and Finance Director are eligible to participate in the STI plan.
What are Executive Directors able to earn under the STI plan?	▪ **Target opportunity:** 100% of Fixed Remuneration for the Managing Director and 130% for the Finance Director. ▪ **Maximum opportunity:** 140% of target for the achievement of stretch performance for the Managing Director and 132% for the Finance Director.
What is the mix of performance conditions?	The STI is determined based on the extent to which the following conditions are met: ▪ 80% based on EBITDA ▪ 20% based on Strategic Objectives (of which 50% relates specifically to sustainability objectives) ▪ Up to an additional $300,000 available to the Finance Director based on successful integration with the new Sonic leadership team.
How does the EBITDA performance condition work?	Achievement of a target level of underlying EBITDA. The annual EBITDA performance target is based on the upper quartile of market earnings guidance, or where no guidance is provided, based on market expectation. EBITDA is used as a performance criterion as it is consistent with the way Sonic gives earnings guidance to the market and is a clearer measure of operational performance than net profit or earnings per share as it is not distorted by changes in income tax law or interest rates. Up to 150% of the component of Target STI which relates to EBITDA growth can be paid in defined circumstances where there has been significant outperformance.
What are the Strategic Objective measures?	The Strategic Objectives applicable to the STI are as follows: ▪ Demonstrate ongoing leadership commitment to Sonic's Core Values. ▪ Maintain stability and engagement of Medical Leadership during executive transition. ▪ Ensure new executive appointees are fully integrated and aligned with Sonic's leadership culture. ▪ Maintain Sonic Healthcare's standing and reputation with external stakeholders, including investors.
How is the STI delivered?	50% of the EBITDA related component is delivered as rights to Sonic Healthcare shares. The rights/shares are held in the Sonic Healthcare Employee Share Trust for a period of at least two years. The remainder of the STI is delivered as cash with no deferral.

REMUNERATION REPORT

LTI Plan

The award features for the grant made during the 2026 financial year are as follows:

Key question	Sonic Healthcare approach
Who is eligible for awards under the LTI plan?	The Managing Director and Finance Director are eligible to participate in the LTI plan.
Are awards made on an annual basis under the LTI plan?	Yes, LTI grants are made on an annual basis, subject to shareholder approval at the Company's Annual General Meeting. This allows the Board to review the performance conditions on an annual basis and/or adjust the mix between types of instruments for changes in circumstances.
What form do the awards take?	The LTI is delivered half in options and half in performance rights.
Are dividends paid on unvested LTI awards?	No, unvested options and performance rights are not eligible for dividends. Executive Directors are only rewarded to the extent performance conditions have been achieved at the end of the performance period and awards are exercised.
How is the number of awards to grant determined?	The number of options issued was determined based on a Black Scholes methodology valuation at the time of grant. The valuation does not allow for any discounts relating to performance conditions. The exercise price of the options is determined using the Volume Weighted five-day Average market Price ('five-day VWAP') for Sonic Healthcare shares preceding the date of grant. The number of performance rights issued was determined by dividing 50% of the maximum value of LTI (i.e. the proportion granted as performance rights) by the five-day VWAP for Sonic Healthcare shares preceding the date of grant.
What is the mix of performance conditions?	Awards vest under the LTI plan based on the extent to which the following conditions are achieved over the three-year performance measurement period: ▪ Relative TSR (45% weighting) ▪ Aggregate Earnings per Share (EPS) (33% weighting) ▪ Average Return on Invested Capital (ROIC) (22% weighting) Note that the weighting percentages are impacted by the potential to earn up to 150% for the Aggregate EPS measure. Based on target remuneration (as opposed to maximum) the percentages would be 50%, 25% and 25%.
How does the Relative TSR performance condition work?	Relative Total Shareholder Return (TSR) provides a direct link between executive remuneration and shareholder return relative to the Company's peers. Sonic Healthcare's TSR is measured against the S&P ASX 100 Accumulation Index, excluding Banks and Resource companies, over the three-year performance period. Sonic Healthcare's TSR performance is ranked relative to the TSRs of the other constituents of this reference group. Dr JP Newcombe's TSR measurement period commenced from 20 November 2025 (his commencement date as Managing Director). Awards under the Relative TSR condition vest as follows:

TSR ranking achieved	Percentage of options and rights that vest
Below the 51st percentile	0% vesting of Relative TSR component
51st percentile	50% vesting of Relative TSR component
Greater than 51st and less than 75th percentile	Pro rata between 50% and 100% vesting of Relative TSR component
75th percentile and above	100% vesting of Relative TSR component

REMUNERATION REPORT

Key question	Sonic Healthcare approach
How does the Aggregate EPS performance condition work?	Sonic Healthcare's Aggregate EPS over three years is measured against an Aggregate EPS target. EPS is calculated as Net Profit after Tax, divided by the fully diluted weighted average number of ordinary shares on issue during a year. EPS is calculated on a 'Constant Currency' basis (to AUD using average currency exchange rates for the base financial year). Using a Constant Currency measure of EPS removes volatility from exchange rate movements that are out of the control or influence of the Executive Directors. Growth in EPS has been chosen as a condition as it is a direct measure of Company performance and maintains a strong correlation with long-term shareholder return. Awards under the aggregate EPS condition vest as follows:

Aggregate EPS (cents) for 3 years ending 2028	Percentage of options and rights that vest
Less than 353	0% vesting of aggregate EPS component
Equal to 353	30% vesting of aggregate EPS component
Between 353 and 388	Pro rata between 30% and 100% vesting of aggregate EPS component
Equal to 388	100% of aggregate EPS component
Between 388 and 426	Pro rata between 100% and 150% vesting of aggregate EPS component
Equal to or greater than 426	150% of aggregate EPS component

353 cents per share equates to compound annual growth of 5%, 388 cents per share equates to compound annual growth of 10% and 426 cents equates to compound annual growth of 15%, in each case over a base of 106.7 cents per share, which was the actual EPS for FY25.

Key question	Sonic Healthcare approach
How does the Target Average ROIC performance condition work?	The Board sets a ROIC target at the beginning of each measurement year, taking into account market conditions and Company-specific factors at the time. The ROIC target for the first year of the performance period (2026) was 6.5%. After completion of the three-year measurement period, the average of the actual ROIC over the three years will be compared to the average of the three ROIC targets ('Target Average ROIC'). Measurement of the average actual ROIC will exclude any significant uncontrollable or one-off events, and the initial impact of business development initiatives, as approved by the Board. ROIC has been chosen as a performance condition as the Board believes that a primary focus in coming years should be improvement in the return from the substantial investments the Company has made into its businesses. Awards under the Average ROIC condition vest as follows:

Average ROIC over 3 years	Percentage of options and rights that vest
Less than Target Average ROIC	0% vesting of Average ROIC component
Equal to Target Average ROIC	40% vesting of Average ROIC component
Greater than Target Average ROIC and less than 110% of Target Average ROIC	Pro rata between 40% and 100% vesting of average ROIC component
110% of Target Average ROIC or greater	100% vesting of average ROIC component

Key question	Sonic Healthcare approach
Does the LTI have re-testing?	No, there is no re-testing. Options and performance rights for which the performance conditions are not satisfied lapse immediately after the performance measurement is finalised. The Board may make adjustments in measuring performance under the Aggregate EPS and Target Average ROIC conditions to ensure the intent of the incentive plan is retained e.g. for a change in accounting standards.
How are the awards delivered under the LTI?	Vesting of LTI grants is dependent upon the achievement of the performance conditions outlined above over the three-year performance period. Options can only be exercised when the market price of Sonic Healthcare shares is higher than the exercise price. The performance rights will automatically exercise if and when the Board determines the performance conditions have been achieved. Entitlements are satisfied either through an allotment of new Sonic Healthcare ordinary shares to participants or the purchase of existing shares on-market.

REMUNERATION REPORT

e) Remuneration governance

i) Service agreements

The Managing Director has a service contract that sets out his terms of employment which includes no fixed term, a 12 month notice period by either party (unless terminated for cause), payment in lieu of notice at the Company's discretion, no termination payment, and a non-compete provision for up to 12 months following cessation of employment. The Finance Director does not have a service contract. Rather, the terms and entitlements of his employment are governed by applicable employment laws. There are no set contract/employment periods, and no sign-on payments have been made.

Other than contributions to superannuation funds during employment periods and notice periods under applicable employment laws, the Group does not contract to provide retirement benefits to Executive or Non-executive Directors.

Key remuneration-related terms for the Executive Directors are outlined below:

Cessation of employment

Should a participant cease employment before their LTI awards vest, the treatment of their unvested awards will depend on the circumstances of their cessation:

- Where they cease employment due to resignation or termination for cause (including gross misconduct), all of their unvested options and/or performance rights will automatically lapse.
- Where they cease employment in any other circumstances (including retirement), a pro-rata number (based on the portion of the performance period which has elapsed), of their unvested options and/or performance rights will remain on foot and be tested at the end of the performance period, and vest to the extent that the applicable performance conditions have been achieved.

Notwithstanding the above, the Board retains full discretion to determine a different treatment in relation to their unvested LTI awards.

The Board retains discretion in relation to the treatment of any deferred STI where there is cessation of employment.

Change of control

If a takeover bid or other public proposal is made for voting shares in the Company which the Board reasonably believes is likely to lead to a change of control, unvested options and performance rights may vest at the Board's discretion, having regard to pro rata performance and the circumstances leading to the potential change of control.

Malus and clawback

Where, in the opinion of the Board, a participant has obtained, or will obtain, an unfair benefit as a result of an act which:

- constitutes fraud, or dishonest or gross misconduct in relation to the affairs of the Group or any Group Company;
- brings the Group or any Group Company into disrepute;
- is in breach of their obligations to the Group or any Group Company, including compliance with any applicable Company policy;
- constitutes a failure to perform any other act reasonably and lawfully requested of the participant; or
- has the effect of delivering strong Company performance in a manner which is unsustainable or involves unacceptably high risk, and results, or is likely to result, in a detrimental impact on Company performance following the end of the period;

the Board may, to ensure that no unfair benefit is obtained by the participant, in its absolute discretion, subject to applicable laws, determine any treatment in relation to an award, including, without limitation, to:

- vary downwards (including to nil) the number of shares/securities in respect of which an award vests;
- reset the performance condition and/or alter the period(s) applying to awards;
- deem all or any awards which have not vested to have lapsed or been forfeited (as relevant);
- transfer shares held by or on behalf of the executive to a holding as determined by the Board, or require the executive to effect such a transfer;
- where resulting shares have been sold, require the executive to pay an amount of cash to the Company; or
- determine any other treatment in relation to an award as the Board deems fit.

Directors' Report

REMUNERATION REPORT

ii) Remuneration policy and governance oversight

The following diagram illustrates Sonic Healthcare's remuneration governance framework and the key roles of the Remuneration and Nomination Committee, which currently consists of four Non-executive independent Directors.

SONIC BOARD

- Oversees Non-executive Director and Executive Director remuneration and remuneration policies.
- With the support of the Remuneration and Nomination Committee, the Board is responsible for monitoring the performance of Executive Directors and the alignment of remuneration policies with Sonic's purpose, values, strategic objectives and shareholders.
- Reviews and approves recommendations from the Remuneration and Nomination Committee.

REMUNERATION AND NOMINATION COMMITTEE

- Makes specific recommendations to the Board on remuneration packages and other terms of employment for the Executive and Non-executive Directors.
- Advises the Board in relation to equity-based incentive schemes for all other employees.
- Seeks advice from the Risk Management Committee on risk-related matters.
- Seeks advice from independent consultants where appropriate.

REMUNERATION ADVISORS

- Provide independent advice to the Remuneration and Nomination Committee or management on remuneration market data, market practice or other remuneration-related matters.
- No remuneration recommendations were made by an external adviser in 2025 or 2026.

MANAGEMENT

- Makes recommendations to the Remuneration Committee on the Group's remuneration strategy and framework.
- Provides relevant performance, financial and risk information to support decision-making.

REMUNERATION REPORT

f) Non-executive Director remuneration

Remuneration of Non-executive Directors is determined by the Board within the maximum amount approved by the shareholders. At the Annual General Meeting on 19 November 2024, shareholders approved a maximum annual amount of $3,000,000 for remuneration of Non-executive Directors, of which $2,169,692 was paid in 2026. Following consideration of a benchmarking study, and noting that fees had not increased since 1 July 2023, fees were increased by 5% effective from 1 July 2025 as set out in the table below.

Fees per annum			Committee Chair		Members	
	FY2026	Previous	FY2026	Previous	FY2026	Previous
Chairman (inclusive of Committee work)	$606,375	$577,500				
Base Non-executive Director fee	$220,500	$210,000				
Audit Committee			$51,818	$49,350	$25,358	$24,150
Risk Management Committee			$41,895	$39,900	$20,948	$19,950
Remuneration and Nomination Committee			$44,100	$42,000	$22,050	$21,000

Options and performance rights are not issued and performance-based remuneration is not payable to Non-executive Directors.

g) Statutory remuneration disclosures for key management personnel

The following tables show the total remuneration for Sonic Healthcare's KMP for 2025 and 2026. These disclosures have been calculated in accordance with the relevant accounting standards.

Non-executive Directors	Year	Short-term employee benefits		Post-employment benefits	Total
		Salary & fees	Other benefits[1]	Superannuation	
Name		$	$	$	$
Prof MR Compton *Chairman*	FY2026	576,375	–	30,000	606,375
	FY2025	547,568	–	29,932	577,500
Prof C Bennett	FY2026	215,579	–	25,869	241,448
	FY2025	206,234	–	23,716	229,950
Prof S Crowe	FY2026	254,445	–	30,000	284,445
	FY2025	242,960	–	27,940	270,900
Dr K Giles	FY2026	196,875	–	23,625	220,500
	FY2025	188,341	–	21,659	210,000
N Mitchell	FY2026	263,266	–	30,000	293,266
	FY2025	250,493	–	28,807	279,300
LJ Panaccio	FY2025	94,970	–	10,921	105,891
KD Spargo	FY2026	259,958	–	30,000	289,958
	FY2025	247,668	–	28,482	276,150
N Wakefield Evans	FY2026	208,661	–	25,039	233,700
	FY2025	74,552	–	8,573	83,125

[1] Other benefits include fringe benefits tax where applicable.

REMUNERATION REPORT

Executive Directors	Year	Short-term employee benefits			Post-employment benefits	Equity-based remuneration			Other long-term benefits	Total	Performance related % of total remuneration[4]
		Salary & fees	Other benefits[1]	STI (cash)	Superannuation	Value of deferred STI rights	Value of shares	Value of options and rights[2]	Long-service leave accrued[3]		
Name		$	$	$	$	$	$	$	$	$	%
Dr JP Newcombe *Managing Director (from 20 November 2025)*	FY2026	1,048,385	–	580,954	22,500	367,119	–	529,120	17,500	2,565,578	58
Dr CS Goldschmidt[5] *Managing Director (until 20 November 2025)*	FY2026	944,655	–	465,350	15,000	294,066	–	113,176	15,486	1,847,733	47
	FY2025	2,367,702	–	935,390	29,932	715,253	–	2,313,415	37,989	6,399,681	62
CD Wilks *Finance Director*	FY2026	1,170,000	–	986,382	30,000	433,741	–	163,814	19,482	2,803,419	57
	FY2025	1,170,068	–	536,753	29,932	410,432	–	959,393	18,873	3,125,451	61

[1] Other benefits include fringe benefits tax where applicable.

[2] The equity-based remuneration amounts disclosed relate to options and performance rights issued under the Sonic Healthcare Limited Employee Option Plan and the Performance Rights Plan and represent the assessed fair values at the date they were granted, allocated equally over the service periods up to the vesting dates. Fair values for these options and performance rights have been determined using a pricing model consistent with the Black Scholes methodology that takes into account the exercise price, the term of the option/right, the impact of dilution, the non-tradeable nature of the option/right, the current price and expected price volatility of the underlying share, the expected dividend yield, and risk-free interest rate for the term of the option/right. The fair value of the options and performance rights granted is adjusted to reflect market vesting conditions (using a Monte Carlo simulation) but excludes the impact of non-market vesting conditions.

[3] Long-service leave accrued is calculated using the increase in accrued leave balances during the year.

[4] Performance related % of total remuneration excludes termination benefits.

[5] In addition to the amounts in the table, the equity awards retained by Dr CS Goldschmidt upon his retirement on 20 November 2025 had a remaining accounting expense amount of $2,319,898. Included in the equity awards were options and rights that were subject to the three-year performance period to 30 June 2026. None of these options and rights will vest and the accounting expense would be reduced by $453,118 for the non-market vesting conditions portion. The remaining equity awards are also subject to challenging performance conditions (to 30 June 2027), and Sonic's share price is currently (and was at 20 November 2025) significantly below the exercise price for the options component of these awards.

REMUNERATION REPORT

h) Other statutory disclosures

i) Options and rights that were exercised during the financial year

During the financial year the following options and performance rights over ordinary shares in the Company were exercised by key management personnel.

	Dr JP Newcombe	Dr CS Goldschmidt	CD Wilks
2026			
Performance rights issued in November 2021 with a performance measurement period to 30 June 2024 (having vested after satisfying performance conditions which caused 75% of the total rights to be issued to be forfeited) with a nil exercise price	n/a	9,852	3,754
Deferred share rights issued in September 2025 for STI performance to 30 June 2025 (resulting shares must be held until September 2027)	n/a	–	18,107
2026 Total intrinsic value of options and rights at the date of exercise	**n/a**	**$236,349**	**$518,108**
2025			
Options and rights exercised	n/a	Nil	Nil
2025 Total intrinsic value of options and rights at the date of exercise	**n/a**	**$nil**	**$nil**

ii) Equity disclosures relating to key management personnel

Options and performance rights held during the financial year

After approval by shareholders at the 2022, 2023, 2024 and 2025 Annual General Meetings, the Executive Directors were issued the following LTI (the 'FY2023 Issue', 'FY2024 Issue', 'FY2025 Issue' and 'FY2026 Issue'):

	FY2023 Issue		FY2024 Issue		FY2025 Issue		FY2026 Issue	
	Dr CS Goldschmidt	CD Wilks	Dr CS Goldschmidt	CD Wilks	Dr CS Goldschmidt	CD Wilks	Dr JP Newcombe	CD Wilks
Options over shares in Sonic Healthcare Limited	265,915	111,589	313,113	131,395	340,163	142,746	345,342	233,760
Performance rights over shares in Sonic Healthcare Limited	46,752	19,619	59,696	25,051	65,700	27,570	50,481	34,170

In addition Dr CS Goldschmidt and CD Wilks were granted 31,554 and 18,107 performance rights respectively to satisfy the deferred STI consideration for the FY2025 performance period. The value of these rights were disclosed as remuneration for the FY2025 year.

Directors' Report

REMUNERATION REPORT

	FY2023 Issue	FY2024 Issue	FY2025 Issue	FY2026 Issue
Options exercise price	$32.79	$28.89	$26.25	$21.18
Performance condition measurement period	3 years to 30 June 2025	3 years to 30 June 2026	3 years to 30 June 2027	3 years to 30 June 2028*
Earliest vesting date, if performance conditions are met	17 November 2025	29 November 2026	19 November 2027	20 November 2028
Expiry date	17 November 2027	29 November 2028	19 November 2029	20 November 2030
Fair value of each option at grant date	$3.87	$3.03	$4.70	$3.45
Fair value of each right at grant date	$19.53	$17.81	$19.86	$15.60
Percentage that satisfied vesting conditions	0%	0%	tbd	tbd

* The TSR performance condition for Dr JP Newcombe's options and rights have a measurement period from 20 November 2025 to 30 June 2028.

The total value for remuneration purposes (to be allocated over the vesting period) of the options and performance rights that were issued in FY2026 as part of LTI remuneration (the FY2026 issue) was $2,036,525 for Dr JP Newcombe and $1,284,928 for CD Wilks.

Option holdings

The number of options over ordinary shares held beneficially or personally during the current financial year by the key management personnel of the Group in relation to remuneration arrangements are set out below:

	Balance at 1 July 2025	Issued during the 2026 year	(Forfeited) during the 2026 year	(Exercised) during the 2026 year	(Expired) during the FY26 year	Other changes during the 2026 year*	Balance at 30 June 2026	(Forfeited) since year end	Vested and exercisable at 30 June 2026
Executive Directors									
Dr JP Newcombe	–	345,342	–	–	–	145,000	490,342	–	25,000
Dr CS Goldschmidt	1,302,983	–	(265,915)	–	(321,637)	(715,431)	–	–	–
CD Wilks	531,986	233,760	(111,589)	–	(122,570)	–	531,587	(131,395)	23,686

* For Dr CS Goldschmidt and Dr JP Newcombe the other changes represent the balance of options on the date of either ceasing or commencing as key management personnel.

REMUNERATION REPORT

Performance rights

The number of performance rights held personally or beneficially during the current financial year by the key management personnel of the Group in relation to remuneration arrangements are set out below:

	Balance at 1 July 2025	Issued during the 2026 year	(Forfeited) during the 2026 year	(Exercised) during the 2026 year	Other changes during the 2026 year*	Balance at 30 June 2026	(Forfeited) since year end	Vested and exercisable at 30 June 2026
Executive Directors								
Dr JP Newcombe	–	50,481	–	–	–	50,481	–	–
Dr CS Goldschmidt	182,000	31,554	(46,752)	(9,852)	(156,950)	–	–	–
CD Wilks	75,994	52,277	(19,619)	(21,861)	–	86,791	(25,051)	–

* For Dr CS Goldschmidt the other changes represent the number of performance rights held on 20 November at the point of ceasing to be a KMP.

Shareholdings

The number of shares held personally or beneficially during the current financial year by the key management personnel of the Group are set out below:

	Balance at 1 July 2025	Issued during the 2026 year on the exercise of options or rights	Shares provided as remuneration during the 2026 year	Other changes during the 2026 year*	Balance at 30 June 2026
Dr JP Newcombe	–	–	–	–	–
Dr CS Goldschmidt	991,383	9,852	–	(1,001,235)	–
CD Wilks	626,805	21,861	–	–	648,666
Prof MR Compton	15,516	–	–	1,500	17,016
Prof C Bennett	7,100	–	–	1,100	8,200
Prof S Crowe	7,548	–	–	2,365	9,913
Dr K Giles	3,600	–	–	2,000	5,600
N Mitchell	9,770	–	–	–	9,770
KD Spargo	27,500	–	–	3,500	31,000
N Wakefield Evans	4,000	–	–	2,500	6,500

* Other changes represent shares that were purchased or sold during the year. For Dr CS Goldschmidt the other changes represent the number of shares held on 20 November at the point of ceasing to be a KMP.

Minimum shareholding requirements

The Board believes that meaningful executive and Director share ownership strengthens alignment with shareholders and reinforces a long-term focus on sustainable value creation. A minimum shareholding policy has therefore been established under which:

- The Managing Director is required to build a shareholding (excluding unvested awards that are subject to performance hurdles other than time) with a value equivalent to at least 200% of Fixed Remuneration within 5 years.
- The Finance Director is required to maintain a shareholding with a value equivalent to at least 100% of Fixed Remuneration (currently satisfied).
- Non-Executive Directors are required to build a shareholding with a value equivalent to at least 100% of Base Fees (Chair fees for the Chairman) within 5 years.

Directors’ Report

REMUNERATION REPORT

iii) Transactions with key management personnel

There were no other transactions with key management personnel during 2026 or 2025.

iv) Amounts receivable from/payable to other key management personnel

There were no amounts receivable from/payable to other key management personnel at 30 June 2026 (2025: $nil).

v) Doubtful debts

No provision for doubtful debts has been raised in relation to any receivable or loan balance with key management personnel, nor has any expense been recognised.

vi) Securities trading policy

Under the Sonic Healthcare Securities Trading Policy, all Sonic Healthcare employees are prohibited from buying or selling Sonic Healthcare securities (including shares, options, debt securities) at any time they are aware of any material price-sensitive information that has not been made public, and are reminded of the laws against ‘insider trading’.

Certain ‘Designated Officers’, including all Directors and Executive Directors (and specified related parties), are also prohibited from trading in periods other than in 8-week windows following the release of half-year and full-year results, five weeks after Sonic Healthcare’s Annual General Meeting, and 2-week periods following Sonic Healthcare’s provision to the market at any other time of definitive guidance regarding the next annual result to be released. The Sonic Healthcare Board of Directors must specifically consider and approve the opening of the ‘trading window’ in each instance. Exceptions to this prohibition can be approved by the Chairman (for Directors) or the Managing Director (for all other employees) in circumstances of severe financial hardship (as defined in the Policy).

Sonic Healthcare’s Chair or Managing Director may impose other periods when Designated Officers are prohibited from trading because price-sensitive, non-public information may exist. All trading by Designated Officers must be notified to the Company Secretary. Prohibitions also apply to trading in financial instruments related to Sonic Healthcare shares and to trading in the shares of other entities using information obtained through employment with Sonic Healthcare.

In addition, the Managing Director and Finance Director are required to obtain approval from the Chair of the Sonic Healthcare Board of Directors before selling any shares.

Designated Officers are prohibited from entering into transactions in products which limit the economic risk of participating in unvested entitlements under any equity-based remuneration schemes and from short-term trading and short-selling arrangements in relation to Sonic Healthcare securities. Designated Officers are required to commit to these prohibitions by signing the Securities Trading Policy and will forfeit their equity reward should they be found to be in breach. Directors of Sonic Healthcare Limited are also prohibited from entering into margin lending or other secured financing arrangements in relation to Sonic Healthcare securities without the prior approval of the Chair and disclosure of such arrangements to the Board.

All Sonic Healthcare securities dealings by Directors are promptly notified to the Australian Securities Exchange (ASX) in accordance with Sonic Healthcare’s Continuous Disclosure obligations.

Directors' Report

This Directors' Report is made in accordance with a resolution of the Directors.

Dr JP Newcombe
Director

CD Wilks
Director

Sydney
24 September 2026

Auditor’s Independence Declaration

As lead auditor of Sonic Healthcare Limited's financial report and lead auditor of the specified sustainability disclosures within the sustainability report for the year ended 30 June 2026, respectively, we each declare that, having regard to our responsibilities in relation to the respective audit of the financial report and review of the specified sustainability disclosures within the sustainability report, to the best of our knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the respective audit of the financial report or the review of the specified sustainability disclosures; and

b) no contraventions of any applicable code of professional conduct in relation to the respective audit of the financial report or the review of the specified sustainability disclosures.

Mark Dow
Lead auditor (financial report)
Partner
PricewaterhouseCoopers

Carolyn Cosgrove
Lead auditor (sustainability report)
Partner
PricewaterhouseCoopers

Sydney
24 September 2026

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Corporate Governance Statement

The Board of Sonic Healthcare continues to place great importance on the governance of the Company, which it believes is vital to its wellbeing and success. There are two elements to the governance of companies: performance and conformance. Both are important, but it is critical that focus on conformance does not detract from the principal function of a business, which is to undertake prudent activities to:

- generate rewards for shareholders who invest their capital
- provide services of value to customers
- provide meaningful employment for employees

and to do so in a way that is sustainable and contributes positively to the community.

The principal features of Sonic's corporate governance framework are set out in this statement, which is current as at 24 September 2026, and has been approved by the Board.

Sonic's Board and management are committed to governance that recognises that all aspects of the Group's operations are conducted ethically, responsibly and with the highest standards of integrity. The Board has adopted practices and policies designed to achieve these aims. Sonic supports the ASX Corporate Governance Council Corporate Governance Principles and Recommendations ('the Recommendations') in advancing good corporate governance, and has complied with the fourth edition during the 2026 financial year. Sonic's website (www.sonichealthcare.com) includes a Corporate Governance section that sets out the information required by the Recommendations, plus other relevant information, including copies of all Policies, Charters and Codes referred to in this report.

Sonic's Code of Conduct and Core Values (listed below) set out the fundamental principles that govern the way that all Sonic people conduct themselves. Sonic's Core Values apply equally to every employee of Sonic and were formulated with significant input from Sonic's staff. They have been embraced throughout the Group. Sonic's Core Values are:

- **Commit to Service Excellence**
  To willingly serve all those with whom we deal, with unsurpassed excellence.
- **Treat each other with Respect & Honesty**
  To grow a workplace where trust, team spirit and equity are an integral part of everything we do.
- **Demonstrate Responsibility & Accountability**
  To set an example, to take ownership of each situation to the best of our ability and to seek help when needed.
- **Be Enthusiastic about Continuous Improvement**
  To never be complacent, to recognise limitations and opportunities for ourselves and processes, and to learn through these.
- **Maintain Confidentiality**
  To keep all information pertaining to patients, as well as professional and commercial issues, in strict confidence.

A description of the Company's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place throughout the 2026 financial year. Any issues of non-compliance with the Recommendations are specifically noted and explained.

Corporate Governance Statement

1. BOARD OF DIRECTORS

Profiles of the Directors and Company Secretary are included in the Directors' Report.

a) Role of the Board

The Board of Directors is accountable to shareholders for the performance of the Company and the Group and is responsible for the culture, values and corporate governance practices of the Group. The Board's principal objective is to increase value for the Company's stakeholders (including shareholders, staff and the community) in a sustainable manner while ensuring that the Group's activities are managed in accordance with its culture and values.

Sonic's corporate governance practices provide the structure which enables the Board's principal objective to be achieved, whilst ensuring that the business and affairs of the Group are conducted ethically and in accordance with the Company's Core Values, Code of Conduct, Medical Leadership Principles, medical ethics and law.

The Sonic Medical Leadership Principles are summarised as:

- Personalised service for doctors and patients
- Respect for our people
- Company conscience
- Operational excellence
- Professional and academic expertise

The Board's responsibilities include:

- demonstrating leadership at strategic and cultural levels
- defining the Group's purpose and setting its strategic objectives
- approving the Group's Core Values, Medical Leadership Principles and Code of Conduct to underpin the desired culture within the Group
- overseeing management in its implementation of the Group's strategic objectives, instilling of the Group's values and performance generally
- monitoring financial and sustainability performance and reporting (including climate-related disclosures)
- appointing the Chair and Managing Director, and assessing the performance of Directors
- setting the Group's risk appetite and monitoring and ensuring the maintenance of adequate risk management identification, control and reporting mechanisms
- monitoring risks, including in relation to taxation governance and risk, and environmental and climate-related risks
- overseeing clinical quality, patient safety and regulatory matters
- overseeing the Group's sustainability (ESG) and climate strategy and compliance with mandatory disclosure and assurance requirements in all operating jurisdictions, including approval of Sonic's annual Sustainability Impact Report
- overseeing the Group's cybersecurity, including data security and privacy requirements and the Group's information security management system
- oversight of strategy and governance related to artificial intelligence
- protecting human rights, including approval of Sonic's annual Modern Slavery Statement
- ensuring the Group's remuneration policies are aligned with the Group's purpose, values, strategic objectives and risk appetite
- ensuring the business is conducted ethically and transparently (including meeting taxation obligations and providing tax transparency).

The Board delegates authority for operational management of the business to the Managing Director and senior executives. The Managing Director also oversees the implementation of strategies approved by the Board, and is responsible for providing accurate and relevant information to enable the Board to perform its responsibilities. Senior executives reporting to the Managing Director have their roles and responsibilities defined in specific position descriptions. The Board uses a number of Committees to support it in matters that require more intensive review and involvement. Details of the Board Committees are provided below.

As part of its commitment to good corporate governance, the Board regularly reviews the practices and standards governing the Board's composition, independence and effectiveness, the accountability and compensation of Directors (and senior executives) and the Board's responsibility for the stewardship of the Group.

The role and responsibilities of the Board, the functions reserved for the Board and those delegated to management have been formalised in the Sonic Board Charter.

The Company Secretary is appointed by the Board and is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. Each Director is able to communicate directly with the Company Secretary.

Corporate Governance Statement

1. BOARD OF DIRECTORS

b) Composition of the Board

The Directors of the Company in office at the date of this statement are:

Director's name	Term of office (Years)	Position	Expertise	Committees
Prof Mark Compton	12	Chairman, Non-executive, independent Director	Healthcare industry and company management	Member of Audit Committee and Remuneration and Nomination Committee
Dr Jim Newcombe	1	Managing Director, Chief Executive Officer	Healthcare industry and company management. Sustainability experience. Pathologist	Member of Risk Management Committee
Mr Chris Wilks	36	Finance Director, Chief Financial Officer	Finance, strategy, accounting, banking, secretarial and company management	
Prof Christine Bennett	4	Non-executive, independent Director	Medicine, healthcare industry and management, healthcare policy, medical research, governance and sustainability	Member of Risk Management Committee
Prof Suzanne Crowe	6	Non-executive, independent Director	Medicine, medical research, governance and company oversight	Chair of Risk Management Committee and member of Remuneration and Nomination Committee
Dr Katharine Giles	4	Non-executive, independent Director	Medicine, medical research, technology and innovation, management, venture capital	
Mr Neville Mitchell	9	Non-executive, independent Director	Finance, tax, international healthcare and company management	Chair of Audit Committee and member of Risk Management Committee
Ms Nicola Wakefield Evans	2	Non-executive, independent Director	Law, governance, mergers and acquisitions, sustainability, diversity and company oversight	Member of Remuneration and Nomination Committee
Ms Kate Spargo	16	Non-executive, independent Director	Law, governance, sustainability and company oversight	Chair of Remuneration and Nomination Committee and member of Audit Committee

The composition of Sonic's Board is consistent with the principle of medical management and leadership, which has been a core strategy of Sonic since 1993. Sonic's Managing Director is a pathologist, and the Board also includes three other medical specialists, ensuring that it has the capacity to understand complex medical issues and be in close touch with the medical marketplace. The presence of medical practitioners on Sonic's Board also gives comfort both to referring doctors (Sonic's customers) and to owners of diagnostic practices that Sonic seeks to acquire.

The Board currently comprises seven Non-executive Directors, all of whom are considered independent and two Executive Directors. The independent Directors perform major roles in the Board Committees. All Board members speak English, the language in which Board and shareholder meetings are held and key corporate documents are prepared.

Corporate Governance Statement

1. BOARD OF DIRECTORS

The Sonic Board comprises members with a diverse mix of business skills, including industry-specific expertise, management skills and experience, broader management experience, including senior leadership positions in listed companies, finance, tax and legal skills, expertise in corporate governance, sustainability experience (including awareness of impacts on organisations, the economy, environment and people) and expertise in acquiring and merging healthcare businesses. The Board considers that it has an appropriate mix of skills, expertise, tenure and diversity.

The Board has resolved that the position of Chairman of the Board is to be held by an independent Director. The independence of each of the Non-executive Directors is assessed annually, and it is the view of the Board that each should continue to be regarded as independent. The tenure of Prof Compton and Ms Spargo was specifically addressed in their assessment and the Board was satisfied that they had not become too close to management such that their capacity to bring independent judgement to bear or to act in the best interests of all shareholders is compromised. Ms Spargo has advised that she will permanently retire from the Board by the end of her current 3-year term (in 2027).

c) Board renewal

The size and composition of the Board is determined by the full Board acting on recommendations of the Remuneration and Nomination Committee. Sonic's constitution requires that the Board comprise no more than twelve and no fewer than three Directors at any time. Sonic's constitution also requires all Directors, other than the Managing Director, to offer themselves for re-election at an AGM, such that they do not hold office without re-election for longer than three years.

The Board (with input from the Remuneration and Nomination Committee) regularly reviews its succession planning. A matrix is used to guide the assessment of the current Directors, and to identify desirable characteristics for future appointments.

The matrix is as follows:

- Medical practitioners
- Industry-specific management experience
- Medical Leadership
- Federated operating model
- Corporate leadership/executive management (preferably CEO level)
- Board experience (preferably listed entity)
- Strategy and strategic focus
- Financial literacy/acumen, including taxation knowledge
- Banking/treasury experience
- Risk management and compliance
- Legal knowledge
- Qualifications in relevant fields
- Director qualifications/training
- Professional membership
- Managing people/achieving change
- Workplace health, safety and wellbeing
- Diversity, equity and inclusion
- Remuneration
- Social responsibility
- Healthcare access and affordability
- Advertising/social media
- Business development
- Customer service
- Governance
- Project management
- Regulatory policy
- Global healthcare
- Clinical governance
- Pathology and diagnostics
- Medical technology development
- Global markets
- Mergers and acquisitions
- Information management/digital transformation/digital and data strategy
- Cybersecurity and data governance
- ESG and sustainability
- Climate change and emissions reduction
- Human rights and modern slavery
- Gender diversity
- Tenure diversity
- Age and cultural diversity

Before appointing a Director or senior executive, Sonic undertakes comprehensive reference checks including education, employment, character reference, criminal record and bankruptcy checks. Potential existing or foreseeable future conflicts of interest are also considered.

1. BOARD OF DIRECTORS

Directors receive a letter of appointment and a deed of access and indemnity. The letter of appointment outlines Sonic's expectations of Directors with respect to their participation, time commitment and compliance with Sonic policies. An induction process for incoming Directors is coordinated by the Company Secretary. To assist Directors to understand relevant developments, the Board receives regular updates at Board meetings, workshops and site visits, along with relevant reading materials.

d) Board meetings

The Board meets formally at least six times a year to consider a broad range of matters, including culture, strategy, financial performance reviews, sustainability issues (including environmental, social and governance matters), capital management and acquisitions. Details of meetings (both full Board and Committees) and attendances are set out in the Directors' Report.

e) Independent professional advice and access to information

Each Director has the right to seek independent professional advice at the Company's expense. However, prior approval of the Chairman is required, which is not unreasonably withheld.

All Directors have unrestricted access to Company records and information and receive detailed financial and operational reports from senior management during the year to enable them to carry out their duties. Directors also liaise with senior management as required and may consult with other employees and seek additional information on request.

f) Conflicts of interest of Directors

The Board has guidelines dealing with disclosure of interests by Directors and participation and voting at Board meetings where any such interests are discussed. In accordance with the *Corporations Act*, any Director with a material personal interest in a matter being considered by the Board does not receive the relevant Board papers, must not be present when the matter is being considered, and may not vote on the matter.

g) Securities trading

Under Sonic's Securities Trading Policy, Sonic employees are prohibited from buying or selling or otherwise trading Sonic Healthcare securities (including shares, options, debt securities) at any time they are aware of any material price-sensitive information that has not been made public, and are reminded of the laws against 'insider trading'. Certain 'Designated Officers', including all Directors and senior executives (and specified related parties), are also prohibited from trading in periods other than in 8-week windows following the release of half-year and full-year results, a 5-week window following the Annual General Meeting, and 2-week periods following the provision to the market at any time by Sonic of definitive guidance regarding the next annual result to be released. The Sonic Board of Directors must specifically consider and approve the opening of the 'trading window' in each instance. Exceptions to this prohibition can be approved by the Chair (for other Directors) or the Managing Director (for all other employees) in circumstances of severe financial hardship (as defined in the Policy).

Sonic's Chair or Managing Director may impose other periods when Designated Officers are prohibited from trading because price-sensitive, non-public information may exist. All trading by Designated Officers must be notified to the Company Secretary. Prohibitions also apply to short-term trading, short selling, trading in financial instruments related to Sonic's securities, including products that limit the economic risk of unvested rights, options or shareholdings in Sonic, and to trading in the securities of other entities using information obtained through employment with Sonic.

Directors of Sonic Healthcare Limited are also prohibited from entering into margin lending or other secured financing arrangements in relation to Sonic securities without the prior approval of the Chair and disclosure of such arrangements to the Board. In addition, the Managing Director and Finance Director are required to obtain approval from the Chair before selling any shares. All Sonic securities dealings by Directors are promptly notified to the Australian Securities Exchange (ASX).

h) Remuneration of Non-executive Directors

The current maximum total remuneration that may be paid to all Non-executive Directors is $3,000,000 per annum, as approved by shareholders in November 2024. The total amount paid to Non-executive Directors in the 2026 financial year was $2,169,692. Non-executive Directors are not entitled to any performance-based or equity-based remuneration. No retirement benefit schemes (other than statutory superannuation) apply to Non-executive Directors. Further details of Sonic's remuneration policies for Executive Directors and senior executives of the Company, and the relationship between such policy and the Company's performance, are provided in the Directors' Report.

Corporate Governance Statement

2. BOARD COMMITTEES

To assist the Board in fulfilling its duties, there are currently three Board Committees whose terms of reference and powers are determined by the Board. Details of Committee meetings and attendances are set out in the Directors' Report.

a) Audit Committee

Members of the Audit Committee are:

Mr N Mitchell | *Chair*
Prof MR Compton
Ms KD Spargo

The Committee operates under a formal Charter. The Charter requires that the Audit Committee comprises between three and six members, all of whom must be independent Directors, and that the Chair of the Committee is not to be the Chair of the Board.

The principal role of the Audit Committee is to provide the Board, investors and other stakeholders with confidence that the financial reports for the Company (including mandatory climate reporting) represent a true and fair view of the Company's financial condition and operational results in all material respects, and are in accordance with relevant accounting standards.

The responsibilities of the Audit Committee are set out in its Charter and include:

- assisting the Board in its oversight responsibilities by monitoring and advising on:
  - the integrity of the financial reporting (inclusive of sustainability and climate reporting) of the Company
  - the Company's accounting policies and practices
  - the external auditors' independence and performance
  - compliance with legal and regulatory requirements and related policies, including in relation to taxation and sustainability reporting
  - compliance with the policy framework in place from time to time
  - internal controls, and the overall efficiency and effectiveness of financial operations
- oversight of the Company's enterprise risk management processes, including the internal audit function (known as the Sonic Business Assurance Program)
- providing a forum for communication between the Board, executive management and external auditors
- providing a conduit to the Board for external advice on audit and internal controls.

The external auditors, the Managing Director and the Finance Director are invited to Audit Committee meetings at the discretion of the Committee. The Committee meets at least twice per year.

In fulfilling its responsibilities, the Audit Committee receives regular reports from management, the head of the Business Assurance Program and the external auditors. These reports include:

- any material breaches of the Company's Code of Conduct
- any material incidents reported under the Company's Global Whistleblower Policy
- any material breaches of the Company's Anti-bribery and Corruption Policy.

The Committee also meets with the external auditors at least twice per year, and more frequently if necessary, and reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved. The external auditors have a clear line of direct communication at any time to both the Chair of the Audit Committee and the Chair of the Board.

The Audit Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

2. BOARD COMMITTEES

b) Risk Management Committee

Members of the Risk Management Committee are:

Prof S Crowe | *Chair*
Prof C Bennett
Dr JP Newcombe (from 20 November 2025)
Mr N Mitchell

The Committee operates under a formal Charter. The Charter requires that the Risk Management Committee comprises at least three members, the majority of whom must be independent Directors, and that the Chair of the Committee must be an independent Director.

The Risk Management Committee's responsibilities are set out in its Charter and include:

- assisting the Board in its oversight responsibilities by monitoring and advising on:
  - the identification and management of all material risks, including but not limited to risks relating to:
    - brand, culture and reputation, including in relation to Modern Slavery and the ethical use of A.I.
    - workplace health and safety
    - people
    - clinical care and quality
    - operations
    - legal and regulatory
    - information protection including cybersecurity risks, including data security and privacy risks
    - financial management, including taxation risks
    - environment and climate risks and opportunities and associated strategies
    - strategy
  - internal controls and treatments for identified risks including the Company's insurance program
  - the Company's overall risk management program
- providing a forum for communication between the Board, management and external risk management advisors
- providing a conduit to the Board for external advice on risk management.

The Committee meets at least twice per year.

c) Remuneration and Nomination Committee

Members of the Remuneration and Nomination Committee are:

Ms KD Spargo | *Chair*
Prof MR Compton
Prof S Crowe
Ms N Wakefield Evans (from 20 November 2025)

The Remuneration and Nomination Committee operates under a formal Charter. The Charter requires that the Remuneration and Nomination Committee comprises at least three members, all of whom are to be independent Directors.

The Remuneration and Nomination Committee's role, as set out in its Charter, is to:

- review and make recommendations to the Board on remuneration packages and policies applicable to the Managing Director, Finance Director and Non-executive Directors
- advise the Board in relation to equity-based incentive schemes for other employees
- ensure appropriate disclosure is provided to shareholders in relation to remuneration policies, and that equity-based remuneration is within plans approved by shareholders
- review the Board and Board Committee structures
- advise the Board on the recruitment, appointment, retirement and removal of Directors
- assess and promote the enhancement of competencies of Directors
- review Board succession plans
- make recommendations to the Board in relation to workforce and Board diversity and measurable objectives in relation to gender diversity, and monitor progress toward achievement of those objectives.

The Committee meets on an as-required basis. The Remuneration and Nomination Committee, when deemed necessary, directly obtains independent advice on the appropriateness of remuneration.

Corporate Governance Statement

3. APPROACH TO DIVERSITY

As a medical diagnostic company, Sonic Healthcare's business relies on the services provided to referrers and patients by thousands of Sonic staff every day. In addition, in seeking to continually improve Sonic's services and financial performance, the Company relies on the input and expertise of its Directors, managers, pathologists, radiologists, other medical practitioners and staff. It is therefore critical that Sonic's workforce brings a broad range of experiences, talents and viewpoints to the business. Diversity is valued as it assists the Company to meet its objectives, and ensures that Sonic's people at all levels of the Company reflect our customers and the communities we serve.

Sonic Healthcare strives to maintain a healthy, safe, inclusive and productive environment that is free from discrimination and harassment based on race, colour, religion, political beliefs, gender, gender identity, socio-economic or cultural background, perspective, experiences, sexual orientation, marital or family status, age, national origin or disability. In addition, the Company is committed to the continued development and implementation of initiatives to remove barriers that disadvantage any person or group, such that everyone is able to compete on equal terms. Within Sonic, recruitment, development, promotion and remuneration are based on merit. These principles are an integral part of Sonic's corporate culture, and are encapsulated in the Sonic Core Values and the Company's Diversity Policy.

The Remuneration and Nomination Committee of the Sonic Board recommends annually measurable objectives for promoting and maintaining gender diversity, and measures and reports on progress towards achievement of those objectives. The Managing Director has discretion with regard to the specific initiatives to be implemented by management to achieve the objectives.

The proportion of female employees to total employees within the Group at 30 June 2026 was:

	2026	2025
Non-executive Directors of Sonic Healthcare Limited	71%	71%
Directors of Sonic Healthcare Limited	56%	56%
Executive staff of the Group+	39%	39%
Other senior leadership positions	56%	54%
Total senior leadership positions*	53%	51%
All employees	72%	72%

+ Includes executives to the 'CEO-2' level, plus, if not already included, direct reports to the heads of each of Sonic's operating subsidiaries.
* Includes Directors, executive staff and other senior leadership positions.

The Company's current objective in relation to gender diversity is to monitor and maintain the percentage of females in senior leadership positions at a level greater than 40% and at least 50% in the workforce generally. In addition, the Company has the objective to have not less than 40% of its Directors of each of male and female genders. These objectives were achieved in 2026.

4. IDENTIFYING AND MANAGING BUSINESS RISKS

Sonic recognises that risk management is an integral part of good management and corporate governance practice and is fundamental to driving shareholder value across the business.

Sonic views the management of risk as a core managerial capability. Risk management is strongly promoted internally and forms part of the performance evaluation of key executives.

Sonic's material business risks are described in the operating and financial review section of the Directors' Report. Information on Sonic's impact on society and the environment can be found in Sonic's Sustainability Impact Report available on Sonic's website.

a) Responsibilities

The Board determines the overall risk profile of the business and risk appetite for the Company and is responsible for monitoring and ensuring the maintenance of adequate risk management policies, controls and reporting mechanisms.

To assist the Board in fulfilling its duties, it is aided by the Audit Committee and the Risk Management Committee. The Board has delegated to these Committees responsibility for ensuring:

- the Company's material business risks, including strategic, financial, operational, compliance (including taxation compliance and mandatory climate reporting), environmental and social sustainability risks, are identified
- systems are in place to assess, manage, monitor and report on those risks, and that those systems are operating effectively
- management compliance with Board-approved policies
- internal controls are operating effectively across the business
- all Group companies are in compliance with laws and regulations relating to their activities
- the Company is operating with due regard to the risk appetite set by the Board.

The Audit Committee and Risk Management Committee update the Board on all relevant matters.

Management is responsible for the identification, assessment and management of business risks.

During the year, management reported on these matters, including the effectiveness of the management of Sonic's material business risks, to the Audit Committee and Risk Management Committee, who then reported these matters to the Board. The Risk Management Committee reviewed the Company's risk management framework and reported on that review to the Board.

b) Risk management policies, systems and processes

Sonic's activities across all of its operating entities are subject to regular review and continuous oversight by executive management and the Board Committees. The Chief Executive Officers of the individual operating companies are responsible for the identification and management of risk within their business. To assist in this, executive management has developed an effective control environment to help manage the significant risks to its operations. This environment includes the following components:

- clearly defined management responsibilities, management accountabilities and organisational structures
- established policies and procedures that are widely disseminated to, and understood by, employees
- regular internal review of policy compliance and the effectiveness of systems and controls
- central team for management of taxation-related risks
- central team to oversee sustainability and climate strategies, risks, opportunities and reporting
- comprehensive training programs for staff in relation to operational practices and compliance requirements
- strong management reporting framework for both financial and operational information
- creation of an open culture to share risk management information and to continuously improve the effectiveness of Sonic's risk management approach
- benchmarking across operations to share best practice and further reduce the operational risk profile
- Sonic's Core Values, a uniting code of conduct embraced by Sonic employees
- Sonic's Code of Conduct and Global Whistleblower Policy
- centrally administered Group insurance program, ensuring a consistent and adequate approach across all operating areas
- the ongoing engagement of a professional Risk Manager to coordinate the Company's approach to material business risk management.

Corporate Governance Statement

4. IDENTIFYING AND MANAGING BUSINESS RISKS

Control systems and policy compliance are reviewed by Sonic's Business Assurance Program (Sonic's internal audit function). The Head of Business Assurance reports to the Audit Committee, and to the Company Secretary for administrative purposes. The Business Assurance Program liaises with, but is independent of, the external auditor, and has full access to the Audit Committee and Risk Management Committee, Sonic management and staff, and records. The Audit Committee determines the scope for the Business Assurance Program each year and monitors management's response to recommended system enhancements.

c) Regulatory compliance

Sonic's laboratory, radiology and medical centre activities are subject to Commonwealth and State law in Australia, and similar regulatory control in offshore locations. These laws cover such areas as laboratory and collection centre operations, workplace health and safety, radiation safety, Modern Slavery, privacy of information and waste management.

Sonic's network of pathology laboratories, collection centres and radiology centres is required to meet and remain compliant with set performance criteria determined by government and industry bodies.

To support this, Sonic's operating policies and procedures are overseen by internal quality assurance and workplace health and safety managers who review operational compliance.

In addition, practising pathologists and radiologists are required to be registered and licensed in accordance with Medical Board and government regulations. The accreditation and licensing of locations, equipment and personnel is subject to regular, random audits by government experts and medical peer groups. Sonic also undertakes internal reviews to ensure continued best practice and compliance.

Sonic's established procedures, focus on best practice, Medical Leadership model, structured staff training, and the external review activities serve to mitigate operational risk and support regulatory compliance.

d) Managing Director and Finance Director certification

Sonic has adopted a policy requiring the Managing Director and the Finance Director to provide the Board with written certification in relation to its financial reporting processes.

For the 2026 financial year, the Managing Director and Finance Director made the following certifications:

- that the financial records of the Company have been properly maintained
- that the financial statements and notes comply in all material respects with the relevant accounting standards
- that the financial statements and notes give a true and fair view, in all material respects, of the Company's financial condition and operational results
- that the statements above are founded on a sound system of risk management and internal control which operates effectively in all material respects in relation to financial reporting risks
- that the climate-related disclosures contained in the FY2026 Sustainability Report are supported by appropriate governance, risk management, reporting controls and substantiating evidence, and that reasonable steps have been taken to be satisfied that the disclosures comply with the *Corporations Act 2001* and AASB S2 *Climate-related Disclosures*.

5. ETHICAL STANDARDS

The Company has a Code of Conduct that outlines the standards required so that the Directors and management conduct themselves with the highest ethical standards. All employees of the Company and its controlled entities are informed of the Code. The Directors regularly review this Code to ensure it reflects best practice in corporate governance. The Code is further supported by the Sonic Core Values.

To augment the Code of Conduct and Core Values, the Company has formally implemented and disclosed the following global policies:

- Anti-bribery and Corruption Policy
- Climate and Environment Policy
- Clinical Research Policy
- Code of Conduct and Ethics
- Continuous Disclosure Policy
- Data Security Statement
- Diversity Policy
- Global Whistleblower Policy
- Health, Safety and Wellbeing Policy
- Labour Standards and Human Rights Policy
- Modern Slavery reporting
- Privacy Policy
- Securities Trading Policy
- Supplier Policy
- Taxation Governance Statement

6. CONTINUOUS DISCLOSURE

The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX listing rules, and overseeing and coordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

Sonic has formalised its policies and procedures on information disclosure in a Continuous Disclosure Policy. The Policy focuses on continuous disclosure of any information concerning the Company and its controlled entities that a reasonable person would expect to have a material effect on the price of the Company's securities, and sets out management's responsibilities and reporting procedures in this regard.

All information disclosed to the ASX is then immediately posted on the Company's website and provided to the Directors. Presentations to analysts on aspects of the Company's operations are released to the ASX and posted on the Company's website ahead of the presentation.

The Company's investor relations program facilitates effective two-way communication with investors and analysts. In addition to large/institutional investors, the Company seeks to engage with retail shareholder groups, including meeting with representatives of the Australian Shareholders' Association at least annually. All investor relations discussions are conducted or monitored by the Managing Director, Finance Director, Company Secretary or Head of Investor Relations and are limited to discussion of non-price sensitive information and material previously announced on the ASX platform.

The Company discloses within the relevant report its process to verify the integrity of the contents of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

7. THE ROLE OF SHAREHOLDERS

The Board aims to provide access and communicate openly with shareholders and to ensure that shareholders are informed of all major developments affecting the Group's state of affairs.

Information is communicated to shareholders as follows:

- via the Company's website (available at www.sonichealthcare.com), which includes electronic and other contact details. Shareholders are able to register on the website to receive email alerts of all announcements made to the ASX
- the Annual Report is available to all shareholders on the Company's website and is distributed to those shareholders who elect to receive it. The Board ensures that the Annual Report includes relevant information about the operations of the Group during the year, changes in the state of affairs of the Group and details of likely future developments, in addition to the other disclosures required by law
- proposed major changes in the Group which may impact on share ownership rights are submitted to a vote of shareholders.

To further facilitate communication with shareholders, the Company has established electronic shareholder communication processes via its Share Registry. Shareholders are able to access online Annual Reports, notices of meetings, proxy forms and voting, and receive electronic statements (for example, holding statements) by email.

Where possible, the Company provides advance notice of significant group briefings, including for the half- and full-year results announcements, by publishing details on the Company website and extending open invitations. Electronic links are generally made available. Records are kept of group and one-on-one briefings with investors and analysts. All shareholder enquiries are responded to in a fair and respectful manner.

The Board encourages full participation of shareholders at the AGM to ensure a high level of accountability and identification with the Group's strategy and goals. AGMs are held at readily accessible locations and facilitate virtual attendance. Advance notice is provided on the Investor Calendar page of the Company's website. Ample opportunity is provided for shareholders to question the Board and the external auditor at the AGM. Important issues are presented to the shareholders as single resolutions and all substantive resolutions are decided by a poll.

The shareholders are responsible for voting on the appointment of Directors. The Company ensures that the relevant Notice of Meeting contains all material information in its possession relevant to a decision on whether to elect a Director.

Corporate Governance Statement

8. EXTERNAL AUDITORS

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually. Sonic requires its external auditor to attend the AGM and be available to answer shareholder questions about the conduct of the audit and the auditor's report. It is the policy of the external auditors to provide an annual declaration of their independence to the Audit Committee.

9. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS, AND KEY EXECUTIVE OFFICERS

a) The Board and its Committees

The Board carries out an annual evaluation of its own performance in meeting its key responsibilities in accordance with the Board Charter, by undertaking the following activities:

- the Chairman discusses with each Director their individual performance and ideas for improvement based on surveys completed by each Director
- the Board as a whole discusses and analyses its own performance, including suggestions for change or improvement and assessment of the extent to which the Board has discharged its responsibilities as set out in the Board Charter
- periodically, an external consultant is engaged to coordinate the reviews and provide additional insights.

The performance review covers matters such as contribution to strategy development, interaction with management, operation and conduct of meetings, and specific performance objectives for the year ahead. The review also identifies any need for Directors to undertake further professional development.

The Board also obtains feedback on its performance and operations from key people, such as the external auditors.

Each Committee of the Board is required to undertake an annual performance evaluation and report the results of this review to the Board.

Performance evaluation results are discussed by the Board, and initiatives are undertaken, where appropriate, to strengthen the effectiveness of the Board's operation and that of its Committees.

The Board periodically reviews the skills, experience and expertise of its Directors and its practices and procedures for both the present and future needs of the Company.

Reviews of the performance of the Board, its Committees and individual Directors were conducted during the year.

b) The Managing Director and Finance Director

The performances of the Managing Director and Finance Director are formally reviewed by the Board annually, including during the 2026 year. The performance criteria include:

- economic results of the Group
- fulfilment of objectives and duties
- personnel and resource management
- promotion of and adherence to Sonic's Core Values, Foundation Principles, Federation model and culture of Medical Leadership
- corporate governance and compliance
- risk management
- external standing and reputation (including stakeholder management, brand and quality)
- progress with sustainability governance and strategies
- additionally for the Finance Director, financial leadership and innovation.

Performance evaluation results are considered by the Remuneration and Nomination Committee in determining the level and structure of remuneration for the Managing Director and Finance Director.

c) Senior executives

The Managing Director evaluates senior executives at least annually (including during the 2026 year) with qualitative and quantitative measures against agreed business and personal objectives. These business and personal objectives are consistent with those used in the performance reviews for the Managing Director and Finance Director.

Senior executives receive letters of appointment with terms of employment governed by applicable employment laws.

Financial Report

SONIC HEALTHCARE LIMITED
ABN 24 004 196 909

30 JUNE 2026

Consolidated Income Statement

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
		$'000	$'000
Revenue from operations	3	**10,867,370**	9,645,448
Other income	3	**106,746**	–
Total		**10,974,116**	9,645,448
Labour and related costs		**(5,262,567)**	(4,695,279)
Consumables used		**(1,790,087)**	(1,561,851)
Depreciation	4	**(771,498)**	(722,519)
Transportation		**(327,318)**	(267,564)
Utilities		**(229,856)**	(200,083)
Borrowing costs	4	**(203,303)**	(180,509)
Amortisation of intangibles	4	**(97,548)**	(92,846)
Impairment loss on intangible assets		**(82,841)**	–
Other expenses from ordinary activities		**(1,384,561)**	(1,173,932)
Profit from ordinary activities before income tax expense		**824,537**	750,865
Income tax expense	6	**(188,215)**	(206,943)
Profit from ordinary activities after income tax expense		**636,322**	543,922
Net (profit) attributable to minority interests		**(28,029)**	(30,325)
Profit attributable to members of Sonic Healthcare Limited	28(b)	**608,293**	513,597

		Cents	Cents
Basic earnings per share	37	**123.1**	107.0
Diluted earnings per share	37	**123.0**	106.7

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
		$'000	$'000
Profit from ordinary activities after income tax expense		**636,322**	543,922
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	28(a)	**(405,399)**	412,326
Items that will not be reclassified to profit or loss			
Fair value (losses) on financial asset	28(a)	**(5,007)**	(4,408)
Actuarial gains/(losses) on retirement benefit obligations	25(f)	**9,183**	(7,728)
Other comprehensive (loss)/income for the period, net of tax		**(401,223)**	400,190
Total comprehensive income for the period		**235,099**	944,112
Total comprehensive income attributable to:			
Members of Sonic Healthcare Limited		**219,074**	898,322
Minority interests		**16,025**	45,790
		235,099	944,112

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

AS AT 30 JUNE 2026

	Notes	2026	2025
		$'000	$'000
Current assets			
Cash and cash equivalents	38(a)	**653,695**	673,773
Receivables	7	**1,545,188**	1,503,362
Inventories	8	**251,121**	226,976
Current tax assets	20	**–**	40,293
Other	9	**151,320**	161,222
Total current assets		**2,601,324**	2,605,626
Non-current assets			
Receivables	10	**22,279**	23,787
Investments	11	**227,397**	231,112
Property, plant and equipment	12	**1,903,381**	1,787,259
Right-of-use assets	13	**1,798,345**	1,545,643
Intangible assets	14	**10,046,500**	9,766,666
Deferred tax assets	15	**170,148**	83,573
Other	16	**11,265**	10,252
Total non-current assets		**14,179,315**	13,448,292
Total assets		**16,780,639**	16,053,918
Current liabilities			
Payables	17	**1,189,417**	1,314,037
Interest-bearing liabilities	18	**331,662**	80,786
Lease liabilities	19	**410,664**	380,143
Current tax liabilities	20	**159,613**	55,944
Provisions	21	**376,537**	371,539
Other	22	**155,046**	20,953
Total current liabilities		**2,622,939**	2,223,402
Non-current liabilities			
Interest-bearing liabilities	23	**3,386,707**	3,408,432
Lease liabilities	19	**1,710,754**	1,301,449
Deferred tax liabilities	24	**364,458**	412,005
Provisions	25	**122,317**	146,215
Other	26	**80,164**	89,199
Total non-current liabilities		**5,664,400**	5,357,300
Total liabilities		**8,287,339**	7,580,702
Net assets		**8,493,300**	8,473,216
Equity			
Parent entity interest			
Contributed equity	27	**4,517,893**	4,142,012
Reserves	28(a)	**193,049**	637,373
Retained earnings	28(b)	**3,627,812**	3,544,113
Total parent entity interest		**8,338,754**	8,323,498
Minority interests		**154,546**	149,718
Total equity		**8,493,300**	8,473,216

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2026

	Share capital	Reserves	Retained earnings	Total	Minority interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024	4,140,911	224,435	3,552,277	7,917,623	157,502	8,075,125
Profit for the period	–	–	513,597	513,597	30,325	543,922
Other comprehensive income for the period	–	392,453	(7,728)	384,725	15,465	400,190
Total comprehensive income for the period	–	392,453	505,869	898,322	45,790	944,112
Transactions with owners in their capacity as owners						
Dividends paid	–	–	(514,033)	(514,033)	–	(514,033)
Transfers to share capital	583	(583)	–	–	–	–
Costs of share transactions net of tax	(5)	–	–	(5)	–	(5)
Share-based payments	–	22,536	–	22,536	–	22,536
Allocation of treasury shares	523	(523)	–	–	–	–
Acquisition of minority interests	–	(945)	–	(945)	1,159	214
Dividends paid to minority interests in controlled entities	–	–	–	–	(54,733)	(54,733)
Balance at 30 June 2025	4,142,012	637,373	3,544,113	8,323,498	149,718	**8,473,216**
Profit for the period	–	–	608,293	608,293	28,029	**636,322**
Other comprehensive income for the period	–	(398,402)	9,183	(389,219)	(12,004)	**(401,223)**
Total comprehensive income for the period	–	(398,402)	617,476	219,074	16,025	**235,099**
Transactions with owners in their capacity as owners						
Dividends paid	–	–	(533,777)	(533,777)	–	**(533,777)**
Shares issued	370,612	–	–	370,612	–	**370,612**
Transfers to share capital	2,701	(2,701)	–	–	–	**-**
Costs of share transactions net of tax	(195)	–	–	(195)	–	**(195)**
Share-based payments	–	30,056	–	30,056	–	**30,056**
Allocation of treasury shares	2,763	(2,763)	–	–	–	**-**
Put options relating to minority interests	–	(75,012)	–	(75,012)	–	**(75,012)**
Acquisition of minority interests	–	4,498	–	4,498	5,961	**10,459**
Dividends paid to minority interests in controlled entities	–	–	–	–	(17,158)	**(17,158)**
Balance at 30 June 2026	**4,517,893**	**193,049**	**3,627,812**	**8,338,754**	**154,546**	**8,493,300**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
		$'000	$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**11,291,913**	9,702,071
Payments to suppliers and employees (inclusive of goods and services tax)		**(9,527,277)**	(8,087,432)
Gross operating cash flow		**1,764,636**	1,614,639
Interest received		**14,965**	21,745
Borrowing costs		**(199,815)**	(168,697)
Income taxes paid		**(174,335)**	(170,897)
Net cash inflow from operating activities	38(b)	**1,405,451**	1,296,790
Cash flows from investing activities			
Payment for purchase of controlled entities, net of cash acquired		**(615,735)**	(94,574)
Payments for property, plant and equipment		**(630,738)**	(336,243)
Proceeds from sale of non-current assets		**449,626**	5,827
Payments for investments		**(9,659)**	(35,700)
Payments for intangibles		**(104,904)**	(126,452)
Repayment of loans by other entities		**20,341**	20,166
Loans to other entities		**(5,925)**	(10,642)
Net cash (outflow) from investing activities		**(896,994)**	(577,618)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities (net of transaction costs and related taxes)		**(313)**	(8)
Proceeds from borrowings		**1,900,275**	2,045,591
Repayment of borrowings		**(1,425,002)**	(1,802,675)
Principal elements of lease payments		**(432,732)**	(412,240)
Dividends paid to Company's shareholders		**(533,777)**	(514,033)
Transactions related to minority interests		**(2,961)**	200
Dividends paid to minority interests in subsidiaries		**(17,453)**	(52,764)
Net cash (outflow) from financing activities		**(511,963)**	(735,929)
Net (decrease) in cash and cash equivalents		**(3,506)**	(16,757)
Cash and cash equivalents at the beginning of the financial year		**673,773**	645,001
Effects of exchange rate changes on cash and cash equivalents		**(16,572)**	45,529
Cash and cash equivalents at the end of the financial year	38(a)	**653,695**	673,773
Financing arrangements	23		
Non-cash financing and investing activities	38(c)		

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 1 | SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Financial Report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The Financial Report includes financial statements for the Consolidated Group ('the Group') consisting of Sonic Healthcare Limited ('Parent Company' or 'Company') and its subsidiaries. The financial statements were authorised for issue by the Directors on 24 September 2026.

a) Basis of preparation

This general purpose Financial Report has been prepared in accordance with Australian Accounting Standards, Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The Company is a for-profit entity for the purpose of preparing the financial statements.

Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The Parent Company financial information included in Note 40 also complies with IFRS.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss and plan assets of retirement benefit obligations measured at fair value.

Working capital

Sonic is required to disclose $332 million of debt drawn under facilities which are due to expire before 30 June 2027 as a current liability as at 30 June 2026. As a result the Consolidated Balance Sheet shows a deficiency of working capital of A$22 million. In July 2026, Sonic entered into a €245 million bank debt facility to effectively refinance the expiring facilities. The financial report has therefore been prepared on a going concern basis.

Comparatives may be restated to enhance comparability with the current year.

b) Principles of consolidation and equity accounting

The Consolidated Group financial statements incorporate the assets and liabilities of all subsidiaries controlled by Sonic Healthcare Limited as at 30 June 2026 and the results of all subsidiaries for the year then ended. Sonic Healthcare Limited and its controlled entities together are referred to in this Financial Report as the Group or the Consolidated Group.

Subsidiaries are all those entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the results and equity of controlled entities are shown separately in the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group (refer to Note 1(e)).

Notes to the Consolidated Financial Statements

30 JUNE 2026

i) Sonic Healthcare Limited Employee Share Trust (SHEST)

The Group has formed a trust to obtain and hold shares for the purpose of providing shares under selected Group equity plans. This trust is consolidated, as the substance of the relationship is that the trust is controlled by the Group. Shares held by the SHEST are disclosed as treasury shares and deducted from contributed equity.

ii) Changes in ownership interests

The Group treats transactions with minority interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and minority interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to minority interests and any consideration paid or received is recognised in a separate reserve within equity.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly-controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

iii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

c) Income tax

The income tax expense or benefit for the period is the tax payable or receivable on the current period's taxable income based on the income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Sonic Healthcare Limited and its wholly-owned Australian controlled entities have implemented the Australian tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are offset in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g. the Research and Development Tax Incentive regime in Australia or other investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

d) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of each entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's financial statements are presented in Australian dollars, which is Sonic Healthcare Limited's functional and presentation currency.

ii) Transactions

Foreign currency transactions are initially translated into the functional currency using the rates of exchange prevailing at the date of the transaction. At the balance sheet date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting foreign exchange differences are recognised in the Income Statement except where they are deferred in equity as cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

iii) Foreign controlled entities

The assets and liabilities of foreign controlled entities are translated into Australian currency at rates of exchange current at the balance sheet date, while their income and expenses are translated at the average of rates prevailing during the year. Exchange differences arising on translation are taken to the foreign currency translation reserve. Differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, a proportionate share of such exchange difference is reclassified to the Income Statement, as part of the gain or loss on sale where applicable.

e) Business combinations

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. On an acquisition-by-acquisition basis, the Group recognises any minority interest in the acquiree either at fair value or at the minority interest's proportionate share of the acquiree's net identifiable assets.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Identifiable assets acquired and liabilities and contingent liabilities assumed in an acquisition are measured initially at their fair values at the acquisition dates, irrespective of the extent of any minority interest. Goodwill is brought to account on the basis described in Note 1(m)(i).

The excess of the consideration transferred, the amount of any minority interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

f) Revenue recognition

Revenue is recognised when services are transferred to a customer, in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services by applying the five-step model set out in AASB 15. Revenue is recognised for the major business activities as follows:

i) Laboratory medicine and radiology services

Laboratory medicine and radiology services revenue is recognised at a point in time when the test or service is completed.

ii) Other medical services

Revenue from other medical services is recognised over time as the performance obligation is satisfied. Revenue is recognised based on the services provided at period end date. Payments to doctors in medical centre and occupational health businesses in exchange for contracting the Group's services for a period of time are capitalised as a contract asset and amortised on a straight-line basis against revenue over the life of the contract.

iii) Interest income

Interest income is recognised using the effective interest method.

iv) Dividends

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence.

g) Receivables

All trade debtors are initially recognised at their fair value being the amounts receivable and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade debtors are generally required to be settled within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in the period in which they are identified. A provision for impairment loss is recognised using the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables and adjusts for any known forward-looking issues specific to the debtors and the economic environment. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

h) Inventories

Inventories, comprising consumable stores stock, are valued at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the first in, first out (FIFO) basis.

i) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each financial year end.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the Consolidated Financial Statements

30 JUNE 2026

j) Investments and other financial assets

i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments only when its business model for managing those assets changes.

ii) Recognition and derecognition

Purchases and sales of financial assets settled through the regular settlement for that particular investment are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses on its debt instruments carried at amortised cost and fair value through other comprehensive income. The impairment methodology depends on whether there has been a significant increase in credit risk.

k) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value.

Depreciation is calculated using the straight-line method to allocate the net cost of each item of property, plant and equipment (excluding land), net of their residual values over their estimated useful lives to the Group. Land is not depreciated. Estimates of remaining useful lives and residual values are made on a regular basis for all assets, with annual reassessments for major items. The estimated useful lives are as follows:

Buildings and improvements	40 years
Plant and equipment	3–15 years

The cost of improvements to, or on, leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the Group, whichever is the shorter.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value of the asset is greater than its estimated recoverable amount (Note 1(i)). An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Income Statement in the period the item is derecognised.

l) Leases

The Group leases properties, equipment and vehicles under rental contracts which are typically made for fixed periods of between 1 month and 20 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

A single recognition and measurement approach is applied to all leases that the Group is the lessee for, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Lease liabilities

At the commencement date of the lease the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement, if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate the Group uses a build-up approach that starts with appropriate swap and corporate bond rates with adjustments specific to the lease based on term and currency.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, such as a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Contracts may contain both lease and non-lease components. For leases where the non-lease component is not separately identified, the Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

ii) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The costs of right-of-use assets includes the amount of lease liabilities recognised, less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use assets are subject to annual impairment assessment.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term recognition criteria exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption, which applies to miscellaneous low-value assets (e.g. IT equipment and small items of office furniture) that do not have quantitative or qualitative significance. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term within the lease expense line item.

iv) Variable lease payments

Variable lease payments reflect the lease component of consumables expenditure in situations where supplier contracts include the placement of equipment which the Group does not own. Such arrangements are used where it is commercially advantageous to the Group. Variable lease payments are not significant in comparison to fixed lease payments and vary based on a number of factors, including the value and quantity of equipment placed and the length of the supplier contract.

v) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not the respective lessor. As at 30 June 2026 approximately 41% of the Group's leases have extension options of which 6% have been assessed as being reasonably certain to be exercised (these options have therefore been included in the calculation of the lease liability at the period end). The value of payments (undiscounted) for all optional periods represent approximately 581% of the FY2026 year's lease payments.

vi) Sale and leaseback

The Group may periodically sell land and buildings and lease them back where it is commercially advantageous to do so. These types of transactions are not prevalent given the relatively small proportion of properties that the Group owns compared to leased. If the transfer of an asset satisfies the requirements of AASB 15 to be accounted for as a sale, the right-of-use asset arising from the leaseback is measured at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. Accordingly, only the amount of any gain or loss that relates to the rights transferred is recognised in the Income Statement.

vii) Lessor accounting

The Group enters into lease agreements as lessor in respect of some property leases (largely related to the medical centre operations). Where the Group is an intermediate lessor it accounts for the head lease and the sub-lease as two separate contracts.

The sub-lease is a finance lease where it transfers substantially all the risks and rewards of ownership to the lessee. All other sub-leases are operating leases. The determination of whether a sub-lease is classified as a finance lease or operating lease is made by reference to the right-of-use asset arising from the head lease. The majority of sub-leases have lease terms substantially shorter than the head lease and accordingly are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

The Group recognises on the Balance Sheet a net investment in a lease as the sum of the lease payments receivable plus any unguaranteed residual value, discounted at the interest rate implicit in the lease.

m) Intangible assets

i) Goodwill

Goodwill represents the excess of the cost of the business combination over the acquirer's interest in the net fair value of identifiable assets and liabilities acquired at the date of acquisition. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Any goodwill acquired is allocated to each of the cash-generating units (CGUs) expected to benefit from the combination's synergies. The goodwill allocated to the CGUs for the purpose of assessing impairment is identified according to business segment (laboratory and radiology) and country of operation (Australia, New Zealand, UK, USA, Germany, Switzerland and Belgium).

Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to that entity.

ii) Intangible assets acquired from a business combination

Intangible assets acquired from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

The useful lives of these intangible assets are assessed to be either finite or indefinite.

Where amortisation is charged on assets with finite lives, this expense is taken to the Income Statement.

Intangible assets are tested for impairment where an indicator of impairment exists, and in the case of indefinite life intangibles annually, either individually or at the cash-generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Included in intangibles is the value of certain brand names acquired as part of the purchase of certain laboratory businesses and controlled entities.

The brand names have been assessed as having an indefinite useful life after consideration of the following factors:

- the length of time during which the brand name has been in use,
- the stability of the healthcare industry,
- the market perception and recognition of the brands which have consistently facilitated the retention and growth of revenue in both the local and national market places,
- active promotion of the brands in the marketplace,
- brand names are a registered legal trademark of the business. The registration of brands is renewable at minimal cost and minimal difficulty.

iii) Software development

Expenditure on software development is capitalised when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and the costs can be measured reliably. The expenditure capitalised comprises all attributable costs. Capitalised software development costs are recorded as finite life intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its estimated useful life of 10 years. Capitalised development expenditure is stated at cost less accumulated amortisation. The carrying value is reviewed for impairment annually, or more frequently, if an indicator of impairment arises.

The costs of acquiring computer software for internal use are capitalised as intangible non-current assets where the software is used to support significant business systems and the expenditure leads to the creation of an asset. The expected useful life is generally 3–10 years.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Income Statement when the asset is derecognised.

Intangible assets (other than software development costs) created within the business are not capitalised and expenditure is charged against profits in the period in which the expenditure is incurred.

iv) Software-as-a-Service arrangements (SaaS)

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. As such the Group does not receive a software intangible asset at the contract commencement date. Implementation costs including costs to configure or customise the cloud provider's application software are generally recognised as operating expenses when the services are received.

Costs incurred for the development of distinct software that enhances or modifies, or creates additional capability to, existing systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible assets.

n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

o) Interest-bearing liabilities

All loans and borrowings are initially recognised at fair value plus transaction costs, thereafter interest-bearing loans and borrowings are measured at amortised cost using the effective interest method. Interest is accrued over the period it becomes due and is recorded as part of other creditors. Fees paid on the establishment of loan facilities measured at amortised cost are capitalised and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

p) Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. Changes in fair value are either taken to the Income Statement or an equity reserve (refer below). The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges);
- hedges of the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or;
- hedges of a net investment in a foreign operation (net investment hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 39. Movements in the hedging reserve in shareholders' equity are shown in Note 28.

i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the Income Statement within borrowing costs, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in the Income Statement within other income or other expenses.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity using a recalculated effective interest rate.

ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement within other income or other expenses.

Amounts accumulated in equity are recycled to the Income Statement in the periods when the hedged item will affect profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the Income Statement within borrowing costs.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Income Statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

The fair value of the Group's cash flow hedges are determined by external advisors using the present value of estimated future cash flows.

iii) Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity. The gain or loss relating to the ineffective portion of the hedge is recognised immediately in the Income Statement within other income or other expenses.

Gains and losses accumulated in equity are included in the Income Statement when the foreign operation is partially disposed of or sold.

iv) Derivatives that do not qualify for hedge accounting

For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are taken directly to the Income Statement and are included in other income or other expenses.

q) Employee benefits

i) Wages and salaries, annual leave

Liabilities for wages and salaries and annual leave are recognised and are measured at the amounts expected to be paid when the liabilities are settled.

ii) Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the current provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the non-current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

iii) Retirement benefit obligations

Certain employees of the Group are entitled to benefits from defined contribution superannuation plans on retirement, disability or death. The defined contribution plans receive fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions.

Contributions to the defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Group also has defined benefit superannuation plans in relation to certain non-Australian employees, which provide defined lump sum benefits based on years of service and final average salary.

A liability or asset in respect of defined benefit plans is recognised in the Balance Sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method.

Consideration is given to expected future wages and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. In countries where there is a deep market in high-quality corporate bonds, the market rates on those bonds are used rather than government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, outside profit or loss, directly in the Statement of Comprehensive Income. Past service costs are recognised immediately in the Income Statement.

iv) Profit sharing and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is recognised in other creditors when there is no realistic alternative but to settle the liability and at least one of the following conditions is met:

- there are formal terms in the plan for determining the amount of the benefit, or
- the amounts to be paid are determined before the time of completion of the Financial Report, or
- past practice gives clear evidence of the amount of the obligation.

Liabilities for profit sharing and bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

v) Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

vi) Equity-based compensation benefits

Equity-based compensation benefits are provided to employees under various plans. Information relating to these plans is set out in Note 35.

The fair value of equity remuneration granted under the various employee plans is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the shares and options ('the vesting period'). The fair value at grant date is determined using a pricing model consistent with the Black Scholes methodology that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the arrangement.

The fair value of the options and shares granted is adjusted to reflect market vesting conditions (using a Monte Carlo simulation) but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of shares and options that are expected to vest. At each balance sheet date, the entity revises its estimate of the number of shares and options that are expected to vest. The employee benefit expense recognised each period takes into account the most recent estimate.

No expense is recognised for shares and options that do not ultimately vest due to a failure to meet a non-market vesting condition.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

The dilutive effect, if any, of outstanding shares and options is reflected as additional share dilution in the calculation of diluted earnings per share.

The Parent Company issues options to employees of subsidiary companies as part of the Group's remuneration strategy. When options are exercised, the subsidiary company reimburses the Parent Company for the excess of the market price at the time of exercise over the exercise price. These amounts are credited to contributed equity in the Parent Company's accounts, and eliminated on consolidation.

vii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

r) Borrowing costs

Borrowing costs include:

- interest on bank overdrafts, short-term and long-term borrowings, including amounts paid or received on interest rate swaps,
- amortisation of discounts or premiums relating to borrowings,
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings, and
- lease charges.

Borrowing costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. In these circumstances, borrowing costs are capitalised to the cost of the assets using the weighted average interest rate applicable to the entity's outstanding borrowings during the year.

s) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. For share buybacks the total cost of purchasing Sonic ordinary shares is deducted from contributed equity.

t) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, and deposits at call with financial institutions which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

u) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing net profit after income tax attributable to members of the Parent Company by the weighted average number of ordinary shares on issue during the financial year excluding treasury shares.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

v) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments have been identified as the Chief Executive Officer and the Board of Directors.

Segment revenues, expenses and results include transfers between segments. Such transfers are priced on an 'arm's-length' basis and are eliminated on consolidation.

w) Dividends

Provision is made for the amount of any dividend declared, determined or publicly recommended by the Directors on or before the end of a financial year but not distributed at balance date.

x) Repairs and maintenance

Plant and equipment, and premises occupied, require repairs and maintenance from time to time in the course of operations. The costs associated with repairs and maintenance are charged as expenses as incurred, except where they relate to an improvement in the useful life of an asset, in which case the costs are capitalised and depreciated in accordance with Note 1(k).

y) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group) but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

z) Provisions

Provisions are recognised when the Group has a present legal, equitable or constructive obligation as a result of past transactions or other past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. Any increase in the provision due to the passage of time is recognised as borrowing costs expense.

Restructuring provisions are recognised where the Group has completed a business combination where there is a detailed formal plan for the restructure, and a present obligation immediately prior to the business combination and its execution was not conditional upon it being acquired by the Group.

aa) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included within sundry debtors or sundry creditors in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

ab) Rounding of amounts

The Company is of a kind referred to in ASIC Legislation Instrument 2026/183 issued by the Australian Securities & Investments Commission, relating to the 'rounding off' of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

ac) Significant accounting estimates and assumptions

The preparation of financial statements requires the use of estimates and assumptions of future events to determine the carrying amounts of certain assets and liabilities.

Key estimates and assumptions used in the preparation of the Financial Report are:

i) Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill and intangibles with indefinite useful lives are discussed in Note 14.

ii) Share-based payment transactions

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using a pricing model consistent with the Black Scholes methodology, taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 35.

iii) Provisional accounting of business combinations

The Group provisionally accounts for certain business combinations where the Group is in the process of ascertaining the fair values of the identifiable assets, liabilities and contingent liabilities acquired. In doing so, the Group has relied on the best estimate of the identifiable assets, liabilities and contingent liabilities as disclosed in Note 30, until the quantification and treatment of items under review is complete.

iv) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. These assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 25.

v) Income tax

The Group is subject to income taxes in several jurisdictions around the world. Significant judgement is required in determining the provision for income taxes on a worldwide basis. Where the final tax outcome is different from amounts provided, such differences will impact the current or deferred tax provisions in the period in which such outcome is obtained.

vi) Trade debtors

Accounts receivable assessments require significant judgement in the USA due to contractual allowances, being discounts provided to certain payers against the Company's patient fee schedules. Revenue is billed at the fee schedule rate, but is recognised net of estimated contractual discounts. Adjustments are then made to revenue based on final payments received. Management diligently reviews allowances to ensure that the recoverable amount of debtors is materially accurate.

vii) Determination of the lease term as the non-cancellable term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal including penalties to terminate, the value of leasehold improvements remaining plus current and future expected economic performance from use of the asset. After the commencement date, the Group generally can only make a reasonable certainty assessment within six to twelve months of the exercise of an option or at other times if there is a significant event or change in circumstances that is within its control and affects the ability to exercise (or not to exercise) the option to renew.

viii) Calculation of the incremental borrowing rates

Where the Group cannot readily determine the interest rate implicit in lease contracts the present value of the Group's lease liabilities are estimated using the incremental borrowing rate as if leasing over a similar term the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group uses observable inputs such as market interest rates as applicable.

ad) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not applicable to the Group for the financial year ended 30 June 2026. The Group has elected not to early adopt these new standards and interpretations. These standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

AASB 18 *Presentation and Disclosure in Financial Statements* will be effective from 1 July 2027 and aims to provide greater consistency in the presentation of the income and cash flow statements, and more disaggregated information. While the standard will not impact the recognition or measurement of items in the financial statements, it is expected to have a pervasive impact on the presentation and disclosure of the Group's financial statements, particularly in relation to the structure of the statement of financial performance and the inclusion of management-defined performance measures. The Group is currently assessing the detailed implications of these changes, including the expected impact on reported subtotals, disclosures and internal reporting processes.

ae) Parent Company financial information

The financial information for the Parent Company, Sonic Healthcare Limited, disclosed in Note 40 has been prepared on the same basis as the consolidated financial statements, except as set out below.

i) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of Sonic Healthcare Limited.

ii) Tax consolidation legislation

Sonic Healthcare Limited and its wholly-owned Australian controlled entities implemented the tax consolidation legislation with effect from 30 June 2004, and have notified the Australian Taxation Office of this event. The head entity, Sonic Healthcare Limited, and the controlled entities in the tax consolidated group account for their own deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone tax payer in its own right. In addition to its own current and deferred tax amounts Sonic Healthcare Limited, as the head entity in the tax consolidated group, also recognises the current tax liabilities (or assets) assumed from the controlled entities in the tax consolidated group. Under tax sharing and funding agreements amounts receivable or payable between the tax consolidated entities are recognised within current amounts receivable/payable to controlled entities. The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate Sonic Healthcare Limited for any current tax payable assumed and are compensated by Sonic Healthcare Limited for any current tax receivable and deferred tax assets related to unused tax losses or unused tax credits that are transferred to Sonic Healthcare Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement. In the opinion of the Directors, the tax sharing agreement is a valid agreement under the tax consolidation legislation and limits the joint and several liability of the wholly-owned entities in the case of a default by Sonic Healthcare Limited.

iii) Share-based payments

The grant by the Parent Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 2 | SEGMENT INFORMATION

Business segments

The Group's Chief Executive Officer and the Board of Directors (the chief operating decision makers) review the Group's performance both by the nature of services provided and geographic region. Discrete financial information about each operating segment is reported to the Chief Executive Officer and the Board of Directors on at least a monthly basis and is used to assess performance and determine the allocation of resources.

The Group has the following reportable segments:

i) Laboratory

Pathology/clinical laboratory services provided in Australia, New Zealand, the United Kingdom, the United States of America, Germany, Switzerland, Belgium, Poland and Liechtenstein.

The geographic regions have been aggregated into one reportable segment, as they provide similar services and have similar expected growth rates, cost structures, risks and return profiles.

ii) Radiology

Diagnostic imaging services provided in Australia.

iii) Other

Includes corporate office functions, medical centre operations (IPN), occupational health services (Sonic HealthPlus), skin health businesses and other minor operations. In addition, acquisition costs and certain other non-recurring costs are expensed in this segment from time to time.

The internal reports use a 'Constant Currency' basis for reporting revenue and Net Profit Before Tax (NPBT) with foreign currency elements restated using the relevant prior period average exchange rates. The segment revenue and NPBT have therefore been presented using Constant Currency. NPBT is calculated after lease interest, but excluding interest on debt and non-lease interest income.

For FY2026 there was a change in the method of allocation of centralised IT costs to the Australian businesses. Non-recurring items were also included within segmental results in FY2025 but have been removed in FY2026. Segment NPBT and EBITDA in FY2026 are therefore not directly comparable with reported FY2025 segment performance. To enable comparison, 'Restated' FY2025 figures are presented on the following page that have been prepared on the same basis as FY2026.

2026	Laboratory	Radiology	Other	Eliminations	Total
	$'000	$'000	$'000	$'000	$'000
Segment revenue (Constant Currency)					
External sales	9,301,906	1,036,241	504,945	–	10,843,092
Inter-segment sales	4,467	1,084	1,260	(6,811)	–
Total segment revenue (Constant Currency)	9,306,373	1,037,325	506,205	(6,811)	10,843,092
Currency exchange rate movements	9,313	–	–	–	9,313
Other income	–	–	106,746	–	106,746
Total segment revenue and other income (Statutory)	9,315,686	1,037,325	612,951	(6,811)	10,959,151
Interest income					14,965
Total revenue and other income					**10,974,116**
Result					
Segment NPBT (Constant Currency)	925,672	144,239	(100,432)	–	969,479
Currency exchange rate movements	15,584	–	–	–	15,584
Segment NPBT (Statutory)	941,256	144,239	(100,432)	–	985,063
Non-recurring items					(51,205)
Unallocated interest expense					(109,321)
Profit before tax					**824,537**
Income tax expense					(188,215)
Profit after income tax expense					**636,322**
Allocated interest expense	61,363	8,900	9,348	–	**79,611**
Depreciation and amortisation expense	648,218	95,524	125,304	–	**869,046**
EBITDA (exc. non-recurring items)	1,650,792	248,663	33,671	–	**1,933,126**
EBITDA margin (exc. non-recurring items)	17.7%	24.0%	6.7%	–	**17.8%**
Labour and related costs	4,267,597	617,872	377,098	–	**5,262,567**
Other non-cash items (exc. non-recurring items)	(40,001)	5,072	29,352	–	**(5,577)**

2025	Laboratory	Radiology	Other	Eliminations	Total
	$'000	$'000	$'000	$'000	$'000
Segment revenue					
External sales	8,186,872	968,798	468,033	–	9,623,703
Inter-segment sales	1,494	874	4,514	(6,882)	–
Total segment revenue	8,188,366	969,672	472,547	(6,882)	9,623,703
Interest income					21,745
Total revenue					9,645,448
Result					
Segment NPBT	792,069	141,421	(89,969)	–	843,521
Unallocated interest expense					(92,656)
Profit before tax					750,865
Income tax expense					(206,943)
Profit after income tax expense					543,922
Allocated interest expense	50,887	7,753	8,057	–	66,697
Depreciation and amortisation expense	605,800	91,768	117,797	–	815,365
EBITDA	1,448,724	240,942	35,328	–	1,724,994
Labour and related costs	3,779,356	570,741	345,182	–	4,695,279
Other non-cash items	54,950	7,144	17,960	–	80,054
Restated^ NPBT	819,866	138,065	(92,303)	–	865,628
Restated^ EBITDA	1,476,521	237,586	32,994	–	1,747,101
Restated^ EBITDA margin	18.0%	24.5%	7.0%	–	18.2%

^ See explanation of 'Restated' on previous page.

Notes to the Consolidated Financial Statements

30 JUNE 2026

Geographical information

	Revenues from sales to external customers+		Non-current assets+^	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Australia	**3,720,841**	3,509,117	**3,767,364**	3,683,170
Germany	**2,729,482**	1,948,838	**3,786,333**	3,117,728
United States of America	**2,048,484**	2,109,558	**3,550,177**	3,569,657
Other	**2,353,598**	2,056,190	**2,677,896**	2,763,052
Total	**10,852,405**	9,623,703	**13,781,770**	13,133,607

+ Note that changes between years are affected by exchange rate movements and the timing of business acquisitions.
^ Note that this includes all non-current assets other than financial instruments and deferred tax assets.

NOTE 3 | REVENUE AND OTHER INCOME

	2026	2025
	$'000	$'000
Services revenue		
Medical services revenue	**10,841,358**	9,618,933
Other		
Interest received or due and receivable	**14,371**	21,156
Finance income on net investment in leases	**594**	589
Income from sub-leasing right-of-use assets	**5,650**	4,520
Other revenue	**5,397**	250
	26,012	26,515
Total revenue	**10,867,370**	9,645,448
Other income		
Gain related to sale and leaseback of property	**106,746**	–
Disaggregated revenue		
Laboratory		
Germany	**2,728,171**	1,948,582
Australia	**2,182,835**	2,072,593
USA	**2,048,213**	2,109,270
Switzerland (includes revenue from Liechtenstein)	**1,172,569**	1,078,490
UK	**924,635**	795,123
Belgium	**159,680**	151,906
Poland	**66,971**	–
New Zealand	**28,773**	29,563
Non-laboratory		
Radiology	**1,036,112**	968,622
Other (medical centres, occupational health services etc.)	**498,796**	465,034
	10,846,755	9,619,183

Contract asset balances of $3,096,000 (2025: $3,046,000) and $3,067,000 (2025: $5,150,000) have been recognised in current receivables and non-current receivables respectively as at 30 June 2026 relating to upfront doctor payments in the clinical services businesses.

NOTE 4 | EXPENSES

	2026	2025
	$'000	$'000
Profit before income tax includes the following specific expenses		
Finance costs		
Finance charges on capitalised leases	75,309	61,977
Other borrowing costs	127,994	118,532
Total borrowing costs	203,303	180,509
Amortisation of intangibles	97,548	92,846
Depreciation of		
Plant and equipment	318,092	295,259
Buildings	12,097	11,451
Total depreciation	330,189	306,710
Depreciation charge of right-of-use assets		
Buildings	418,790	402,230
Equipment	22,519	13,579
Total right-of-use asset depreciation	441,309	415,809
Lease expense		
Short-term leases	47,738	37,985
Low-value leases	6,026	4,728
Variable leases – Other	19,663	21,329
Total lease expense	73,427	64,042
Defined contribution superannuation expense	218,794	208,463
Bad and doubtful trade debtors	209,452	204,816
Repairs and maintenance	347,438	305,445

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 5 | DIVIDENDS

	2026	2025
	$'000	$'000
Total dividends paid on ordinary shares during the year		
Final dividend for the year ended 30 June 2025 of 63 cents (2024: 63 cents) per share paid on 18 September 2025 (2024: 19 September 2024), franked to 35% (2024: 0%)	**311,370**	302,655
Interim dividend for the year ended 30 June 2026 of 45 cents (2025: 44 cents) per share paid on 19 March 2026 (2025: 20 March 2025), franked to 60% (2025: 0%)	**222,407**	211,378
	533,777	514,033
Dividends not recognised at year end		
In addition to the above dividends, since year end the Directors declared a final dividend of 63 cents (2025: 63 cents) per ordinary share, franked to 60% (2025: 35%) based on tax paid at 30%. The aggregate amount of the final dividend paid on 17 September 2026 (2025: 18 September 2025) out of retained earnings at the end of the year, but not recognised as a liability is:	**311,370**	311,370
Franked dividends		
The 2026 final dividend declared after the year end was 60% franked.		
Franking credits available at the year end for subsequent financial years based on a tax rate of 30%	**11,986**	11,614

The consolidated amounts include franking credits that would be available if distributable profits of subsidiaries not part of the Australian tax group were paid as dividends.

Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan remained suspended for the FY2026 final dividend, as it was throughout the 2026 and 2025 financial years.

NOTE 6 | INCOME TAX

a) Income tax expense

	2026	2025
	$'000	$'000
Current tax	**291,662**	179,272
Deferred tax	**(104,727)**	21,837
(Over)/under provision in prior years – deferred tax	**(8,052)**	9,135
Under/(over) provision in prior years – current tax	**9,332**	(3,301)
Income tax expense	**188,215**	206,943
Deferred income tax expense included in income tax expense comprises		
(Increase) in deferred tax assets (Note 15)	**(64,061)**	(17,769)
(Decrease)/increase in deferred tax liabilities (Note 24)	**(48,718)**	48,741
	(112,779)	30,972

b) Income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	2026	2025
	$'000	$'000
Profit before income tax expense	824,537	750,865
Tax at the Australian tax rate of 30% (2025: 30%)	**247,361**	225,260
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Difference in overseas tax rates	(21,433)	(26,780)
Potential deductions relating to equity remuneration	(829)	(157)
Non-deductible share based payments	9,017	6,761
Utilisation of unbooked capital losses	(51,897)	–
Under provision in prior years	1,280	5,834
Other deductible/non-taxable items (net)	4,716	(3,975)
Income tax expense	**188,215**	206,943

c) Tax (benefit)/expense relating to items of other comprehensive income

Actuarial gains/(losses) on retirement benefit obligations	2,173	(1,211)
Fair value (losses) on financial asset	(2,146)	(1,889)
Tax expense/(benefit) relating to items of other comprehensive income	**27**	(3,100)

d) Amounts recognised directly in equity

Capital raising costs	**83**	2

e) Tax losses

Deferred tax assets of $68,913,000 (2025: $47,079,000) on the Group's Balance Sheet at 30 June 2026 relate to income tax losses (Note 15) across the Group. Income tax losses for which no deferred tax asset has been recognised total $11,646,000 (2025: $9,170,000).

The benefit of tax losses will only be obtained if:

i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, or
ii) the losses are transferred to an eligible entity in the Group, and
iii) the Group continues to comply with the conditions for deductibility imposed by tax legislation, and
iv) no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

Notes to the Consolidated Financial Statements

30 JUNE 2026

f) Unrecognised temporary differences

	2026	2025
	$'000	$'000
Temporary differences relating to investments in subsidiaries for which deferred tax assets and liabilities have not been recognised		
Foreign currency translation	**120,096**	238,947
Undistributed earnings	**2,610**	2,637
	122,706	241,584

A deferred tax asset has not been recognised in respect of temporary differences arising as a result of the translation of the financial statements of the Group's overseas subsidiaries. The deferred tax asset will only arise in the event of disposal of the subsidiaries, and no such disposals are expected in the foreseeable future.

Certain subsidiaries of Sonic Healthcare Limited have undistributed earnings which, if paid out as dividends, would be unfranked and therefore subject to tax in the hands of the recipient. A taxable temporary difference exists, however no deferred tax liability has been recognised as the Parent Company is able to control the timing of distributions from these subsidiaries and is not expected to distribute these profits in the foreseeable future.

g) Tax consolidation legislation

Sonic Healthcare Limited and its wholly-owned Australian subsidiaries implemented the Australian tax consolidation legislation at 30 June 2004. The accounting policy in relation to this legislation is set out in Note 1(c).

h) OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules, and it applies the AASB 112 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Under the legislation, the Group is liable to pay a top-up tax for any difference between the effective tax rate in each jurisdiction and the 15% minimum rate.

The Group does not expect any material Pillar Two top-up tax to be payable in any of the jurisdictions in which it operates.

NOTE 7 | RECEIVABLES – CURRENT

	2026	2025
	$'000	$'000
Trade debtors	**1,363,309**	1,336,525
Less: provision for impairment (a)	**(211,234)**	(217,765)
	1,152,075	1,118,760
Accrued revenue	**202,158**	209,136
Amounts owing from other entities and contract assets	**4,604**	4,662
Net investment in finance lease receivables	**5,394**	5,763
Sundry debtors	**180,957**	165,041
	1,545,188	1,503,362

Significant terms and conditions

Trade debtors are generally required to be settled within 30 days.

Sundry debtors generally arise from transactions outside the usual trading activities of the Group. Collateral is not normally obtained.

Transactions outside the usual operating activities of the Group have given rise to amounts owing from other entities. Repayments are specified by agreements.

a) Impaired trade debtors

As at 30 June 2026 current trade debtors of the Group with a value of $211,234,000 (2025: $217,765,000) were impaired.

Movements in the provision for impairment of receivables were as follows:

	2026	2025
	$'000	$'000
Opening balance at 1 July	**217,765**	154,838
Provisions on acquisition of controlled entities	**2,646**	2
Provision for impairment expensed+	**200,955**	193,422
Foreign exchange movements	**(11,278)**	4,290
Receivables written off	**(198,854)**	(134,787)
Closing balance at 30 June	**211,234**	217,765

+ Excludes amounts written off directly to the Income Statement.

Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash in excess of the cost of recovery.

Notes to the Consolidated Financial Statements

30 JUNE 2026

b) Ageing analysis

At 30 June 2026, the ageing analysis and expected credit losses of trade debtors are as follows:

	Gross value		Expected credit losses	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Not past due	**780,812**	658,291	**46,470**	13,624
30-60 days past due	**199,784**	160,204	**23,209**	12,256
60-90 days past due	**88,477**	97,056	**19,046**	17,115
90-120 days past due	**76,042**	72,440	**18,822**	17,143
120 days+ past due	**218,194**	348,534	**103,687**	157,627
Closing balance at 30 June	**1,363,309**	1,336,525	**211,234**	217,765

All other trade debtors and classes within 'Receivables – current' do not contain impaired assets and are not past due. Based on the credit history of these receivables, it is expected that these amounts will be received when due. The Group does not hold collateral in relation to these receivables.

c) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 39. No material carrying amounts of the Group's trade debtors are denominated in a non-functional currency.

d) Fair value and credit risk

Due to the short-term nature of these receivables, the carrying value is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above.

NOTE 8 | INVENTORIES – CURRENT

	2026	2025
	$'000	$'000
Consumable stores at cost	**251,121**	226,976

NOTE 9 | OTHER ASSETS – CURRENT

	2026	2025
	$'000	$'000
Prepayments	**151,320**	161,222

NOTE 10 | RECEIVABLES – NON-CURRENT

	2026	2025
	$'000	$'000
Amounts owing from other entities and contract assets	**15,647**	16,341
Net investment in finance lease receivables	**6,632**	7,446
	22,279	23,787

Undiscounted lease payments receivable	1 year or less	Over 1 and less than 2 years	Over 2 and less than 3 years	Over 3 and less than 4 years	Over 4 and less than 5 years	Over 5 years	Total	Unearned finance income	Carrying value
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Finance leases	5,844	3,415	2,176	886	376	239	12,936	(910)	12,026
Operating leases	30	–	–	–	–	–	30		
	5,874	3,415	2,176	886	376	239	12,966		

Amounts owing from other entities

Transactions outside the usual operating activities of the Group give rise to these amounts receivable. Interest is charged at commercial rates and repayments are specified by agreements.

Fair values

The carrying value of non-current receivables approximates their fair value.

Credit risk exposures

The credit risk on financial assets of the Group which have been recognised on the Balance Sheet, other than investments in shares, is generally the carrying amount, net of any provisions for impairment. Where entities have a right of set-off and intend to settle on a net basis, this set-off has been reflected in the financial statements in accordance with accounting standards.

None of the non-current receivables are past due or impaired.

NOTE 11 | INVESTMENTS – NON-CURRENT

	2026	2025
	$'000	$'000
Investments accounted for using the equity method	**101,134**	92,788
Other financial assets	**126,263**	138,324
	227,397	231,112

The Group has interests in a number of associates and joint ventures that are accounted for using the equity method. The contribution of these investments is not material to the Group. The most significant amount included within other financial assets is the Group's investment into Harrison.ai.

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 12 | PROPERTY, PLANT AND EQUIPMENT – NON-CURRENT

	Freehold land & buildings	Plant & equipment	Total
	$'000	$'000	$'000
At 30 June 2024			
Cost	487,767	3,848,387	4,336,154
Accumulated depreciation	(114,918)	(2,564,736)	(2,679,654)
Net book amount	372,849	1,283,651	1,656,500
Year ended 30 June 2025			
Opening net book amount	372,849	1,283,651	1,656,500
Additions	13,295	350,805	364,100
Additions through business combinations	–	3,244	3,244
Disposals	–	(5,490)	(5,490)
Transfers	(19,568)	18,031	(1,537)
Depreciation (Note 4)	(11,451)	(295,259)	(306,710)
Foreign exchange movements	8,574	68,578	77,152
Closing net book amount	363,699	1,423,560	1,787,259
At 30 June 2025			
Cost	494,303	4,338,606	4,832,909
Accumulated depreciation	(130,604)	(2,915,046)	(3,045,650)
Net book amount	363,699	1,423,560	1,787,259
Year ended 30 June 2026			
Opening net book amount	363,699	1,423,560	1,787,259
Additions	207,618	412,663	620,281
Additions through business combinations (Note 30)	19,515	45,744	65,259
Disposals	(134,610)	(20,414)	(155,024)
Transfers	–	(7,761)	(7,761)
Depreciation (Note 4)	(12,097)	(318,092)	(330,189)
Foreign exchange movements	(9,656)	(66,788)	(76,444)
Closing net book amount	**434,469**	**1,468,912**	**1,903,381**
At 30 June 2026			
Cost	547,378	4,363,138	4,910,516
Accumulated depreciation	(112,909)	(2,894,226)	(3,007,135)
Net book amount	**434,469**	**1,468,912**	**1,903,381**

Non-current assets pledged as security

Refer to Note 33 for information on non-current assets pledged as security by the Group.

NOTE 13 | RIGHT-OF-USE ASSETS – NON-CURRENT

	2026	2025
	$'000	$'000
Buildings	**1,758,097**	1,530,486
Equipment	**40,248**	15,157
	1,798,345	1,545,643

Additions to the right-of-use assets during the 2026 financial year comprised $539,359,000 (2025: $265,340,000) of new leases, including those added through business acquisitions, and $271,310,000 (2025: $261,792,000) of remeasured leases (including recognition of option periods).

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 14 | INTANGIBLE ASSETS – NON-CURRENT

	Brand names	Goodwill	Software+	Other	Total
	$'000	$'000	$'000	$'000	$'000
At 30 June 2024					
Cost	188,154	8,502,489	1,288,004	29,236	10,007,883
Accumulated amortisation and impairment	(54,214)	(97,372)	(716,650)	(13,383)	(881,619)
Net book amount	133,940	8,405,117	571,354	15,853	9,126,264
Year ended 30 June 2025					
Opening net book amount	133,940	8,405,117	571,354	15,853	9,126,264
Acquisition of businesses	–	102,956	–	–	102,956
Additions – externally acquired	–	–	25,220	84	25,304
Additions – internally generated	–	–	101,148	–	101,148
Disposals	–	–	(2,304)	–	(2,304)
Transfers	–	–	1,537	–	1,537
Final acquisition accounting adjustments	–	8,185	(38,814)	–	(30,629)
Amortisation charge (Note 4)	–	–	(91,972)	(874)	(92,846)
Foreign exchange movements	–	521,947	13,069	220	535,236
Closing net book amount	133,940	9,038,205	579,238	15,283	9,766,666
At 30 June 2025					
Cost	188,755	9,137,020^	1,416,940	29,540	10,950,285
Accumulated amortisation and impairment	(54,815)	(98,815)^	(837,702)	(14,257)	(1,183,619)
Net book amount	133,940	9,038,205	579,238	15,283	9,766,666
Year ended 30 June 2026					
Opening net book amount	133,940	9,038,205	579,238	15,283	9,766,666
Acquisition of businesses (Note 30)	–	908,661	180	–	908,841
Additions – externally acquired	–	–	23,679	–	23,679
Additions – internally generated	–	–	81,225	–	81,225
Disposals	–	–	(34)	–	(34)
Transfers	–	–	7,761	–	7,761
Amortisation charge (Note 4)	–	–	(96,779)	(769)	(97,548)
Impairment charge*	–	–	(82,841)	–	(82,841)
Foreign exchange movements	–	(542,149)	(18,541)	(559)	(561,249)
Closing net book amount	**133,940**	**9,404,717**	**493,888**	**13,955**	**10,046,500**
At 30 June 2026					
Cost	184,054	9,492,246	1,463,988	28,914	11,169,202
Accumulated amortisation and impairment	(50,114)	(87,529)	(970,100)	(14,959)	(1,122,702)
Net book amount	**133,940**	**9,404,717**	**493,888**	**13,955**	**10,046,500**

+ Software includes both externally acquired software and capitalised development costs, being an internally generated intangible asset.
* The impairment reflects the expected cessation of use of certain legacy software applications that will be replaced by new enterprise systems. As future economic benefits associated with these assets are no longer expected to be realised over their remaining carrying lives, an impairment charge was recognised.
^ Cost, accumulated amortisation and impairment have been updated to reflect a gross up, with no impact to net book value.

a) Impairment testing of goodwill and intangibles with indefinite useful lives

Goodwill is allocated to the Group's cash-generating units (CGUs) for the purposes of assessing impairment according to business segment and geographic location. A summary of the goodwill allocation is presented below.

2026 Australia Laboratory	UK Laboratory	USA Laboratory	Germany Laboratory	Switzerland Laboratory	Belgium Laboratory	Radiology	Total
$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
1,079,112	151,857	2,935,441	2,872,944	1,229,960	541,894	593,509	9,404,717

2025 Australia Laboratory	UK Laboratory	USA Laboratory	Germany Laboratory	Switzerland Laboratory	Belgium Laboratory	Radiology	Total
$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
1,078,895	145,608	2,929,948	2,384,153	1,317,997	588,095	593,509	9,038,205

The carrying value of brand names of $133,940,000 at 30 June 2026 relates solely to the Australia Laboratory CGU and the recoverable amounts are assessed as part of the recoverable amount of the CGU.

The recoverable amount of a CGU is measured as the higher of value in use ('VIU') and fair value less costs of disposal ('FVLCD').

VIU calculations use cash flow projections based on financial budgets/forecasts approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the terminal growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

FVLCD is based on a market participant perspective and is estimated using assumptions that a market participant would use when pricing the CGU.

In calculating the FVLCD of the USA and Belgium Laboratory CGUs, future forecast cash flows represent a market participant's view of the future cash flows that would be available to them. The measurement of these CGUs is classified as a level 3 fair value under the accounting standard AASB 13.

b) Key assumptions used

The recoverable amount of each cash-generating unit is the net present value of the future cash flows of the cash-generating unit. Recoverable amounts have been assessed using management's best estimates of:

- FY2027 Board and management approved profit and loss and cash flow budgets for each cash-generating unit;
- forecast earnings growth factors consistent with historical growth rates, current performance, expected changes and adjustments for a market participant's perspective;
- prevailing market based discount rates taking into account the interest rate environment of different geographies; and
- assessments of terminal growth rates, predominantly based on long term inflation rates.

2026	Australia Laboratory	UK Laboratory	USA Laboratory	Germany Laboratory	Switzerland Laboratory	Belgium Laboratory	Radiology
Average earnings growth rate	11%	10%	16%	8%	6%	6%	9%
Pre-tax discount rates (unless indicated)	11.5%	10.8%	9.7%+	10.7%	6.4%	9.1%+	11.5%
Terminal growth rate	3.0%	3.0%	2.5%	2.2%	1.0%	2.5%	3.0%

2025	Australia Laboratory	UK Laboratory	USA Laboratory	Germany Laboratory	Switzerland Laboratory	Belgium Laboratory	Radiology
Average earnings growth rate	11%	8%	12%	8%	7%	6%	9%
Pre-tax discount rates (unless indicated)	10.8%	10.4%	9.0%+	10.1%	9.2%	9.0%+	10.8%
Terminal growth rate	3.0%	3.0%	2.5%	2.2%	1.0%	2.5%	3.0%

+ Post-tax rates

After performing sensitivity analysis, any reasonably possible change in the key assumptions on which the recoverable amount has been assessed would not cause the carrying amount to exceed the recoverable amount in any of the cash-generating units other than potentially for the Belgium and USA Laboratory CGUs.

Belgium

- If a market participant did not believe they would be able to increase earnings margins by ~12 percentage points through cost synergies this will result in the recoverable amount being equal to or less than the carrying value for the Belgium Laboratory CGU.

USA

- If a market participant did not believe they would be able to increase earnings margins by ~15 percentage points through cost synergies this will result in the recoverable amount being equal to or less than the carrying value for the USA Laboratory CGU.

NOTE 15 | DEFERRED TAX ASSETS – NON-CURRENT

	2026	2025
	$'000	$'000
Deferred tax assets	**170,148**	83,573
The balance comprises temporary differences attributable to		
Amounts recognised in profit or loss		
Doubtful debts	**38,044**	36,143
Employee benefits	**98,145**	93,409
Sundry accruals	**34,992**	36,931
Unrealised foreign exchange movements	**214**	165
Lease liability	**553,538**	466,948
Tax losses	**68,913**	47,079
	793,846	680,675
Amounts recognised directly in equity/other comprehensive income		
Share issue costs	**160**	159
Deferred tax assets	**794,006**	680,834
Less: amounts offset against deferred tax liabilities (Note 24)	**(623,858)**	(597,261)
Net deferred tax assets	**170,148**	83,573
Movements		
Opening balance at 1 July	**83,573**	65,936
Credited to the Income Statement (Note 6)	**64,061**	17,769
Acquisition/disposal of subsidiaries	**(500)**	10,768
Foreign exchange movements	**23,014**	(10,900)
Closing balance at 30 June	**170,148**	83,573

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 16 | OTHER ASSETS – NON-CURRENT

	2026	2025
	$'000	$'000
Prepayments	**11,265**	10,252

NOTE 17 | PAYABLES – CURRENT

	2026	2025
	$'000	$'000
Trade creditors	**410,603**	446,572
Sundry creditors and accruals	**778,814**	867,465
	1,189,417	1,314,037

Fair value and risk exposure

Due to the short-term nature of these payables, the carrying value is assumed to approximate their fair value. Information about the Group's exposure to foreign currency exchange rate risk is provided in Note 39.

NOTE 18 | INTEREST-BEARING LIABILITIES – CURRENT

	2026	2025
	$'000	$'000
Unsecured		
Bank loans	**761**	184
USPP notes (Note 23(a))	**330,087**	80,602
Amounts owing to vendors	**814**	–
	331,662	80,786

NOTE 19 | LEASE LIABILITIES

	2026	2025
	$'000	$'000
Current	**410,664**	380,143
Non-current	**1,710,754**	1,301,449
	2,121,418	1,681,592

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 20 | TAX ASSETS AND LIABILITIES – CURRENT

	2026	2025
	$'000	$'000
Income tax assets	–	40,293
Income tax (liabilities)	**(159,613)**	(55,944)

NOTE 21 | PROVISIONS – CURRENT

	2026	2025
	$'000	$'000
Employee benefits	**376,537**	371,477
Lease exit costs	–	62
	376,537	371,539

The lease exit costs represent future payments for leased premises under non-cancellable operating leases. Movements in lease exit costs during the financial year are set out below:

	Total
	$'000
Carrying amount at 1 July 2025	28,068
Additional provisions recognised	517
Applied against provision	(62)
Foreign exchange movements	(2,307)
Carrying amount at 30 June 2026	26,216
Representing lease exit costs:	
Current	–
Non-current (Note 25)	26,216
	26,216

NOTE 22 | OTHER LIABILITIES – CURRENT

	2026	2025
	$'000	$'000
Unsecured		
Amounts owing to vendors	**83,865**	20,908
Put option relating to minority interests	**71,150**	–
Other	**31**	45
	155,046	20,953

The amounts owing to vendors comprise deferred consideration for business acquisitions made in the current and prior periods (refer Note 30). Amounts owing to vendors and other loans are non-interest bearing. The carrying value of these amounts approximates their fair value.

The put option relates to the acquisition of the remaining shares in Medizinisches Versorgungszentrum Labor Dr. Klein Dr. Schmitt GmbH.

NOTE 23 | INTEREST-BEARING LIABILITIES – NON-CURRENT

	2026	2025
	$'000	$'000
Unsecured		
Bank loans	**1,791,447**	1,344,870
USPP notes (a)	**1,595,260**	2,062,678
Amounts owing to vendors (b)	**–**	884
	3,386,707	3,408,432

Details of the fair values and interest rate risk exposure relating to each of these liabilities are set out in Note 39.

a) USPP notes

In June 2016 and November 2016 Sonic issued €45M and €200M of notes with tenors of 10 years. In October 2017 Sonic issued €85M of notes with a tenor of 15 years. In January 2020 Sonic issued US$300M, US$150M and US$100M of notes with tenors of 10, 12 and 15 years respectively. In August 2024 Sonic issued a further €100M, €200M and €100M of notes with tenors of 7, 10 and 15 years respectively.

b) Amounts owing to vendors

The amounts owing to vendors comprise deferred consideration for business acquisitions. These amounts are interest bearing. The carrying value of these amounts approximates their fair value.

c) Financing facilities available

At 30 June 2026, the following financing facilities were available:

2026	Total facilities at 30 June 2026	Facilities used at 30 June 2026	Facilities unused at 30 June 2026
	000's	000's	000's
Bank overdraft	A$8,183	A$0	A$8,183
Bank loans			
Syndicated facilities multicurrency Euro limits	€589,000	€479,000	€110,000
Syndicated facilities multicurrency CHF limits	CHF125,000	CHF125,000	CHF0
Syndicated facilities multicurrency AUD limits	A$607,000	A$0	A$607,000
Syndicated facilities multicurrency USD limits	US$100,000	US$0	US$100,000
Bilateral facilities multicurrency Euro limits	€120,000	€120,000	€0
Bilateral facilities multicurrency CHF limits	CHF348,653	CHF323,000	CHF25,653
Notes held by USA investors – USD	US$550,000	US$550,000	US$0
Notes held by USA investors – Euro	€685,000	€685,000	€0
Minor debt, leasing and hire purchase facilities	A$11,599	A$6,599	A$5,000

2025	Total facilities at 30 June 2025	Facilities used at 30 June 2025	Facilities unused at 30 June 2025
	000's	000's	000's
Bank overdraft	A$20,680	A$6,207	A$14,473
Bank loans			
Syndicated facilities multicurrency Euro limits	€589,000	€270,440	€318,560
Syndicated facilities multicurrency CHF limits	CHF125,000	CHF125,000	CHF0
Syndicated facilities multicurrency AUD limits	A$607,000	A$214,000	A$393,000
Syndicated facilities multicurrency USD limits	US$100,000	US$12,000	US$88,000
Bilateral facilities multicurrency Euro limits	€285,000	€120,000	€165,000
Bilateral facilities multicurrency USD limits	US$125,000	US$114,000	US$11,000
Notes held by USA investors – USD	US$550,000	US$550,000	US$0
Notes held by USA investors – Euro	€730,000	€730,000	€0
Minor debt, leasing and hire purchase facilities	A$8,694	A$3,694	A$5,000

Facilities used at 30 June 2026 total A$3,721,416,000 (2025: A$3,491,281,000).

NOTE 24 | DEFERRED TAX LIABILITIES – NON-CURRENT

	2026	2025
	$'000	$'000
Deferred tax liabilities	364,458	412,005
The balance comprises temporary differences attributable to		
Amounts recognised in profit or loss		
Prepayments and sundry debtors	13,593	12,800
Inventories	18,673	17,450
Accrued revenue	27,211	34,737
Right-of-use assets	413,540	422,928
Intangibles	407,699	424,868
Property, plant and equipment	107,770	96,360
Capitalised costs	(170)	123
	988,316	1,009,266
Less: amounts offset against deferred tax assets (Note 15)	(623,858)	(597,261)
Net deferred tax liabilities	364,458	412,005
Movements		
Opening balance at 1 July	412,005	362,588
(Credited)/charged to the Income Statement (Note 6)	(48,718)	48,741
Charged/(credited) to other comprehensive income	27	(3,100)
Amounts recognised directly in equity	(83)	(2)
Foreign exchange movements	1,227	3,778
Closing balance at 30 June	364,458	412,005

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 25 | PROVISIONS – NON-CURRENT

	2026	2025
	$'000	$'000
Employee benefits	**52,630**	47,254
Retirement benefit obligations	**43,471**	70,955
Lease exit costs	**26,216**	28,006
	122,317	146,215

a) Retirement benefit obligations

Certain employees of the Group are entitled to benefits from superannuation plans on retirement, disability or death. The Group contributes to defined contribution plans for the majority of employees. The defined contribution plans receive fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. The Group has defined benefit plans in relation to certain non-Australian employees. The defined benefit plans provide lump sum benefits based on years of service and final average salary.

The following sets out details in respect of defined benefit plans only.

b) Balance Sheet amounts

The amounts recognised in the Balance Sheet are determined as follows:

	2026	2025
	$'000	$'000
Present value of the defined benefit plan obligations	**910,903**	937,852
Fair value of defined benefit plan assets	**(867,432)**	(866,897)
Net liability in the Balance Sheet	**43,471**	70,955

The Group has no legal obligation to settle this liability with an immediate contribution or additional one-off contributions. The Group intends to continue to contribute to the Sonic Suisse defined benefit plans at a percentage of insured salaries (0.5% to 18.8% dependent on the employee's age bracket) in line with the actuary's latest recommendations and Swiss laws. No contributions are required to be made by the Group to the Bioscientia Healthcare Group defined benefit plan as future benefits are paid directly by Bioscientia and not from a separate plan asset pool.

c) Categories of plan assets

The major categories of plan assets as a percentage of total plan assets are as follows:

	2026	2025
	%	%
Cash – quoted	1.6	2.0
Real estate – quoted	17.7	19.2
Bonds – quoted	34.4	37.6
Equities – quoted	24.9	28.7
Alternative investments – quoted	21.4	12.5
	100.0	100.0

d) Reconciliations

	2026	2025
	$'000	$'000
Reconciliation of the present value of the defined benefit obligation, which is partly funded		
Balance at the beginning of the year	937,852	771,255
Current service cost	24,954	24,504
Past service cost	(5,475)	(5,740)
Interest cost	11,735	11,614
Actuarial losses	28,399	28,312
Benefits paid	(9,633)	(8,604)
Member contributions	22,278	23,862
Additions through business combinations	–	17,997
Net transfers	(34,371)	(42,418)
Foreign exchange movements	(64,836)	117,070
Balance at the end of the year	910,903	937,852
Reconciliation of the fair value of plan assets		
Balance at the beginning of the year	866,897	708,466
Interest income	11,801	11,507
Actuarial gains	39,755	19,373
Contributions by Group companies	28,288	27,215
Benefits paid	(8,301)	(7,344)
Member contributions	22,278	23,862
Additions through business combinations	–	18,597
Net transfers	(34,371)	(42,418)
Foreign exchange movements	(58,915)	107,639
Balance at the end of the year	867,432	866,897

Notes to the Consolidated Financial Statements

30 JUNE 2026

e) Amounts recognised in Income Statement

	2026	2025
	$'000	$'000
Current service cost	**24,954**	24,504
Past service cost	**(5,475)**	(5,740)
Net interest (income)/expense	**(66)**	107
Total included in the Income Statement	**19,413**	18,871

f) Amounts recognised in Statement of Comprehensive Income

Actuarial gains/(losses) recognised in the year	**9,183**	(7,728)
Cumulative actuarial (losses) recognised in the Statement of Comprehensive Income	**(14,400)**	(23,583)

g) Principal actuarial assumptions

The principal actuarial assumptions used (expressed as weighted averages) were as follows:

	2026	2025
	%	%
Discount rate	**1.3**	1.3
Future salary increases	**1.1**	1.1

If the discount rate had increased/decreased by 100 basis points (2025: 100 basis points), the impact on the net defined benefit obligation would have been a decrease of 174.0%/increase of 226.6% (2025: decrease of 118.0%/increase of 162.5%). The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

h) Employer contributions

Sonic Suisse defined benefit plans

Employer contributions to the defined benefit plans are based on recommendations by the plan's actuary. Actuarial assessments are made on a yearly basis.

The objective of funding is to ensure that the benefit entitlements of members and other beneficiaries are fully funded by the time they become payable. To achieve this objective, the actuary has adopted a method of funding which seeks to have benefits funded by means of a total contribution which is expected to be a percentage of members' insured salaries over their working lifetimes.

Using the funding method described above and actuarial assumptions, the actuary recommended in the latest actuarial review the payment of employer contributions varying from 0.5% to 18.8% (2025: 0.5% to 19.3%) of the insured salaries of employees based on the employee age bracket and in accordance with Swiss laws.

Total employer contributions expected to be paid by Group companies for the year ending 30 June 2027 are based on the 2026 rates and are estimated at $25,707,000 (2025: $27,598,000).

The weighted average duration of the defined benefit obligation is 12.5 years (2025: 13.5 years).

i) Experience adjustments

	2026	2025
	$'000	$'000
Experience adjustments arising on plan liabilities	(36,596)	(30,242)
Experience adjustments arising on plan assets	39,755	19,373

NOTE 26 | OTHER LIABILITIES – NON-CURRENT

	2026	2025
	$'000	$'000
Unsecured		
Amounts owing to vendors	76,302	89,164
Put option for minority interests	3,862	–
Other	–	35
	80,164	89,199

The amounts owing to vendors comprises deferred consideration for business acquisitions made in current and prior periods (refer Note 30). These amounts are non-interest bearing. The carrying amount approximates their fair value.

NOTE 27 | CONTRIBUTED EQUITY

a) Share capital

	2026	2025	2026	2025
	Shares	Shares	$'000	$'000
Fully paid ordinary shares	494,237,953	480,403,973	4,521,193	4,148,075
Other equity securities				
Treasury shares	(100,312)	(184,278)	(3,300)	(6,063)
	494,137,641	480,219,695	4,517,893	4,142,012

b) Movements in ordinary share capital

Date	Details	Number of shares	Issue price	Total
2025				$'000
1/7/24	Opening balance of the Group	480,403,973		4,147,497
Various	Transfers from equity remuneration reserve	–		583
Various	Costs of share transactions net of tax	–		(5)
30/6/25	Balance of the Group	480,403,973		4,148,075

Notes to the Consolidated Financial Statements

30 JUNE 2026

Date	Details	Number of shares	Issue price	Total
2026				$'000
1/7/25	Opening balance of the Group	480,403,973		4,148,075
1/7/25	Shares issued as part consideration for acquisition of Laboratory Group Dr. Kramer & Colleagues ('LADR')	13,833,980	$26.79	370,612
Various	Transfers from equity remuneration reserve	–		2,701
Various	Costs of share transactions net of tax	–		(195)
30/6/26	**Balance of the Group**	**494,237,953**		**4,521,193**

c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

d) Options and performance rights

Details of options and performance rights issued, exercised and forfeited during the financial year and options and performance rights outstanding at the end of the financial year are set out in Note 35.

e) Dividend Reinvestment Plan

The Company's DRP remained suspended.

f) Treasury shares

Treasury shares are shares in Sonic Healthcare Limited that are held by the Sonic Healthcare Limited Employee Share Trust (SHEST) for the purpose of providing shares under selected Group equity plans.

Date	Details	Number of shares	Total
2025			$'000
1/7/24	Opening balance	200,176	6,586
Various	Transfer of shares to employees to satisfy exercise of options/rights	(15,898)	(523)
30/6/25	Balance of the Group	184,278	6,063

Date	Details	Number of shares	Total
2026			$'000
1/7/25	Opening balance	184,278	6,063
Various	Transfer of shares to employees to satisfy exercise of options/rights	(83,966)	(2,763)
30/6/26	**Balance of the Group**	**100,312**	**3,300**

NOTE 28 | RESERVES AND RETAINED EARNINGS

a) Reserves

		2026	2025
		$'000	$'000
Equity remuneration reserve	(i)	(102,477)	(127,069)
Foreign currency translation reserve	(ii)	400,325	796,488
Share option reserve	(iii)	16,427	16,427
Revaluation reserve	(iv)	3,272	3,272
Financial assets at FVOCI reserve	(v)	(15,056)	(10,049)
Transactions with minority interests reserve	(vi)	(109,442)	(41,696)
		193,049	637,373

Movements		
Equity remuneration reserve		
Balance 1 July	(127,069)	(148,499)
Share-based payments	30,056	22,536
Employee share scheme issue	(2,763)	(523)
Transfers to share capital (options/rights exercised)	(2,701)	(583)
Balance 30 June	(102,477)	(127,069)
Foreign currency translation reserve		
Balance 1 July	796,488	394,459
Net exchange movement on translation of foreign subsidiaries	(396,163)	402,029
Balance 30 June	400,325	796,488
Share option reserve		
Balance 1 July	16,427	16,427
Movement	–	–
Balance 30 June	16,427	16,427
Revaluation reserve		
Balance 1 July	3,272	3,272
Movement	–	–
Balance 30 June	3,272	3,272
Financial assets at FVOCI reserve		
Balance 1 July	(10,049)	(5,641)
Fair value (losses) in period	(5,007)	(4,408)
Balance 30 June	(15,056)	(10,049)
Transactions with minority interests reserve		
Balance 1 July	(41,696)	(35,583)
Put options relating to minority interests	(75,012)	–
Transfer to minority interests	7,458	–
Transactions relating to minority interests	(2,960)	(945)
Net exchange movement	2,768	(5,168)
Balance 30 June	(109,442)	(41,696)

i) Equity remuneration reserve

The equity remuneration reserve reflects the fair value of equity-settled share-based payments. Fair values are determined using a pricing model consistent with the Black Scholes methodology and recognised over the service period up to the vesting date. When shares are issued or options are exercised the associated fair values are transferred to share capital.

ii) Foreign currency translation reserve

Exchange differences arising on translation of the foreign subsidiaries are taken to the foreign currency translation reserve as described in accounting policy Note 1(d)(iii).

iii) Share option reserve

The share option reserve reflects the value of options issued as part of consideration for business combinations. The value of the options represents the assessed fair value at the date they were granted and has been determined using a pricing model consistent with the Black Scholes methodology that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradeable nature of the option, the current price and expected volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

iv) Revaluation reserve

The revaluation reserve is used to record increments and decrements on the initial revaluation of non-current assets.

v) Financial assets at Fair Value through Other Comprehensive Income (FVOCI) reserve

This reserve is used to measure the fair value movements in equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be the most appropriate.

vi) Transactions with minority interests reserve

This reserve is used to record the differences described in Note 1(b) which may arise as a result of transactions with minority interests that do not result in a loss of control in addition to transfers from the minority interests account on disposal of a subsidiary. In 2026 the reserve includes the fair value of put options granted to vendors to sell to the Group the remaining shares in controlled entities including Medizinisches Versorgungszentrum Labor Dr. Klein Dr. Schmitt GmbH.

b) Retained earnings

	2026	2025
	$'000	$'000
Retained earnings at the beginning of the financial year	**3,544,113**	3,552,277
Net profit attributable to members of Sonic Healthcare Limited	**608,293**	513,597
Dividends paid in the year (Note 5)	**(533,777)**	(514,033)
Actuarial gains/(losses) on retirement benefit obligations (Note 25)	**9,183**	(7,728)
Retained earnings at the end of the financial year	**3,627,812**	3,544,113

NOTE 29 | DEED OF CROSS GUARANTEE

The 'Closed Group' are parties to a Deed of Cross Guarantee dated 25 May 2022 under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entities which are large proprietary companies have been relieved from the requirements of the *Corporations Act 2001* to prepare and lodge a financial report, directors' report and auditor's report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.

The companies represent a 'Closed Group' for the purposes of the Instrument, and as there are no other parties to the Deed of Cross Guarantee that are controlled by Sonic Healthcare Limited, they also represent the 'Extended Closed Group'.

The subsidiaries subject to the deed are:

- A.C.N. 002 889 545 Pty Ltd
- A.C.N. 094 980 944 Pty Limited
- Canberra X-Ray Pty Ltd
- Capital Pathology Pty Ltd
- Castlereagh Co Pty Limited
- Castlereagh Services Pty Limited
- Clinipath Pathology Pty Ltd
- Clinpath Laboratories Pty. Ltd.
- Consultant Pathology Services Pty. Limited
- Diagnostic Services Pty. Ltd.
- Douglass Hanly Moir Pathology Pty Limited
- EMI Radiology Pty Ltd
- Hanly Moir Pathology Pty. Limited
- Hunter Imaging Group Pty Limited
- IPN Clinics Victoria Pty Ltd
- IPN Healthcare Pty Limited
- IPN Medical Centres Pty Ltd
- IRG Co Pty Limited
- L. & A. Services Pty. Ltd.
- Matrix Skin Cancer Clinics Pty Ltd
- Melbourne Pathology Pty Limited
- Northern Pathology Pty Ltd
- Pacific Medical Imaging Pty Limited
- Paedu Pty Limited
- Queensland X-Ray Pty Ltd
- San Pathology Pty Ltd
- SKG Radiology Pty Ltd
- Sonic Clinical Services Pty Ltd
- Sonic Healthcare Australia Pathology Pty Limited
- Sonic Healthcare Australia Radiology Pty Limited
- Sonic Healthcare International Pty Limited
- Sonic Healthcare Services Pty Limited
- Sonic HealthPlus Pty Ltd
- Sonic Medlab Holdings Australia Pty Limited
- Sonic Pathology (Queensland) Pty Limited
- Sonic Pathology (Victoria) Pty Limited
- Southern Pathology Services Pty Limited
- Sullivan Nicolaides Pty Ltd
- Sunton Pty Limited

Notes to the Consolidated Financial Statements

30 JUNE 2026

a) Consolidated Income Statement of the Extended Closed Group

	2026	2025
	$'000	$'000
Revenue	**4,505,688**	4,031,952
Other income	**106,746**	–
Total	**4,612,434**	4,031,952
Labour and related costs	**(2,041,670)**	(1,888,411)
Consumables used	**(374,296)**	(375,479)
Depreciation	**(393,674)**	(385,004)
Utilities	**(86,682)**	(82,231)
Borrowing costs	**(85,561)**	(84,044)
Impairment loss on intangible assets	**(62,606)**	–
Amortisation of intangibles	**(44,360)**	(42,957)
Transportation	**(27,194)**	(26,319)
Other expenses from ordinary activities	**(304,804)**	(303,763)
Profit before income tax expense	**1,191,587**	843,744
Income tax expense	**(94,755)**	(91,106)
Net profit attributable to members of the Extended Closed Group	**1,096,832**	752,638

b) Consolidated Statement of Comprehensive Income of the Extended Closed Group

Profit from ordinary activities after income tax expense	**1,096,832**	752,638
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	**–**	282
Items that will not be reclassified to profit or loss		
Fair value (losses) on financial asset	**(5,007)**	(4,408)
Other comprehensive (loss)/income for the period, net of tax	**(5,007)**	(4,126)
Total comprehensive income for the period	**1,091,825**	748,512

c) Reconciliation of retained earnings

Retained earnings at the beginning of the financial year	**1,321,465**	1,082,860
Profit from ordinary activities after income tax expense	**1,096,832**	752,638
Retained (losses) from new entities joining/leaving the deed of cross guarantee	**(18,467)**	–
Dividends paid during the year	**(533,777)**	(514,033)
Retained earnings at the end of the financial year	**1,866,053**	1,321,465

d) Consolidated Balance Sheet of the Extended Closed Group

	2026	2025
	$'000	$'000
Current assets		
Cash and cash equivalents	**215,899**	143,313
Receivables	**1,425,336**	1,327,587
Inventories	**58,240**	56,800
Other	**35,221**	35,606
Total current assets	**1,734,696**	1,563,306
Non-current assets		
Receivables	**4,325**	7,210
Investments	**4,639,139**	4,023,001
Property, plant and equipment	**846,262**	782,157
Right-of-use assets	**861,507**	720,792
Intangible assets	**1,729,951**	1,932,609
Deferred tax assets	**132,144**	25,044
Other	**169**	9
Total non-current assets	**8,213,497**	7,490,822
Total assets	**9,948,193**	9,054,128
Current liabilities		
Payables	**1,228,933**	1,224,249
Lease liabilities	**257,909**	241,930
Current tax liabilities	**98,484**	25,090
Provisions	**289,365**	277,614
Other	**90**	379
Total current liabilities	**1,874,781**	1,769,262
Non-current liabilities		
Interest-bearing liabilities	**794,798**	1,251,454
Lease liabilities	**861,777**	544,843
Provisions	**35,741**	30,801
Deferred tax liabilities	**132**	1,038
Other	**263**	381
Total non-current liabilities	**1,692,711**	1,828,517
Total liabilities	**3,567,492**	3,597,779
Net assets	**6,380,701**	5,456,349
Equity		
Parent Company interest		
Contributed equity	**4,612,482**	4,236,054
Reserves	**(97,834)**	(101,170)
Retained earnings	**1,866,053**	1,321,465
Total equity	**6,380,701**	5,456,349

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 30 | INVESTMENTS IN SUBSIDIARIES

Details of significant subsidiaries of Sonic Healthcare Limited	Country of incorporation	Class of share	Beneficial interest	Beneficial interest
			2026	2025
			%	%
Clinipath Pathology Pty Ltd	Australia	Ord	100	100
Douglass Hanly Moir Pathology Pty Limited	Australia	Ord	100	100
IPN Medical Centres Pty Ltd	Australia	Ord	100	100
Melbourne Pathology Pty Limited	Australia	Ord	100	100
Queensland X-Ray Pty Ltd	Australia	Ord	100	100
SKG Radiology Pty Ltd	Australia	Ord	100	100
Sonic HealthPlus Pty Ltd	Australia	Ord	100	100
Sullivan Nicolaides Pty Ltd	Australia	Ord	100	100
Bioscientia Institut für medizinische Diagnostik GmbH	Germany	Ord	100	100
Labor Augsburg MVZ GmbH	Germany	Ord	100	100
LADR GmbH Medizinisches Versorgungszentrum Dr. Kramer & Kollegen	Germany	Ord	100	–
MEDICA Medizinische Laboratorien AG	Switzerland	Ord	100	100
Health Services Laboratories LLP	United Kingdom		51	51
The Doctors Laboratory Limited	United Kingdom	Ord	100	100
Aurora Diagnostics, LLC	United States		100	100
Clinical Laboratories of Hawaii, LLP	United States		100	100
Clinical Pathology Laboratories, Inc.	United States	Ord	100	100
ProPath Services, LLC	United States		100	100
Sunrise Medical Laboratories, Inc.	United States	Ord	100	100

For a full list of subsidiaries refer to the Consolidated Entity Disclosure Statement.

Business combinations

a) Acquisition of subsidiaries/business assets

Acquisitions of subsidiaries/business assets in the period included:

- European laboratory business, Laboratory Group Dr. Kramer & Colleagues ('LADR') (acquired 1 July 2025).
- US laboratory business, Cairo Diagnostics (acquired 18 August 2025).
- A number of smaller healthcare acquisitions.

The acquisition accounting for the LADR and Cairo Diagnostics business combinations has been finalised at the date of this report. The acquisition accounting for the other business combinations remains preliminary. The contribution the acquisitions made to the Group's revenue and profit during the period was immaterial individually and in aggregate other than LADR contributed A$707.3M to Group revenue during the period and A$59.1M to net profit after tax.

The aggregate cost of the acquisitions, the values of the identifiable assets and liabilities, and the goodwill arising on acquisition are detailed below:

	LADR	Other	Total
	$'000	$'000	$'000
Consideration – cash paid	499,188	226,006	725,194
Less: cash of entities acquired	(126,744)	(9,884)	(136,628)
	372,444	216,122	588,566
Consideration - shares	370,612	–	370,612
Other consideration	–	20,871	20,871
Deferred consideration	50,117	32,531	82,648
Total consideration	793,173	269,524	1,062,697
Fair value of identifiable net assets of businesses acquired			
Trade debtors and accrued revenue	107,866	6,597	114,463
Other receivables and prepayments	25,356	1,236	26,592
Inventories	25,838	2,397	28,235
Investments	30,153	–	30,153
Property, plant and equipment	58,735	6,524	65,259
Right-of-use assets	126,031	7,223	133,254
Intangible assets	180	–	180
Deferred tax assets	183	68	251
Payables and other liabilities	(76,471)	(7,992)	(84,463)
Borrowings	(3,166)	–	(3,166)
Lease liabilities	(126,031)	(7,223)	(133,254)
Current tax liabilities	–	(364)	(364)
Provision for employee entitlements	(8,421)	(37)	(8,458)
Deferred tax liabilities	(517)	(234)	(751)
	159,736	8,195	167,931
Minority interests	9,676	4,219	13,895
Goodwill	643,113	265,548	908,661

The goodwill arising from the business acquisitions is attributable to their reputation in the local market, the benefit of marginal profit and synergies expected to be achieved from integrating the business with existing operations, expected revenue growth, future market development, the assembled workforce and knowledge of local markets.

These benefits are not able to be individually identified or recognised separately from goodwill. $233,938,000 of the purchased goodwill recognised is expected to be deductible for income tax purposes over a 15 year period.

Acquisition related costs of $8,208,000 are included in other expenses in the Income Statement.

The fair value of acquired debtors and other receivables is $141,055,000. The gross contractual amount due is $143,701,000 of which $2,646,000 is expected to be uncollectible.

13,833,980 Sonic ordinary shares, with a fair value of $370,612,000, were issued as part of the consideration for LADR. The fair value was based on the market share price at the time of issue.

b) Reconciliation of cash paid to Cash Flow Statement

	2026	2025
	$'000	$'000
Cash consideration for acquisitions in the financial year	**725,194**	80,735
Acquisition costs	**8,208**	4,820
Cash consideration paid to vendors for acquisitions in previous financial years	**18,961**	16,608
Less: cash of entities acquired	**(136,628)**	(7,589)
Payment for purchase of controlled entities, net of cash acquired	**615,735**	94,574

NOTE 31 | COMMITMENTS FOR EXPENDITURE

Capital commitments

	2026	2025
	$'000	$'000
Commitments for the acquisition of property, plant and equipment contracted for at the reporting date but not recognised as liabilities, payable		
Within one year	**115,274**	125,466

NOTE 32 | CONTINGENT LIABILITIES

Sonic Healthcare Limited and certain subsidiaries, as disclosed in Note 29, are parties to a Deed of Cross Guarantee under which each company guarantees the debts of the others.

The Group has provided guarantees in respect of workers compensation insurance of $18,320,000 (2025: $16,108,000) and for the performance of certain contracts by subsidiary entities. It is not expected that these guarantees will be called upon.

The Group presently has litigation (including in relation to medical malpractice claims) and other claims for which the timing of resolution and potential economic outflow are uncertain. Obligations assessed as having probable future economic outflows capable of reliable measurement are provided at reporting date. Individually significant matters, including narrative on potential future exposures incapable of reliable measurement have not been disclosed so as to not prejudice the Group.

NOTE 33 | SECURED BORROWINGS

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of a default. Refer to Notes 13 and 19 for details of the carrying value of leased assets and liabilities.

NOTE 34 | REMUNERATION OF AUDITORS

	2026	2025
	$	$
PricewaterhouseCoopers – Australian firm		
Audit and review of financial reports of Group entities	**1,873,731**	1,981,046
Other assurance services	**165,000**	105,313
Other services	**95,000**	–
Total audit and other services	**2,133,731**	2,086,359
Related practices of PricewaterhouseCoopers Australian firm (including overseas PricewaterhouseCoopers firms)		
Audit and review of financial reports of Group entities	**3,626,269**	1,860,331
Other assurance services	**47,288**	–
Total audit and other services	**3,673,557**	1,860,331
Non-PricewaterhouseCoopers audit firms		
Audit and review of financial reports of Group entities	**31,743**	1,002,244
Other assurance services	**20,622**	–
Total audit and other services	**52,365**	1,002,244

The non-audit services provided were not considered to be of a nature that could give rise to a conflict of interest or loss of independence for the external auditors.

NOTE 35 | SHARE-BASED PAYMENTS

The Group has several equity-settled share-based compensation plans for executives and employees. The fair value of equity remuneration granted under the various plans is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to shares and options ('the vesting period'). Details of the pricing model and the measurement inputs utilised to determine the fair value of shares and options granted are disclosed in Note 1(q) to the financial statements.

a) Sonic Healthcare Limited Employee Option Plan

Options are granted under the Sonic Healthcare Limited Employee Option Plan for no consideration. Options granted are able to be exercised subject to the following vesting periods unless otherwise specified:

- Up to 50% may be exercised after 30 months from the date of grant.
- Up to 75% may be exercised after 42 months from the date of grant.
- Up to 100% may be exercised after 54 months from the date of grant.

Options granted under the plan expire after 58 months (unless otherwise specified) and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

The grants of options on 19 November 2021, 26 October 2022, 22 May 2023, 29 November 2023, 31 May 2024, 17 April 2025, 25 September 2025 and 2 April 2026 are subject to different vesting and expiry periods with 100% becoming exercisable three years after grant date until expiry one year later, subject to vesting conditions.

Notes to the Consolidated Financial Statements

30 JUNE 2026

The following options and performance rights+ were granted under executive Long-Term Incentive (LTI) arrangements and are also subject to different vesting and expiry periods. Vesting is subject to challenging performance conditions, details of which are set out in the relevant annual Remuneration Report. The percentage of the options and rights which met the performance conditions is shown in the table below.

Grant date	Options	Performance rights+	Earliest vesting date^	Performance conditions measurement period	% meeting performance conditions	Expiry date
19 November 2019	588,894	64,907	19 November 2022	3 years to 30 June 2022	100.0%	19 November 2024
18 November 2020	527,191	69,624	18 November 2023	3 years to 30 June 2023	84.3%	18 November 2025
18 November 2021	343,367	54,427	18 November 2024	3 years to 30 June 2024	25.0%	18 November 2026
17 November 2022	377,504	66,371	17 November 2025	3 years to 30 June 2025	0%	17 November 2027
29 November 2023	444,508	84,747	29 November 2026	3 years to 30 June 2026	0%	29 November 2028
19 November 2024	482,909	93,270	19 November 2027	3 years to 30 June 2027	tbd	19 November 2029
20 November 2025	730,792	106,824	20 November 2028	3 years to 30 June 2028	tbd	20 November 2030

+ See b) below for details of the Performance Rights Plan.
^ Options can only vest when the market price of Sonic shares is higher than the exercise price.

Sonic Healthcare ordinary shares to be awarded on exercise/conversion of the options and performance rights may be satisfied by the issue of new shares or the purchase of shares on-market.

Set out below are summaries of options granted under the Sonic Healthcare Limited Employee Option Plan.

2026										
Grant date	Expiry date	Exercise price	Balance at start of the year	Granted during the year	Forfeited during the year	Exercised during the year	Expired during the year	Balance at end of the year	Exercisable at end of the year	Balance at date of this report
			Number	Number	Number	Number	Number	Number	Number	Number
18/11/20	18/11/25	$34.21	444,207	–	–	–	(444,207)	–	–	–
18/11/21	18/11/26	$38.90	85,841	–	–	–	–	85,841	85,841	85,841
19/11/21	19/11/25	$39.75	4,566,633	–	(20,000)	–	(4,546,633)	–	–	–
26/10/22	26/10/26	$31.59	4,547,206	–	–	–	–	4,547,206	4,547,206	4,547,206
17/11/22	17/11/27	$32.79	377,504	–	(377,504)	–	–	–	–	–
22/05/23	22/05/27	$35.93	100,000	–	–	–	–	100,000	100,000	100,000
29/11/23	29/11/27	$28.91	6,935,745	–	(20,000)	–	–	6,915,745	–	6,915,745
29/11/23	29/11/28	$28.89	444,508	–	–	–	–	444,508	–	–
31/05/24	31/05/28	$24.00	6,935,745	–	(20,000)	–	–	6,915,745	–	6,915,745
19/11/24	19/11/29	$26.25	482,909	–	–	–	–	482,909	–	482,909
17/04/25	17/04/29	$25.30	6,923,821	–	–	–	–	6,923,821	–	6,923,821
25/09/25	25/09/29	$21.52	–	150,000	–	–	–	150,000	–	150,000
20/11/25	20/11/30	$21.18	–	730,792	–	–	–	730,792	–	730,792
02/04/26	02/04/30	$19.98	–	6,662,384	–	–	–	6,662,384	–	6,662,384
Total			31,844,119	7,543,176	(437,504)	–	(4,990,840)	33,958,951	4,733,047	33,514,443
Weighted average exercise price			$29.12	$20.13	$32.53	$0	$39.26	$25.59	$31.81	

2025									
Grant date	Expiry date	Exercise price	Balance at start of the year	Granted during the year	Forfeited during the year	Exercised during the year	Expired during the year	Balance at end of the year	Exercisable at end of the year
			Number	Number	Number	Number	Number	Number	Number
19/11/19	19/11/24	$29.26	588,894	–	–	–	(588,894)	–	–
18/11/20	18/11/25	$34.21	444,207	–	–	–	–	444,207	444,207
18/11/21	18/11/26	$38.90	343,367	–	(257,526)	–	–	85,841	85,841
19/11/21	19/11/25	$39.75	4,606,633	–	(40,000)	–	–	4,566,633	4,566,633
26/10/22	26/10/26	$31.59	4,582,206	–	(35,000)	–	–	4,547,206	–
17/11/22	17/11/27	$32.79	377,504	–	–	–	–	377,504	–
22/05/23	22/05/27	$35.93	100,000	–	–	–	–	100,000	–
29/11/23	29/11/27	$28.91	6,970,745	–	(35,000)	–	–	6,935,745	–
29/11/23	29/11/28	$28.89	444,508	–	–	–	–	444,508	–
31/05/24	31/05/28	$24.00	6,970,745	–	(35,000)	–	–	6,935,745	–
19/11/24	19/11/29	$26.25	–	482,909	–	–	–	482,909	–
17/04/25	17/04/29	$25.30	–	6,923,821	–	–	–	6,923,821	–
Total			25,428,809	7,406,730	(402,526)	–	(588,894)	31,844,119	5,096,681
Weighted average exercise price			$30.33	$25.36	$36.18	$0	$29.26	$29.12	$39.25

The weighted average share price at the date of exercise for options exercised in the 2026 year was nil (2025: $nil). The weighted average remaining contractual life of share options on issue at the end of the year was 2.2 years (2025: 2.4 years).

Fair value of options granted

The average assessed fair value of options granted during the year ended 30 June 2026 was $2.71 per option (2025: $3.04). The valuation model inputs for options granted during the years ended 30 June 2026 and 30 June 2025 included:

Grant date	Expiry date	Exercise price	Share price at time of grant	Expected life (years from date of issue)	Share price volatility (based on 3 year historic prices)	Risk free rate	Dividend yield
19/11/24	19/11/29	$26.25	$27.99	4.0	22.9%	4.1%	3.7%
17/04/25	17/04/29	$25.30	$25.30	3.5	19.2%	3.4%	4.0%
25/09/25	25/09/29	$21.52	$21.52	3.5	23.0%	3.6%	4.6%
20/11/25	20/11/30	$21.18	$22.84	4.0	22.8%	3.9%	4.6%
02/04/26	02/04/30	$19.98	$19.98	3.5	22.0%	4.7%	5.1%

A Monte Carlo simulation was applied to fair value the relative Total Shareholder Return (TSR) performance condition element of options granted. The model simulated Sonic's TSR and compared it against the peer group over the vesting periods.

Notes to the Consolidated Financial Statements

30 JUNE 2026

b) Sonic Healthcare Limited Performance Rights Plan

Performance rights are granted under the Sonic Healthcare Limited Performance Rights Plan for no consideration and carry no dividend or voting rights. When exercisable, each performance right is convertible into one ordinary share. No rights holder has any right to participate in any other share issue of the Company or of any other entity.

2026										
Grant date	Expiry date	Exercise price	Balance at start of the year	Granted during the year	Forfeited during the year	Exercised during the year	Expired during the year	Balance at end of the year	Exercisable at end of the year	Balance at date of this report
			Number	Number	Number	Number	Number	Number	Number	Number
18/11/21	18/11/26	Nil	13,606	–	–	(13,606)	–	–	–	–
17/11/22	17/11/27	Nil	66,371	–	(66,371)	–	–	–	–	–
29/11/23	29/11/28	Nil	84,747	–	–	–	–	84,747	–	–
02/09/24	02/09/25	Nil	15,768	–	(216)	(15,552)	–	–	–	–
19/11/24	19/11/29	Nil	93,270	–	–	–	–	93,270	–	93,270
24/09/25	01/10/26	Nil	–	49,661	–	(49,661)	–	–	–	–
20/11/25	01/10/26	Nil	–	5,147	–	(5,147)	–	–	–	–
20/11/25	20/11/30	Nil	–	106,824	–	–	–	106,824	–	106,824
24/09/26	01/10/27	Nil	–	–	–	–	–	–	–	72,014
Total			**273,762**	**161,632**	**(66,587)**	**(83,966)**	**–**	**284,841**	**–**	**272,108**

2025									
Grant date	Expiry date	Exercise price	Balance at start of the year	Granted during the year	Forfeited during the year	Exercised during the year	Expired during the year	Balance at end of the year	Exercisable at end of the year
			Number	Number	Number	Number	Number	Number	Number
23/09/21	See below*	Nil	14,093	–	(2,271)	(11,822)	–	–	–
18/11/21	18/11/26	Nil	54,427	–	(40,821)	–	–	13,606	13,606
17/11/22	17/11/27	Nil	66,371	–	–	–	–	66,371	–
29/11/23	29/11/28	Nil	84,747	–	–	–	–	84,747	–
02/09/24	02/09/25	Nil	–	17,558	(1,790)	–	–	15,768	–
19/11/24	01/10/25	Nil	–	4,076	–	(4,076)	–	–	–
19/11/24	19/11/29	Nil	–	93,270	–	–	–	93,270	–
Total			219,638	114,904	(44,882)	(15,898)	–	273,762	13,606

*One third would have expired on 01/09/22, one third on 01/09/23 and one third on 01/09/24

The weighted average remaining contractual life of performance rights on issue at the end of the year was 3.5 years (2025: 3.2 years).

Fair value of rights granted

The average assessed fair value of rights granted during the year ended 30 June 2026 was $18.07 per right (2025: $21.19). The valuation model inputs for performance rights granted during the years ended 30 June 2026 and 30 June 2025 included:

Grant date	Expiry date	Exercise price	Share price at time of grant	Expected life (years from date of issue)	Share price volatility (based on 3 year historic prices)	Risk free rate	Dividend yield
02/09/24	02/09/25	Nil	$27.87	1.0	20.5%	4.2%	3.9%
19/11/24	01/10/25	Nil	$27.99	0.3	22.9%	4.2%	3.7%
19/11/24	19/11/29	Nil	$27.99	3.0	22.9%	4.1%	3.7%
20/11/25	01/10/26	Nil	$22.84	0.3	22.8%	3.7%	4.6%
20/11/25	20/11/30	Nil	$22.84	3.0	22.8%	3.8%	4.6%

A Monte Carlo simulation was applied to fair value the TSR performance condition element of performance rights granted. The model simulated Sonic's TSR and compared it against the peer group over the vesting periods.

c) Expenses arising from share-based payment transactions

Total expenses arising from equity-settled share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2026	2025
	$'000	$'000
Equity remuneration	**30,056**	22,536

d) Shares issued on the exercise of options/rights up to the date of this report

i) Sonic Healthcare Limited Employee Option Plan

No ordinary shares of Sonic were issued during the year ended 30 June 2026 under the Sonic Healthcare Limited Employee Option Plan. No options have been exercised since that date.

ii) Sonic Healthcare Limited Performance Rights Plan

A total of 83,966 performance rights were exercised during the year ended 30 June 2026 under the Sonic Healthcare Limited Performance Rights Plan, satisfied by 83,966 shares purchased on-market. No performance rights have been exercised since 30 June 2026 and up to the date of this report. No amounts were payable on issue of those shares.

e) Options and rights granted to officers

During the year nil options or rights were issued to the five highest remunerated officers of the Company who are not already disclosed as key management personnel.

Notes to the Consolidated Financial Statements

30 JUNE 2026

NOTE 36 | RELATED PARTIES

a) Parent entities and subsidiaries

Sonic Healthcare Limited is the ultimate Parent Company in the Group comprising the Company and its subsidiaries as detailed in the Consolidated Entity Disclosure Statement.

b) Key management personnel compensation

Details of remuneration of key management personnel and transactions with them have been disclosed in the Remuneration Report within the Directors' Report. The aggregate remuneration of the key management personnel is shown below:

	2026	2025
	$	$
Short-term employee benefits	**7,170,885**	6,862,699
Long-term employee benefits	**52,468**	56,862
Post-employment benefits	**262,033**	239,894
Termination benefits	**2,319,898**	–
Share-based payments	**1,901,036**	4,398,493
Total compensation	**11,706,320**	11,557,948

c) Transactions and outstanding balances with associates

	2026	2025
	$'000	$'000
Provision of services to associates	**116,444**	105,784
Provision of services from associates	**711**	2,145
Interest income	–	92
Current payables	**5,902**	5,011
Current receivables	**23,740**	13,963

NOTE 37 | EARNINGS PER SHARE

	2026	2025
	Cents	Cents
Basic earnings per share	**123.1**	107.0
Diluted earnings per share	**123.0**	106.7

	2026	2025
Weighted average number of ordinary shares used as the denominator	Shares	Shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**494,095,669**	480,214,951
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**494,588,254**	481,344,168

Options and performance rights over ordinary shares are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options and rights have not been included in the determination of basic earnings per share.

Details of the options and rights exercised, forfeited and issued in the period between the reporting date and the date of this report are detailed in Note 35.

	2026	2025
Reconciliations of earnings used in calculating earnings per share	$'000	$'000
Net profit	**636,322**	543,922
Net (profit) attributable to minority interests	**(28,029)**	(30,325)
Earnings used in calculating basic and diluted earnings per share	**608,293**	513,597

NOTE 38 | STATEMENT OF CASH FLOWS

a) Cash at bank and on hand

	2026	2025
	$'000	$'000
Cash at bank and on hand	**653,695**	673,773

Cash balances bear interest rates of between 0.00% – 4.65% (2025: 0.00% – 4.33%).

Notes to the Consolidated Financial Statements

30 JUNE 2026

b) Reconciliation of net cash inflow from operating activities to operating profit after income tax

	2026	2025
	$'000	$'000
Operating profit after income tax	**636,322**	543,922
Add non-cash items	**876,308**	844,216
Add/(less) changes in assets and liabilities during the financial year		
(Increase)/decrease in trade debtors and accrued revenue	**2,177**	(66,935)
(Increase)/decrease in other receivables and prepayments	**95**	(30,834)
(Increase)/decrease in inventories	**(10,201)**	(4,509)
(Increase)/decrease in deferred tax assets	**(91,342)**	(10,581)
Increase/(decrease) in payables and other liabilities	**(131,502)**	(17,751)
Increase/(decrease) in current tax liabilities	**145,759**	(16,494)
Increase/(decrease) in other provisions	**(4,045)**	(4,373)
Increase/(decrease) in provision for employee entitlements	**3,648**	16,385
Increase/(decrease) in deferred tax liabilities	**(21,768)**	43,744
Net cash inflow from operating activities	**1,405,451**	1,296,790

c) Non-cash financing and investing activities

The following non-cash financing and investing activities occurred during the year and are not reflected in the Cash Flow Statement:

- Acquisition of right-of-use assets (Note 13)
- Options and rights issued to employees for no cash consideration (Note 35)
- Shares issued as part consideration for acquisition of LADR (Note 30)

d) Reconciliation of liabilities arising from financing activities

	Balance at 1 July 2025	Cash flows	Acquisition/ (disposal)	Other non-cash movements	Foreign exchange adjustments	Balance at 30 June 2026
	$'000	$'000	$'000	$'000	$'000	$'000
Lease liabilities	1,681,592	(432,732)	133,254	814,632	(75,328)	2,121,418
Bank loans	1,345,054	552,606	3,166	–	(108,618)	1,792,208
USPP notes	2,143,280	(77,333)	–	–	(140,600)	1,925,347
Amounts due to vendor	884	–	–	–	(70)	814
Total	**5,170,810**	**42,541**	**136,420**	**814,632**	**(324,616)**	**5,839,787**

NOTE 39 | FINANCIAL RISK MANAGEMENT

The Group is exposed to the following categories of financial risks as part of its overall capital structure; market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's risk management program addresses the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group has adopted the following philosophies towards financial risk management:

- to take a proactive approach in identifying and managing material treasury risks;
- not to take speculative derivative positions;
- to structure hedging to reflect underlying business objectives; and
- to reduce volatility and provide more certainty of earnings.

Financial risk management is carried out by a central treasury department ('Group Treasury') which identifies, evaluates and hedges financial risks to support the Group's strategic and operational objectives. Group Treasury operates within the parameters of a Board-approved Treasury Policy and is overseen by Sonic's Treasury Management Committee, which comprises Sonic's CEO, CFO, Deputy CFO, Treasurer, and an expert external consultant.

The Treasury Policy provides written principles for overall financial risk management as well as policies covering specific areas, such as liquidity, funding and interest rate risk, foreign exchange risk, credit risk and operational treasury risk. One of the key responsibilities of Group Treasury is the management of the Group's debt facilities.

a) Capital risk management

The Group's objectives when managing capital are to safeguard the consolidated entity's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group is proactively managed by issuing new shares by way of institutional placements, shareholder purchase plans, rights issues, as part consideration for acquisitions, or activation from time to time of the Company's Dividend Reinvestment Plan; by utilising the SHEST to buy Sonic's shares on market; by conducting on-market share buybacks; or by varying the amount of dividends paid to shareholders.

The capital structure of the Group is mainly monitored on the basis of the Net Debt to Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) Ratio, which is also a covenant under Sonic's senior debt facilities (with a maximum permitted level of 3.5 times). Other ratios considered are the Gearing Ratio and Interest Cover Ratio, which are also covenants under senior debt facilities. Each covenant is calculated excluding the impact of AASB 16 *Leases*. Future compliance with these debt covenants is modelled by reference to a rolling 5-year financial forecast model.

During FY2025 and FY2026 the Group maintained a Net Debt to EBITDA ratio of between 1.9 to 2.5 times. The Company's history demonstrates Net Debt to EBITDA being conservatively and consistently managed around the middle of a 2 to 3 times range.

The Net Debt to EBITDA ratio is calculated as Net (of cash) Interest Bearing Debt divided by EBITDA. EBITDA is normalised for acquisitions made during a period, equity remuneration expense (a non-cash item), acquisition-related costs which are expensed under AASB 3 *Business Combinations,* impairment of assets and individually significant or extraordinary non-recurring items. Net Interest Bearing Debt is adjusted for currency rate fluctuations.

The Gearing Ratio is calculated as Net Interest Bearing Debt divided by Net Interest Bearing Debt plus Equity (per the Balance Sheet excluding the impacts of AASB 16), and must be maintained below 55% under certain of the Company's USPP note agreements. The Gearing Ratio is not a covenant under the Company's bank debt facilities and the FY2020 and FY2025 USPP note agreements.

The Group is required to maintain an Interest Cover Ratio greater than 3.25 times under the debt facilities, calculated as EBITA divided by Net Interest Expense. EBITA is normalised for equity remuneration expense, acquisition-related costs, impairment of assets and individually significant or extraordinary non-recurring items.

These three ratios are the only financial undertakings under Sonic's debt facilities.

The ratios calculated using the facility definitions, which exclude the impact of AASB 16, at 30 June 2026 and 30 June 2025 were as follows:

	2026	2025
Net Debt to EBITDA (times)	**2.2**	2.1
Gearing	**25.9%**	24.7%
Interest Cover (times)	**10.0**	10.1

b) Market risk

i) Foreign currency risk

Foreign currency risk refers to the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates.

Foreign currency risk arising on the translation of the net assets of the Group's foreign controlled entities, which have a different functional currency, is managed at the Group level. The Group manages this foreign exchange translation risk by 'natural' balance sheet hedges, i.e. having borrowings denominated in the same functional currencies of the foreign controlled entities. The foreign currency gains or losses arising from this risk are recorded through the foreign currency translation reserve. As Sonic's foreign currency earnings grow, interest rates change and debt is repaid, the natural hedge becomes less effective, so AUD reported earnings do fluctuate. The underlying earnings in foreign currency however are not affected. Capital hedging is not undertaken given the cash flow implications of ongoing hedging and the long-term nature of investments.

The Group is not significantly exposed to transactional foreign currency risk associated with receipts and payments that are required to be settled in foreign currencies. These transactions are limited in number; therefore the exposure is typically identified and managed on a case-by-case basis, usually by the spot or forward purchase of foreign currencies.

The carrying amount of the Group's bank loans and USPP notes are denominated in the following currencies (amounts in AUD):

	2026	2025
	$'000	$'000
USD	**794,798**	1,027,200
EURO	**2,121,930**	1,858,158
AUD	–	214,000
CHF	**800,827**	388,976
	3,717,555	3,488,334

Hedge of net investments in foreign operations

Of the total bank loans and USPP notes of $3,717,555,000 (2025: $3,488,334,000), $794,798,000 (2025: $1,008,965,000) are denominated in USD and qualify as a hedge of the Group's net investment in operations in the United States. In addition, $800,827,000 (2025: $388,976,000) are denominated in CHF and qualify as a hedge of the Group's net investment in operations in Switzerland. Gains or losses on retranslation of these borrowings are transferred to equity to offset any gains or losses on translation of the net investment in these operations. The ineffectiveness recognised in the Income Statement from net investment hedges was $nil (2025: $nil).

The remaining bank loans and USPP notes of $2,121,930,000 (2025: $1,876,393,000) denominated in EUR (2025: USD and EUR) are in the same functional currency as Sonic's operations in Germany and Belgium (2025: United States, Germany and Belgium) and act as a 'natural' balance sheet hedge against foreign currency earnings fluctuations.

Sensitivity analysis

Based on the financial instruments held at 30 June 2026, had the Australian dollar weakened/strengthened by 10% (2025: 10%) against all relevant currencies, the Group's post-tax profit would have been $nil higher/$nil lower (2025: $nil higher/$nil lower), as a result of having minimal exposure to foreign currency denominated financial instruments. Other components of equity would have been $nil lower/higher (2025: $nil lower/higher).

ii) Interest rate risk

Sonic Healthcare Limited and certain subsidiaries are party (from time to time) to derivative financial instruments such as interest rate swaps in the normal course of business in order to hedge exposure to fluctuations in interest rates. Derivatives are exclusively used for hedging purposes i.e. not as trading or speculative instruments. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in AASB 7.

Interest rate swap contracts – cash flow hedge

The Group's main interest rate risk arises from bank loans that are subject to variable interest rates (relevant loans totalling 2026: $1,792,208,000; 2025: $1,345,054,000). It is the Group's policy to protect against increasing interest rates by maintaining a level of fixed rate debt instruments such as USPP notes, which represented approximately 52% of total bank loans and USPP notes in 2026 (2025: approximately 60%), and/or by entering into interest rate swap contracts under which it is obliged to receive interest at variable rates and to pay interest at fixed rates.

The Group's policy is to ensure exposure to increases in floating interest rates does not impact annual net profit after tax over a 3-year period by more than a specified percentage as defined within the hedging parameters of the Group's Treasury Policy, and will not result in a breach of the Interest Cover Ratio covenant under the Group's debt facilities. Hedging is undertaken as and when required to ensure exposure to interest rate risk is managed within these parameters.

There were no fixed interest rate swaps in place during the year or at balance sheet date in the current or previous financial year. There was no ineffective portion of swaps during either the current or previous financial year.

Interest rate swap contracts – fair value hedge

The Group's strategy is to minimise interest expense and ensure exposure to movements in market interest rates are managed in line with the Treasury Policy. The Group enters into interest rate swap contracts from time to time under which it is obliged to receive interest at fixed rates and to pay interest at variable rates. The contracts are settled on a net basis. There were no contracts of this nature in place during 2026 and 2025.

Notes to the Consolidated Financial Statements

30 JUNE 2026

Interest rate risk exposures

The Group's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following tables.

Fixed interest rate maturities

	Notes	1 year or less	Over 1 year and less than 2 years	Over 2 years and less than 3 years	Over 3 years and less than 4 years	Over 4 years and less than 5 years	Over 5 years	Non-interest bearing	Total
30 June 2026		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Assets									
Cash and deposits		79,515	–	–	–	–	–	99,018	178,533
Trade debtors	7	–	–	–	–	–	–	1,363,309	1,363,309
Accrued revenue	7	–	–	–	–	–	–	202,158	202,158
Sundry debtors	7	–	–	–	–	–	–	180,957	180,957
Amounts owing from other entities	7,10	1,326	2,151	1,459	715	5,225	971	8,404	20,251
Net investment in finance leases	7, 10	5,394	3,180	2,045	827	351	229	–	12,026
Investments	11	–	–	–	–	–	–	227,397	227,397
Total assets		86,235	5,331	3,504	1,542	5,576	1,200	2,081,243	2,184,631
Liabilities									
Trade and other creditors	17	–	–	–	–	–	–	1,189,417	1,189,417
Amounts owing to vendors	18,22,26	814	-	–	–	–	–	235,179	235,993
Other liabilities	22	–	–	–	–	–	–	31	31
Lease liabilities	19	410,664	351,826	254,174	188,259	142,060	774,435	–	2,121,418
USPP notes	18,23	330,087	–	–	433,526	–	1,161,734	–	1,925,347
Total liabilities		741,565	351,826	254,174	621,785	142,060	1,936,169	1,424,627	5,472,206
30 June 2025		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Assets									
Cash and deposits		106,450	–	–	–	–	–	61,033	167,483
Trade debtors	7	–	–	–	–	–	–	1,336,525	1,336,525
Accrued revenue	7	–	–	–	–	–	–	209,136	209,136
Sundry debtors	7	–	–	–	–	–	–	165,041	165,041
Amounts owing from other entities	7,10	1,598	2,069	1,400	903	5,650	1,169	8,214	21,003
Net investment in finance leases	7, 10	5,763	3,826	1,810	1,110	304	396	–	13,209
Investments	11	–	–	–	–	–	–	231,112	231,112
Total assets		113,811	5,895	3,210	2,013	5,954	1,565	2,011,061	2,143,509
Liabilities									
Trade and other creditors	17	–	–	–	–	–	–	1,314,037	1,314,037
Amounts owing to vendors	22,23,26	–	884	–	–	–	–	110,072	110,956
Other liabilities	22, 26	–	–	–	–	–	–	80	80
Lease liabilities	19	380,143	309,277	232,743	170,322	119,041	470,066	–	1,681,592
USPP notes	18,23	80,602	358,230	-	–	455,858	1,248,590	–	2,143,280
Total liabilities		460,745	668,391	232,743	170,322	574,899	1,718,656	1,424,189	5,249,945

Floating interest rate maturities

	Notes	1 year or less	Over 1 year and less than 2 years	Over 2 years and less than 3 years	Over 3 years and less than 4 years	Over 4 years and less than 5 years	Over 5 years	Total	Weighted average interest rate
30 June 2026		$'000	$'000	$'000	$'000	$'000	$'000	$'000	%
Assets									
Cash and deposits		475,162	–	–	–	–	–	475,162	2.46
Total assets		475,162	–	–	–	–	–	475,162	
Liabilities									
Bank loans	18,23	761	626,461	601,132	154	120	563,580	1,792,208	2.24
Total liabilities		761	626,461	601,132	154	120	563,580	1,792,208	
30 June 2025		$'000	$'000	$'000	$'000	$'000	$'000	$'000	%
Assets									
Cash and deposits		506,290	–	–	–	–	–	506,290	2.46
Total assets		506,290	–	–	–	–	–	506,290	
Liabilities									
Bank loans	18,23	184	173,226	428,938	328,654	–	414,052	1,345,054	2.95
Total liabilities		184	173,226	428,938	328,654	–	414,052	1,345,054	

Sensitivity analysis

If interest rates in all relevant currencies applied to financial instruments held at 30 June 2026 had changed by -100/+100 basis points (2025: -100/+100 basis points) for the financial year with all other variables held constant, the Group's post-tax profit for the year would have been $3,594,000/$8,954,000 higher/lower mainly as a result of lower/higher interest expense from bank loans (2025: $3,143,000/$5,780,000 higher/lower mainly as a result of lower/higher interest expense from bank loans). Other components of equity would have been $3,594,000/$8,954,000 higher/lower as a result of a decrease/increase in interest expense (2025: $3,143,000/$5,780,000 higher/lower as a result of a decrease/increase in interest expense). The impacts on profit and equity of an increase in basis points is higher in FY2026 due to a higher amount of floating rate bank loan balances. Sonic bank facilities have a zero base rate floor and with low base rates currently on CHF debt there is a reduced impact of a decrease in basis points on the interest expense, and therefore profit and equity, compared to the prior year.

iii) Other price risk

The Group does not have significant exposure to fluctuations in the fair values or future cash flows of financial instruments associated with changes in market prices.

c) Credit risk

The credit risk on financial assets of the Group which have been recognised on the Balance Sheet, other than investment in shares, is generally the carrying amount, net of any provisions for impairment. Where entities have a right of set-off and intend to settle on a net basis, this set-off has been reflected in the financial statements in accordance with accounting standards.

The Group does not have any material exposure to any individual customer or counterparty other than certain government or statutory funded bodies in the countries in which the Group operates. There are no other significant concentrations of credit risk within the Group.

Receivable balances and ageing analysis are monitored on an ongoing basis. In order to minimise the Group's exposure to bad debts, rigorously enforced processes are in place to send reminder notices, demands for repayments and ultimately to refer to debt collection agencies. Credit limits are imposed and monitored for commercial customers. See Note 7 for further analysis of credit risk for receivable balances.

The Group has not renegotiated any material collection/repayment terms of any financial assets in the current or previous financial year.

Credit risk in the treasury context is defined as the risk of sustaining a loss as a result of a counterparty that has accepted a deposit from the Group and/or entered into a financial transaction with the Group related to the management of treasury related risks. Sonic has established counterparty exposure limits and seeks to only enter into such transactions with counterparties who are senior lenders to the Group.

d) Liquidity risk

The Group is exposed to funding and liquidity risks including the risk that in refinancing its debt, the Group may be exposed to an increased credit spread (the credit spread is the margin that must be paid over the equivalent government or risk free rate or swap rate) and the risk of not being able to refinance debt obligations or meet other cash outflow obligations at a reasonable cost when required.

The Group's strong cash flows and Balance Sheet are a major mitigator of this type of risk, along with the dynamics of the medical diagnostic services market. The Group seeks to further mitigate these risks by structuring its debt with a spread of maturities, maintaining excellent relationships with a number of leading Australian and international banks, diversifying funding sources by accessing the private placement bond market in the USA and the syndicated bank loan market in Europe, and keeping sufficient committed credit lines available for short- to medium-term needs (balanced against the cost of maintaining such lines) in accordance with Sonic's Treasury Policy.

The tables below analyse the Group's financial liabilities and net-settled derivative financial instruments into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including interest (other than in the 'carrying value' column). The table ignores the maturities of undrawn credit lines. For interest rate swaps the cash flows are estimated using forward interest rates applicable at the reporting date.

Contractual maturities of financial liabilities

	Notes	1 year or less	Over 1 year and less than 2 years	Over 2 years and less than 5 years	Over 5 years	Total contractual cash flows	Carrying value
30 June 2026		$'000	$'000	$'000	$'000	$'000	$'000
Liabilities							
Trade and other creditors	17	1,189,417	–	–	–	1,189,417	1,189,417
Amounts owing to vendors	18,22,26	155,835	46,761	14,043	19,360	235,999	235,993
Bank loans	18,23	41,473	658,347	630,117	567,090	1,897,027	1,792,208
USPP notes	18,23	388,112	55,136	585,885	1,303,983	2,333,116	1,925,347
Other liabilities	22	31	–	–	–	31	31
Lease liabilities	19	495,346	417,040	728,156	1,003,857	2,644,399	2,121,418
Financial guarantee contracts		18,320	–	–	–	18,320	–
Total liabilities		2,288,534	1,177,284	1,958,201	2,894,290	8,318,309	7,264,414
30 June 2025		$'000	$'000	$'000	$'000	$'000	$'000
Liabilities							
Trade and other creditors	17	1,314,037	–	–	–	1,314,037	1,314,037
Amounts owing to vendors	22,23,26	20,935	77,389	12,705	–	111,029	110,956
Bank loans	18,23	40,330	211,857	794,666	414,052	1,460,905	1,345,054
USPP notes	18,23	147,673	420,377	632,895	1,447,404	2,648,349	2,143,280
Other liabilities	22,26	45	35	–	–	80	80
Lease liabilities	19	437,571	351,073	601,502	551,268	1,941,414	1,681,592
Financial guarantee contracts		16,108	–	–	–	16,108	–
Total liabilities		1,976,699	1,060,731	2,041,768	2,412,724	7,491,922	6,594,999

The financial guarantee contracts relate to guarantees given by the Group in respect of workers compensation insurance. The guarantees are the maximum amounts allocated to the earliest period in which the guarantees could be called. The Group does not expect these payments to eventuate.

There have been no material breaches and no defaults of loans in the current or preceding reporting periods.

e) Net fair value of financial assets and liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

For non-traded equity investments, the net fair value is determined using valuation techniques (Note 1(j)).

f) Fair values

The carrying amounts of financial assets and liabilities on the Consolidated Group Balance Sheet approximate their fair values except for fixed rate long-term borrowings which had a fair value of $1,864,401,000.

Fair value hierarchy

AASB 7 *Financial Instruments*: *Disclosures* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

i) quoted prices (unadjusted) in active markets for identified assets or liabilities (level 1),
ii) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
iii) inputs for the asset or liability that are not based on observable market value (unobservable inputs) (level 3).

Level 1 includes an equity investment in a listed Australian entity which has been valued based on a quoted price in an active market. Level 3 includes amounts owing to vendors which are recognised based on the assessed fair value using the contractual nature of the terms and conditions of the deferred consideration and other financial assets which are recognised based on the assessed fair value using latest available information.

There were no transfers between fair value hierarchies or changes to valuation techniques for recurring fair value measurements in the period.

NOTE 40 | PARENT COMPANY FINANCIAL INFORMATION

a) Summary financial information

The individual financial statements for the Parent Company show the following aggregate amounts:

	2026	2025
Balance sheet	**$'000**	**$'000**
Current assets	**4,636,646**	4,436,651
Total assets	**9,381,997**	8,644,684
Current liabilities	**3,102,854**	3,534,034
Total liabilities	**3,493,495**	3,658,235
Shareholders' equity		
Contributed equity	**4,652,708**	4,276,827
Reserves		
Equity remuneration reserve	**(101,478)**	(126,071)
Share option reserve	**16,427**	16,427
Retained earnings	**1,320,845**	819,266
Total equity	**5,888,502**	4,986,449
Profit for the year	**1,035,356**	689,569
Total comprehensive income	**1,035,356**	689,569

b) Guarantees entered into by the Parent Company

The Parent Company is a party to the Deed of Cross Guarantee as disclosed in Note 29. No liabilities have been assumed by the Parent Company in relation to this guarantee as it is expected the parties to the Deed of Cross Guarantee will continue to generate positive cash flows. The Parent Company has further provided guarantees of $169,126,000 (2025: $156,401,000) in respect of property leases and workers compensation insurance for subsidiary entities. In addition the Parent Company has provided guarantees of the performance of certain contracts by subsidiary entities. No liability was recognised by the Parent Company or the Consolidated Group in relation to these guarantees, as their fair values are immaterial.

c) Contingent liabilities of the Parent Company

The Parent Company had no contingent liabilities as at 30 June 2026 or 30 June 2025 other than as described in (b) above.

d) Contractual commitments for the acquisition of property, plant or equipment

The Parent Company had contractual commitments for the acquisition of property, plant or equipment as at 30 June 2026 of $71,269,000.

NOTE 41 | EVENTS OCCURRING AFTER REPORTING DATE

Since the end of the financial year, no matter or circumstance not otherwise dealt with in these financial statements has arisen that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years other than in July 2026, Sonic entered into a €245 million bank debt facility to effectively refinance €200 million of Euro debt maturing in November 2026.

Consolidated Entity Disclosure Statement

30 JUNE 2026

BASIS OF PREPARATION

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the Group as at 30 June 2026 in accordance with AASB 10 *Consolidated Financial Statements*.

DETERMINATION OF TAX RESIDENCY

Section 295 (3B)(a) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, Sonic has applied the following interpretations:

- **Australian tax residency:** Sonic has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5; and
- **Foreign tax residency:** where necessary, Sonic has ensured compliance with applicable foreign tax legislation.

PARTNERSHIPS AND TRUSTS

Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis. Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
A.C.N. 002 889 545 Pty Ltd	Body corporate	Australia	100%	Australian	n/a
A.C.N. 094 980 944 Pty Limited	Body corporate	Australia	100%	Australian	n/a
ACE Radiology Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Alliance Imaging Pty Ltd (i)	Body corporate	Australia	100%	Australian	n/a
Alliance Imaging Unit Trust	Trust	Australia	N/A	Australian	n/a
Artisan Aesthetics Group Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Auburn Road Family Medical Centre Pty Limited	Body corporate	Australia	100%	Australian	n/a
Azalea Holdings Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Beachhead Holdings Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Calculate Holdings Pty Ltd	Body corporate	Australia	53.9%	Australian	n/a
Canberra X-Ray Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Capital Pathology Pty Ltd (i)	Body corporate	Australia	100%	Australian	n/a
Capital Pathology Trust	Trust	Australia	N/A	Australian	n/a
Castlereagh Co Pty Limited	Body corporate	Australia	100%	Australian	n/a
Castlereagh Services Pty Limited (i)	Body corporate	Australia	100%	Australian	n/a
Castlereagh Unit Trust	Trust	Australia	N/A	Australian	n/a

(i) This entity is a trustee of a trust within the consolidated entity.
(ii) This entity is a partner of a partnership within the consolidated entity.

Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
Clinipath Pathology Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Clinmed Pty Limited	Body corporate	Australia	100%	Australian	n/a
Clinpath Laboratories Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Communique Holdings Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Consultant Pathology Services Pty. Limited	Body corporate	Australia	100%	Australian	n/a
Continuous Care Doctor Training Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Cosmedcloud Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Cubiko Holdings Pty Ltd	Body corporate	Australia	54.4%	Australian	n/a
Cubiko Pty Ltd	Body corporate	Australia	54.4%	Australian	n/a
Daraban Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Delta Health Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Diagnostic Pathology Pty Limited	Body corporate	Australia	100%	Australian	n/a
Diagnostic Services Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Douglass Hanly Moir Pathology Pty Limited	Body corporate	Australia	100%	Australian	n/a
Dr Deputising NSW Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Dr Deputising Pty Ltd (i)	Body corporate	Australia	100%	Australian	n/a
Dr Deputising QLD Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Dr Deputising WA Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Edenlea Properties Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Edgecliff Medical Centre No. 2 Pty Limited	Body corporate	Australia	100%	Australian	n/a
EMI Radiology Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Epworth Pathology	Partnership	Australia	N/A	Australian	n/a
Evmar Holdings Pty. Limited	Body corporate	Australia	100%	Australian	n/a
Formulab International Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Gainsby Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Geek Squad Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Gemini Medical Services Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Hanly Moir Pathology Pty. Limited (i)	Body corporate	Australia	100%	Australian	n/a
Health Essentials Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Hunter Imaging Group Pty Limited	Body corporate	Australia	100%	Australian	n/a
Hunter Valley X-Ray Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IPN Clinics Victoria Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IPN Healthcare (VIC) Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IPN Healthcare Pty Limited	Body corporate	Australia	100%	Australian	n/a
IPN Medical Centres (NSW) Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IPN Medical Centres (QLD) Pty Ltd	Body corporate	Australia	100%	Australian	n/a

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
IPN Medical Centres (VIC) Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IPN Medical Centres Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IPN Medical Victoria Pty Ltd	Body corporate	Australia	100%	Australian	n/a
IRG Co Pty Limited	Body corporate	Australia	100%	Australian	n/a
Joodie Holdings No. 2 Pty Limited	Body corporate	Australia	100%	Australian	n/a
Kedron Park 24 Hour Medical Centre Pty Ltd	Body corporate	Australia	100%	Australian	n/a
L. & A. Services Pty. Ltd. (i)	Body corporate	Australia	100%	Australian	n/a
Lifescreen Australia Pty Limited	Body corporate	Australia	100%	Australian	n/a
LUMC Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Maga Pty Ltd (i)	Body corporate	Australia	100%	Australian	n/a
Marrickville Medical Centre No. 2 Pty Limited	Body corporate	Australia	100%	Australian	n/a
Matrix Skin Cancer Clinics Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Medical Control Centre Unit Trust	Trust	Australia	N/A	Australian	n/a
Medihelp General Practice Pty Limited	Body corporate	Australia	100%	Australian	n/a
Medihelp Services Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Melbourne Pathology Cabrini Pty Ltd (i)	Body corporate	Australia	50.1%	Australian	n/a
Melbourne Pathology Pty Limited (ii)	Body corporate	Australia	100%	Australian	n/a
Melbourne Pathology Service Trust	Trust	Australia	N/A	Australian	n/a
Melbourne Pathology Services Pty Limited (i)	Body corporate	Australia	100%	Australian	n/a
Metford PET CT Pty Ltd	Body corporate	Australia	50.1%	Australian	n/a
National Skin Cancer Centres Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Newcastle Diagnostic Imaging Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Next Byte Holdings Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Next Byte Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Northern Pathology Pty Ltd	Body corporate	Australia	100%	Australian	n/a
NSCC Holdings Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Nuclear Medicine Co Pty Limited	Body corporate	Australia	100%	Australian	n/a
OCP (QLD) Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Pacific Medical Imaging Pty Limited (i)	Body corporate	Australia	100%	Australian	n/a
Paedu Pty Limited (i)	Body corporate	Australia	100%	Australian	n/a
Paedu Unit Trust	Trust	Australia	N/A	Australian	n/a
Penrith Medical Centre No. 2 Pty Limited	Body corporate	Australia	100%	Australian	n/a
Practice Management Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Precedence Health Care Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Preston Property Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Prime Health Group Pty Limited	Body corporate	Australia	100%	Australian	n/a

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
Queensland X-Ray Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Radiology Victoria Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Redcliffe Peninsula Medical Service Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
Redlands X-Ray Services Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Royal Brisbane Place Medical Centre Pty. Limited	Body corporate	Australia	100%	Australian	n/a
San Pathology Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Silverspoon Holdings Pty Ltd	Body corporate	Australia	100%	Australian	n/a
SKG Radiology Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sonic AI Holdings Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic AI IP Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Clinical Services Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sonic Clinical Trials Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare (UK) Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare Australia Pathology Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare Australia Radiology Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare Genetics Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare International Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare Limited (ii)	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare Limited Employee Share Trust	Trust	Australia	N/A	Australian	n/a
Sonic Healthcare Pathology Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Healthcare Services Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic HealthPlus Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sonic Medlab Holdings Australia Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Nurse Connect Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sonic Pathology (Queensland) Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Pathology (Victoria) Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sonic Pathology AI Holdings Pty Limited	Body corporate	Australia	100%	Australian	n/a
Southcare Physiotherapy Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Southern Pathology Services Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sports Imaging Co Pty Limited	Body corporate	Australia	100%	Australian	n/a
Sports MRI Australia Pty. Limited	Body corporate	Australia	100%	Australian	n/a
SQDGlobal Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Stratum Medical Services Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sullivan Nicolaides Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Sunshine Employment Pty. Limited	Body corporate	Australia	100%	Australian	n/a
Sunton Pty Limited (i)	Body corporate	Australia	100%	Australian	n/a

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
System 7 Laboratories Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Taringa 24 Hour Medical Centre Pty Ltd	Body corporate	Australia	100%	Australian	n/a
The Bradley Services Unit Trust	Trust	Australia	N/A	Australian	n/a
The Hanly Moir Pathology Trust	Trust	Australia	N/A	Australian	n/a
The Hunter Imaging Services Unit Trust	Trust	Australia	N/A	Australian	n/a
The Melbourne Pathology Cabrini Trust	Trust	Australia	N/A	Australian	n/a
The Mobile Phone Shop Pty. Ltd.	Body corporate	Australia	100%	Australian	n/a
The Pacific Medical Imaging Unit Trust	Trust	Australia	N/A	Australian	n/a
The Sprague Kam Unit Trust	Trust	Australia	N/A	Australian	n/a
The Ultrarad 2 Unit Trust	Trust	Australia	N/A	Australian	n/a
Tribal Accessories Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Ultrarad Holdings Pty Ltd	Body corporate	Australia	99.9%	Australian	n/a
Ultrarad Pty. Ltd. (i)	Body corporate	Australia	100%	Australian	n/a
United Healthcare Medical Centre Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Vita Group Pty Limited	Body corporate	Australia	100%	Australian	n/a
VTG Artisan Pty Ltd	Body corporate	Australia	100%	Australian	n/a
VTG CC Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Woch Nominees Pty Ltd (i)	Body corporate	Australia	100%	Australian	n/a
Woch Services Unit Trust	Trust	Australia	N/A	Australian	n/a
Berger Medizintechnik GmbH (ii)	Body corporate	Austria	100%	Foreign	Austria
Rigler Medizintechnik GmbH (ii)	Body corporate	Austria	100%	Foreign	Austria
A.M.L. BV	Body corporate	Belgium	100%	Foreign	Belgium
A.M.L. WEST BV	Body corporate	Belgium	100%	Foreign	Belgium
Klinisch Labo Rigo BV	Body corporate	Belgium	100%	Foreign	Belgium
Medvet BV	Body corporate	Belgium	100%	Foreign	Belgium
Sonic Healthcare Benelux NV	Body corporate	Belgium	100%	Foreign	Belgium
4labs software GmbH	Body corporate	Germany	70.6%	Foreign	Germany
a&p MVZ GmbH (ii)	Body corporate	Germany	78.2%	Foreign	Germany
allgäuLab MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
ApoCometent GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
aptus 2306. GmbH	Body corporate	Germany	100%	Foreign	Germany
auxilium Hospiz gemeinnützige GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Biofocus LADR Gesellschaft für biologische Analytik mbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Bioscientia Healthcare GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia Institut für medizinische Diagnostik GmbH	Body corporate	Germany	100%	Foreign	Germany

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
Bioscientia Logistik GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia MVZ Jena GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia MVZ Labor Karlsruhe GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia MVZ Labor Mittelhessen GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia MVZ Labor Saar GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia MVZ Saarbrücken GmbH	Body corporate	Germany	100%	Foreign	Germany
Bioscientia Real Estate GmbH	Body corporate	Germany	100%	Foreign	Germany
biovis Diagnostik MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
ComSSys - Computer und Software Systeme GmbH	Body corporate	Germany	100%	Foreign	Germany
Der Familienverbund Dr. Kramer & Kollegen GbR	Partnership	Germany	N/A	Foreign	Germany
Dr. Staber & Kollegen GmbH	Body corporate	Germany	100%	Foreign	Germany
GLP medical services GmbH	Body corporate	Germany	100%	Foreign	Germany
GMD – Gesellschaft für medizinische Dienstleistungen mbH	Body corporate	Germany	100%	Foreign	Germany
Heil Medizintechnik GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Himed medical products, Handel, Beratung, Marketing GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Intermed International Beteiligungsgesellschaft mbH & Co. KG	Partnership	Germany	N/A	Foreign	Germany
Intermed Medical GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
ISG Intermed Service GmbH & Co. KG (ii)	Partnership	Germany	N/A	Foreign	Germany
KAMED GmbH & Co. KG (ii)	Partnership	Germany	N/A	Foreign	Germany
KAMED Verwaltungs GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Klinik an der Weißenburg GmbH	Body corporate	Germany	100%	Foreign	Germany
LabKom Biochemische Dienstleistungen GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor 28 MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor 28 Potsdam MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor an der Salzbruecke MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor Augsburg Administration GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor Augsburg MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor Dr. Hauss GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Labor Dr. von Froreich GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor Hannover MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
Labor Mainz MVZ GmbH	Body corporate	Germany	100%	Foreign	Germany
Laboratorium Nord-West Support GbR	Partnership	Germany	N/A	Foreign	Germany
LADR BAG Brandenburg GbR (ii)	Partnership	Germany	N/A	Foreign	Germany
LADR Biofocus GbR (ii)	Partnership	Germany	N/A	Foreign	Germany

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
LADR GmbH Medizinisches Versorgungszentrum Baden-Baden (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Berlin (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Braunschweig (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Bremen (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Dr. Kramer und Kollegen (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Hannover (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Mecklenburg-Vorpommern	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Neuruppin (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Nord (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH Medizinisches Versorgungszentrum Paderborn (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR GmbH MVZ Nord-West (ii)	Body corporate	Germany	100%	Foreign	Germany
LADR Laborverbund Dr. Kramer & Kollegen GbR (ii)	Partnership	Germany	N/A	Foreign	Germany
LADR MVZ Recklinghausen eGbR (ii)	Partnership	Germany	N/A	Foreign	Germany
Med-Lab Med. Dienstleistungs GmbH	Body corporate	Germany	100%	Foreign	Germany
MEDICEM Med. Diagn. Institut Kempten GmbH	Body corporate	Germany	100%	Foreign	Germany
Medizinisches Versorgungszentrum an der Elbe GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Medizinisches Versorgungszentrum Labor Dr. Klein Dr. Schmitt GmbH (ii)	Body corporate	Germany	51%	Foreign	Germany
MSG Medizinisches Servicegesellschaft für Laboranalytik GmbH	Body corporate	Germany	51%	Foreign	Germany
MVZ Bioscientia Labor Duisburg GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ diagnosticum GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ für Histologie, Zytologie und molekulare Diagnostik Düren GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ für Histologie, Zytologie und molekulare Diagnostik Trier GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ für Laboratoriumsmedizin und Mikrobiologie Würzburg GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Institut für Pathologie Würselen-Aachen GmbH	Body corporate	Germany	100%	Foreign	Germany

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
MVZ Intermed Labor GmbH Hannover	Body corporate	Germany	100%	Foreign	Germany
MVZ Kinderwunsch- und Hormonzentrum Münster GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
MVZ Labor Bochum MLB GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Labor für Cytopathologie Dr. Steinberg GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Labor im Sommershof GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Laborverbund GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
MVZ Medizinische Laboratorien Düsseldorf GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Medizinisches Labor Bremen GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Medizinisches Labor Celle GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Medizinisches Labor Nord MLN GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Medizinisches Labor Oldenburg Dr. Müller GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Nieren-, Apherese- und Dialysezentrum Bad Malente GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
MVZ Pathologie & Zytologie Rhein-Sieg GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Pathologie Berlin Berger Fietze Linke Nadjari GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Pathologie, Zytologie und Molekularpathologie Neuss GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Rheumazentrum Saalebogen GmbH	Body corporate	Germany	100%	Foreign	Germany
MVZ Zentrum für Pathologie & Zytologie Düsseldorf GmbH	Body corporate	Germany	100%	Foreign	Germany
Orthopädietechnik Mayer & Behnsen GmbH	Body corporate	Germany	100%	Foreign	Germany
Papacheck GmbH	Body corporate	Germany	51%	Foreign	Germany
Park-Klinik GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Pathologisches Institut Celle MVZ GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Personalgesellschaft medizinischer Laboratorien Kaiserslautern GbR	Partnership	Germany	N/A	Foreign	Germany
Praxisgemeinschaft für Innere Medizin GbR	Partnership	Germany	N/A	Foreign	Germany
PreisMed - Medizin-Discount GmbH	Body corporate	Germany	100%	Foreign	Germany
Sanovis Healthcare GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Eight GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Europe GmbH (ii)	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Germany GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Germany GmbH & Co. KG	Partnership	Germany	N/A	Foreign	Germany
Sonic Healthcare Germany Six GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Investments GmbH	Body corporate	Germany	100%	Foreign	Germany

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
Sonic Healthcare Nine GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare One GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Real Estate München GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Seven GmbH	Body corporate	Germany	100%	Foreign	Germany
Sonic Healthcare Ten GmbH	Body corporate	Germany	100%	Foreign	Germany
Supra Rhenum GmbH	Body corporate	Germany	100%	Foreign	Germany
Systemedic GmbH	Body corporate	Germany	100%	Foreign	Germany
Medlab Pathology Limited	Body corporate	Ireland	100%	Foreign	Ireland
Sonic Healthcare (Ireland) Limited	Body corporate	Ireland	100%	Foreign	Ireland
Sonic Healthcare Continental Europe GmbH (ii)	Body corporate	Italy	100%	Foreign	Italy
Dr. Risch AG	Body corporate	Liechtenstein	100%	Foreign	Liechtenstein
Medlab Central Ltd	Body corporate	New Zealand	100%	Foreign	New Zealand
BADAJ.TO SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	Body corporate	Poland	58%	Foreign	Poland
CENTRUM PATOMORFOLOGII BADAJ.TO SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	Body corporate	Poland	43.5%	Foreign	Poland
LADR IMMOBILIEN SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ	Body corporate	Poland	58%	Foreign	Poland
ŚLĄSKIE LABORATORIA ANALITYCZNE SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIELNOŚCIĄ	Body corporate	Poland	58%	Foreign	Poland
INTERMED SERVICE LAB S.R.L.	Body corporate	Romania	100%	Foreign	Romania
INTERMED SERVICE TRADE S.R.L.	Body corporate	Romania	100%	Foreign	Romania
Aerztelabor Dr. Kurt Furrer GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
Aurigen SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Bioanalytica Aareland AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Bioanalytica AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Bioexam AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Chinon Holding SA	Body corporate	Switzerland	96.7%	Foreign	Switzerland
CPMA SA	Body corporate	Switzerland	94.4%	Foreign	Switzerland
Dianalabs Mittelland AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Dianalabs SA	Body corporate	Switzerland	99.8%	Foreign	Switzerland
Dianalabs Valais SA	Body corporate	Switzerland	100%	Foreign	Switzerland
DIANAPATH SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Dr. Risch arc lémanique SA	Body corporate	Switzerland	90%	Foreign	Switzerland
Dr. Risch Holding AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Dr. Risch Ostschweiz AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Dr. Risch Services AG	Body corporate	Switzerland	100%	Foreign	Switzerland

(i) This entity is a trustee of a trust within the consolidated entity.
(ii) This entity is a partner of a partnership within the consolidated entity.

Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
Dr. Risch Shared Services AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Dr. Risch Ticino SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Ecobion SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Fertas SA	Body corporate	Switzerland	94.4%	Foreign	Switzerland
FLONMED SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Genesupport SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Imagerie du Flon SA	Body corporate	Switzerland	98.8%	Foreign	Switzerland
Institut Arnaboldi AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Institut Virion GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
LabCare SA	Body corporate	Switzerland	50.9%	Foreign	Switzerland
Labor Prof. Krech und Partner GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
LABORATOIRES BBV S.A.	Body corporate	Switzerland	100%	Foreign	Switzerland
Labormed Medizinische Laboratorien GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
LB Medizinisches Labor Solothurn GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
MCL - Dr. Risch AG	Body corporate	Switzerland	100%	Foreign	Switzerland
med:compact AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Medi-Centre SA	Body corporate	Switzerland	65%	Foreign	Switzerland
medica Ärztebedarf AG	Body corporate	Switzerland	100%	Foreign	Switzerland
MEDICA Medizinische Laboratorien AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Medigenome SA	Body corporate	Switzerland	60%	Foreign	Switzerland
Medisoutien Holding SA	Body corporate	Switzerland	100%	Foreign	Switzerland
MEDISYN SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Medisyn Ticino SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Medizinische Laboratorien Dr. Toggweiler AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Medizinisches Institut R. Rondez GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
Mikrogen Labor GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
one-provide ag	Body corporate	Switzerland	100%	Foreign	Switzerland
Ortho-Analytic AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Pathologie Dr. Noll AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Pathologie Medica Enge AG	Body corporate	Switzerland	100%	Foreign	Switzerland
Polyanalytic S.A.	Body corporate	Switzerland	90%	Foreign	Switzerland
Proxilab analyses médicales SA	Body corporate	Switzerland	100%	Foreign	Switzerland
selftesting.ch GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
Serolife GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
Sonic Suisse Labs SA	Body corporate	Switzerland	100%	Foreign	Switzerland
Sonic Suisse SSD SA	Body corporate	Switzerland	100%	Foreign	Switzerland

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
Virion Labordiagnostik GmbH	Body corporate	Switzerland	100%	Foreign	Switzerland
Cellular Pathology Services Limited	Body corporate	United Kingdom	100%	Foreign	United Kingdom
Health Services Laboratories LLP (ii)	Partnership	United Kingdom	N/A	Foreign	United Kingdom
HSL (Analytics) LLP	Partnership	United Kingdom	N/A	Foreign	United Kingdom
HSL (FM) LLP	Partnership	United Kingdom	N/A	Foreign	United Kingdom
HSL (Nominee) Limited (ii)	Body corporate	United Kingdom	51%	Foreign	United Kingdom
HSL PATHOLOGY LLP	Partnership	United Kingdom	N/A	Foreign	United Kingdom
LABex Analytics LLP	Partnership	United Kingdom	N/A	Foreign	United Kingdom
LABex Facilities LLP	Partnership	United Kingdom	N/A	Foreign	United Kingdom
SH Euro Finance PLC (ii)	Body corporate	United Kingdom	100%	Foreign	United Kingdom
Sonic Healthcare Holding Company	Body corporate	United Kingdom	100%	Foreign	United Kingdom
TDL Genetics Limited (ii)	Body corporate	United Kingdom	100%	Foreign	United Kingdom
The Doctors Laboratory Limited (ii)	Body corporate	United Kingdom	100%	Foreign	United Kingdom
AEL of Memphis, LLC (ii)	Body corporate	United States	100%	Foreign	United States
Aeos Labs, Inc.	Body corporate	United States	100%	Foreign	United States
American Esoteric Laboratories, Inc.	Body corporate	United States	100%	Foreign	United States
Aurora Diagnostics, LLC	Body corporate	United States	100%	Foreign	United States
Aurora Greensboro, LLC	Body corporate	United States	100%	Foreign	United States
Aurora LMC, LLC	Body corporate	United States	100%	Foreign	United States
Aurora New Hampshire, LLC	Body corporate	United States	100%	Foreign	United States
Aurora Research Institute, LLC	Body corporate	United States	100%	Foreign	United States
Bernhardt Laboratories, Inc.	Body corporate	United States	100%	Foreign	United States
Biopsy Diagnostics, LLC	Body corporate	United States	100%	Foreign	United States
BMHSI/AEL Microbiology Laboratory, GP	Partnership	United States	N/A	Foreign	United States
CBLPath Holdings Corporation	Body corporate	United States	100%	Foreign	United States
CBLPath, Inc.	Body corporate	United States	100%	Foreign	United States
Cleveland Skin Pathology Laboratory, Inc.	Body corporate	United States	100%	Foreign	United States
Clinical Laboratories of Hawaii, LLP	Partnership	United States	N/A	Foreign	United States
Clinical Pathology Laboratories, Inc.	Body corporate	United States	100%	Foreign	United States
Connecticut Laboratory Partnership, LLC	Body corporate	United States	51%	Foreign	United States
Consultants in Laboratory Medicine of Greater Toledo, Inc.	Body corporate	United States	100%	Foreign	United States
Cunningham Pathology, LLC	Body corporate	United States	100%	Foreign	United States
Cytopath, Inc.	Body corporate	United States	100%	Foreign	United States
DermDX New England, LLC	Body corporate	United States	100%	Foreign	United States
Dermpath New England, LLC	Body corporate	United States	100%	Foreign	United States

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Consolidated Entity Disclosure Statement

30 JUNE 2026

Entity name	Body corporate, partnership or trust	Place incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign resident
East Side Clinical Laboratory, Inc.	Body corporate	United States	100%	Foreign	United States
Genetics Associates, LLC	Body corporate	United States	100%	Foreign	United States
Greensboro Pathology, LLC	Body corporate	United States	100%	Foreign	United States
Laboratory of Dermatopathology ADX, LLC	Body corporate	United States	100%	Foreign	United States
Mark & Kambour, LLC	Body corporate	United States	100%	Foreign	United States
Memphis Pathology Holdings, LLC (ii)	Body corporate	United States	100%	Foreign	United States
Memphis Pathology Laboratory	Partnership	United States	N/A	Foreign	United States
Mid-Atlantic Pathology Services, Inc.	Body corporate	United States	100%	Foreign	United States
MPL Holdings, Inc. (ii)	Body corporate	United States	100%	Foreign	United States
Pacific Point Laboratories, Inc.	Body corporate	United States	100%	Foreign	United States
Pan Pacific Pathologists, LLC	Body corporate	United States	100%	Foreign	United States
Pathology Solutions, LLC	Body corporate	United States	100%	Foreign	United States
Pathology Watch, Inc.	Body corporate	United States	100%	Foreign	United States
ProPath Holdings, LLC	Body corporate	United States	100%	Foreign	United States
ProPath Services, LLC	Body corporate	United States	100%	Foreign	United States
Richard Bernert, LLC	Body corporate	United States	100%	Foreign	United States
Seacoast Pathology, Inc.	Body corporate	United States	100%	Foreign	United States
Sonic Clinical Trials USA, Inc.	Body corporate	United States	100%	Foreign	United States
Sonic Digital Pathology Holdings, Inc.	Body corporate	United States	100%	Foreign	United States
Sonic Hawaii Holdings, Inc. (ii)	Body corporate	United States	100%	Foreign	United States
Sonic Healthcare USA Investments, Inc.	Body corporate	United States	100%	Foreign	United States
Sonic Healthcare USA, Inc.	Body corporate	United States	100%	Foreign	United States
Sonic Reference Laboratory, Inc.	Body corporate	United States	100%	Foreign	United States
Sonic USA Holdings, Inc. (ii)	Body corporate	United States	100%	Foreign	United States
Sunrise Medical Laboratories, Inc.	Body corporate	United States	100%	Foreign	United States
Texas Pathology, LLC	Body corporate	United States	100%	Foreign	United States
Twin Cities Dermatopathology, LLC	Body corporate	United States	100%	Foreign	United States

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(ii) This entity is a partner of a partnership within the consolidated entity.

Directors' Declaration

FOR THE YEAR ENDED 30 JUNE 2026

In the Directors' opinion:

a) the financial statements and Notes set out on pages 65 to 139 are in accordance with the *Corporations Act 2001*, including:
   i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   ii) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

c) the Consolidated Entity Disclosure Statement on pages 140 to 151 is true and correct; and

d) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in Note 29 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee described in Note 29.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director and Finance Director required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Dr JP Newcombe
Director

CD Wilks
Director

Sydney
24 September 2026

Independent auditor's report

To the members of Sonic Healthcare Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Sonic Healthcare Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2026;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors' declaration.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo NSW 2000,
GPO BOX 2650 Sydney NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor, or component auditors from other PwC network firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the Audit Committee.

Key audit matter	*How our audit addressed the key audit matter*
Estimated recoverable amount of goodwill and indefinite-lived intangible assets *(Refer to note 14)* Under Australian Accounting Standards, the Group is required to test goodwill and other indefinite-lived intangible assets annually for impairment at the cash generating unit ('CGU') level.This assessment is inherently complex and requires judgement in cash flow projections and determining discount rates and growth rates used in the cash flow models (the 'models'). The recoverable amount of goodwill and other indefinite-lived intangible assets was a key audit matter given: • financial significance of these intangibles assets to the consolidated balance sheet; and • judgement applied by the Group in completing and concluding on the impairment assessments.	Our procedures included, amongst others: • developing an understanding and testing the overall calculation and methodology of the Group's impairment assessment, including identification of the cash generating units (CGUs) of the Group for the purposes of impairment testing, and the attribution of assets, revenue and costs to those CGUs; • assessing the appropriateness of cash flow forecasts included in the models with reference to the historical earnings, Board and/or management approved budgets and forecasts; • testing the mathematical accuracy of the models; • assessing the appropriateness of the discount rates and terminal value growth rates, with the assistance of PwC Valuation experts; • considering the sensitivity of the models by varying certain assumptions; and • evaluating the related financial statement disclosures for reasonableness with Australian Accounting Standards requirements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report and we have issued a separate review conclusion on specified sustainability disclosures in the sustainability report, in accordance with the scope of Australian Standard on Sustainability Assurance ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Sonic Healthcare Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Mark Dow
Partner

Sydney
24 September 2026

Sustainability Report

SONIC HEALTHCARE LIMITED
ABN 24 004 196 909

30 JUNE 2026

Sustainability Report

30 JUNE 2026

1. BASIS OF PREPARATION

1.1 Statement of compliance

This Sustainability Report presents the climate-related financial disclosures for Sonic Healthcare Limited and its subsidiaries (the Group) for the year ended 30 June 2026. Pursuant to Chapter 2M of the *Corporations Act 2001,* this Report has been prepared in accordance with AASB S2 *Climate-related Disclosures*, the mandatory Australian Sustainability Reporting Standard (ASRS) issued by the Australian Accounting Standards Board (AASB), and comprises:

- Climate-related disclosures
- Directors' Declaration.

Throughout this document, 'Sonic' refers to Sonic Healthcare Limited and all its subsidiaries, being all companies within the Sonic Healthcare Group worldwide (including controlled joint ventures).

Transition relief

As this is the first year Sonic has applied AASB S2, the Group has applied the following transition reliefs:

- Relief from providing comparative information (paragraph C3)
- Relief from disclosing scope 3 greenhouse gas (GHG) emissions (paragraph C4(b)).

1.2 Reporting entity

Climate-related financial disclosures are prepared for the same reporting entity as the Financial Report, using the same currency, underlying data and assumptions, to the extent permitted by Australian Accounting Standards. Cross-referencing is applied to meet disclosure requirements and to highlight linkages between the Sustainability Report and the Directors' Report, Corporate Governance Statement and Financial Report.

1.3 Significant judgements and assumptions

Assessing climate-related risks and opportunities involves the application of significant management judgements, estimates and assumptions, which are subject to inherent uncertainty and data limitations.

Key areas of management judgement and underlying assumptions include:

- **Risk assessment** – Identifying and assessing climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects, and determining which information is material to disclose, involves judgement in evaluating climate-related impacts across Sonic's business model and value chain.
- **Time horizon assessment** – Determining whether identified climate-related impacts could reasonably be expected to affect Sonic's short-, medium- or long-term prospects involves assumptions regarding how climate risks may unfold over time, which is inherently uncertain.
- **Scenario selection and application** – Selecting and adapting global climate scenarios to the Group's specific context involves assumptions regarding the translation of global climate pathways and associated variables to Sonic's operating geographies, business model and value chain, which introduces inherent uncertainty.
- **Translation to financial effects** – Estimating the anticipated effects of identified climate-related risks and opportunities on the Group's financial performance, position and cash flows involves assumptions regarding how climate-related factors may influence revenues, costs, asset values, cash flows and liabilities.
- **GHG emissions measurement and emission factors** – Selecting appropriate methods and emission factors to calculate GHG emissions across scope 1 and 2 based on data availability and quality involves judgement and assumptions regarding their representativeness and applicability. The Group prioritises the use of robust primary data wherever available.

To inform these judgements and assumptions, the Group uses all reasonable and supportable information available (without undue cost or effort) and applies appropriate governance oversight when assessing and disclosing climate-related matters.

Where quantification of anticipated financial effects involves uncertainties so high that the resulting information would not be useful to end users, this is explained and qualitative information is provided, including identification of the relevant financial statement line items likely to be affected.

The climate-related statements in this Sustainability Report reflect our current best estimates, assumptions and judgements at the date of this report.

Sustainability Report

30 JUNE 2026

1.4 Forward-looking statements

This report contains forward-looking statements that relate to future matters rather than historical facts. Forward-looking statements may be identified by terminology such as 'expects', 'believes', 'targets', 'likely', 'should', 'could', 'intends', 'aims', 'estimates' or similar expressions. All statements other than statements of historical fact may be forward-looking statements, including statements regarding Sonic's strategies, objectives, targets, commitments and plans relating to climate-related matters, including climate-related risks and opportunities, scenario analysis and transition plans.

These forward-looking statements are based on information available, and assumptions and estimates believed to be reasonable, as at the date of this report. However, such assumptions and estimates are subject to uncertainties and contingencies and may prove to be incorrect or incomplete.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or outcomes to differ materially from those expressed or implied in such statements. Many of these factors are beyond Sonic's control. They include, but are not limited to: changes in scientific or medical practice; changes in regulatory requirements; government policy or carbon-related regulation; technological developments; the availability, cost and performance of decarbonisation technologies; the extent, timing, nature and location of physical climate impacts; supply chain disruption; competitive dynamics; energy market conditions; data limitations and estimation methodologies; litigation or regulatory enforcement risks; stakeholder expectations; and broader economic and social conditions.

Forward-looking statements are not guarantees of future performance and should not be relied upon as such.

Nothing in this report should be taken to imply that Sonic will achieve any particular target, objective or outcome. While we consider the assumptions underlying any forward-looking statements in this report to be reasonable at the date of publication, they may prove to be incomplete or inaccurate. Readers should therefore exercise caution and avoid placing undue reliance on forward-looking statements, and should have regard to the uncertainties, risks and assumptions disclosed in this report and Sonic's other public disclosures, including those lodged with the ASX.

Except as required by applicable law, including the ASX Listing Rules and the *Corporations Act 2001 (Cth)*, Sonic undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

2. BUSINESS MODEL AND VALUE CHAIN

2.1 Principal activities

Sonic Healthcare's principal activities involve the provision of pathology/clinical laboratory services for medical diagnostic testing in Australia, New Zealand, the United Kingdom, the United States of America, Germany, Switzerland, Belgium, Poland and Liechtenstein. In Australia, Sonic also provides diagnostic imaging (including radiology) and occupational health services, and operates general practice medical centres and skin cancer clinics.

Sonic provides its services through a network of laboratories, radiology clinics, medical centres and patient collection facilities. In pathology, Sonic performs routine and advanced testing, in both large-scale laboratories and smaller hospital-based units. In radiology, services include diagnostic imaging, such as X-rays, CT scans, MRI and ultrasound. These services are typically requested by referring clinicians.

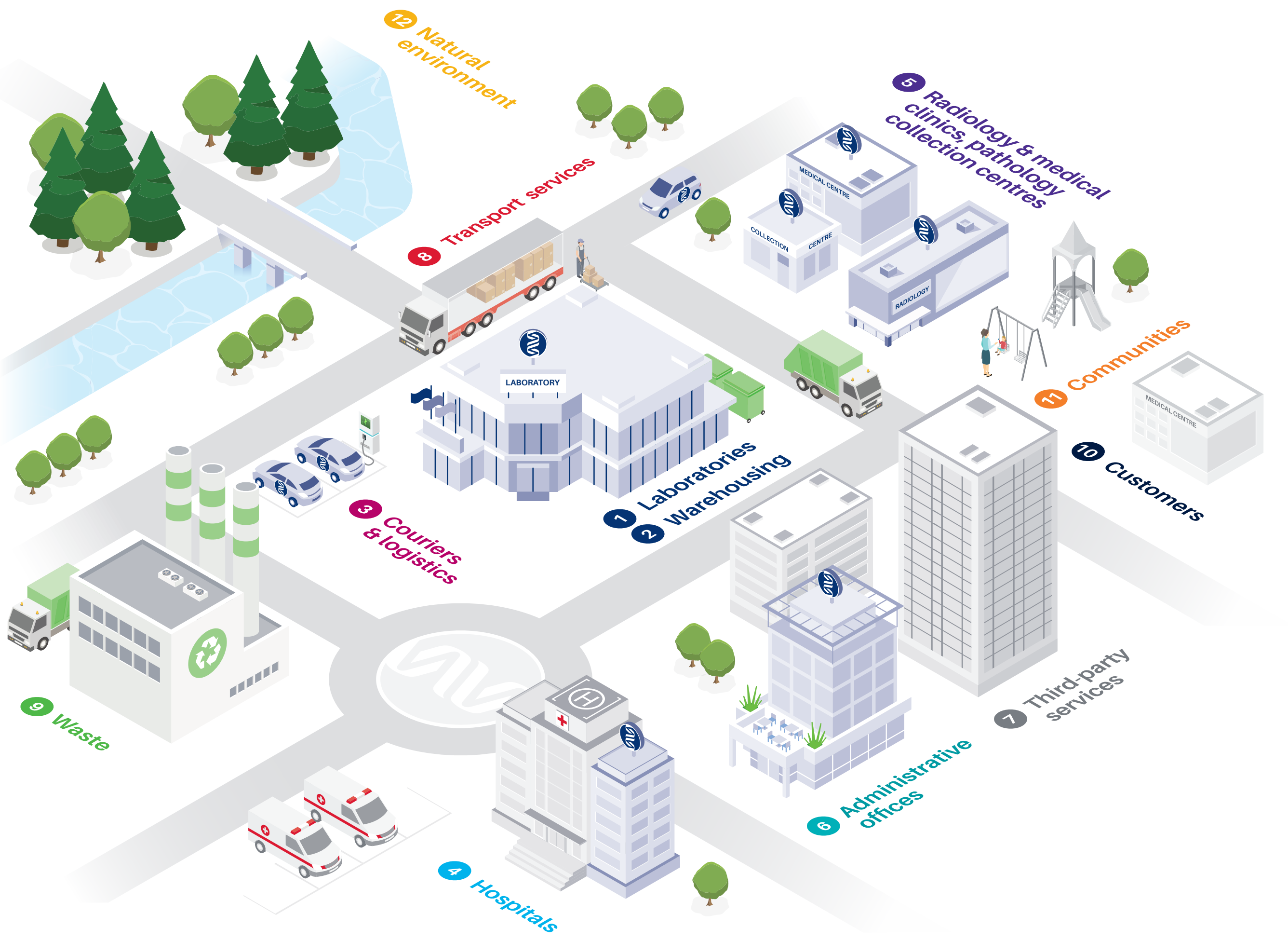
Sonic's operations are supported by a global fleet of courier vehicles that transport patient samples to laboratories. The business model is service-based and the core outputs are clinical and diagnostic information, typically delivered to the end recipient electronically.

For more information on Sonic's global operations, see pages 11–13. For more information on Sonic's business model and strategy, refer to page 20.

2.2 Value chain

Sonic's value chain encompasses the provision of healthcare services across our global network of medical practices. It includes upstream activities such as procurement of medical supplies and equipment, core operations such as sample collection, testing and diagnostics, and downstream services including the delivery of results to healthcare providers and patients along with ongoing clinical support.

Key activities within Sonic's value chain are illustrated below.



Legend

Own operations | Upstream and downstream value chain

Sustainability Report

30 JUNE 2026

Key activities within Sonic Healthcare's value chain:

1	**Laboratories** (Operated by Sonic Healthcare)	Specialised facilities for processing specimens and performing laboratory-based diagnostic testing.
2	**Warehousing** (Operated by Sonic Healthcare)	Facilities managing the storage and distribution of laboratory and medical supplies and consumables.
3	**Couriers and logistics** (Operated by Sonic Healthcare)	Operations transporting patient specimens, medical supplies and results between collection centres, radiology and medical clinics, laboratories and other healthcare providers.
4	**Hospital laboratories and radiology clinics** (Operated by Sonic Healthcare)	Sonic operates on-site laboratory and radiology services within hospitals to provide diagnostic testing for hospital patients.
5	**Radiology and medical clinics, pathology collection centres** (Operated by Sonic Healthcare)	Radiology clinics, medical practices and pathology collection centres are front-line health service locations where patients receive diagnostic imaging, treatment and sample collection, representing critical community healthcare access points.
6	**Administrative offices** (Occupied by Sonic Healthcare)	Corporate and regional offices house management, IT and support teams who coordinate our healthcare operations around the world.
7	**Third-party services** (Upstream and downstream value chain)	External providers deliver a broad range of products and services across Sonic's value chain.
8	**Transport services** (Upstream and downstream value chain)	External logistics and transport providers move goods and supplies to and from Sonic's facilities.
9	**Waste** (Downstream value chain)	External providers treat and dispose of medical and operational waste generated by Sonic's services and activities.
10	**Customers** (Downstream value chain)	Sonic provides reliable, high-quality healthcare services to patients, healthcare professionals, hospitals, clinics, commercial and government clients.
11	**Communities**	Sonic serves and works alongside local populations and stakeholders, including patients who rely on our healthcare services.
12	**Natural environment**	The ecosystems, resources and climate systems on which Sonic's operations depend (for example, clean water, energy and stable climate conditions), which are in turn impacted by our activities.

Understanding where climate-related risks and opportunities arise across our value chain

Sonic has a global and highly networked value chain that includes a geographically dispersed system of laboratories, clinics and support functions that collectively deliver essential healthcare services. This structure is deliberately decentralised and diversified across multiple countries, allowing each local operation to respond quickly to its community's needs while benefiting from the strength and coordination of a global network. Because healthcare services are generally non-discretionary and often critical, Sonic's business model naturally prioritises continuous service delivery.

Our network design and operational planning emphasise redundancy, flexibility and rapid re-routing, so that if one facility or route is disrupted (for example, by severe weather), other parts of the network can compensate, to ensure patients still receive timely care. Sonic's value chain is built to be resilient, to maintain the flow of vital healthcare services under a range of conditions. Nevertheless, climate change presents emerging risks and potential opportunities at various points across our value chain, which we proactively manage as outlined below (numbers correspond to value chain activities as outlined on the previous page).

Physical infrastructure and sites 1 4 5 6

Sonic operates thousands of sites globally, including laboratories, radiology clinics, medical centres, collection facilities and administrative offices. This extensive physical footprint means parts of our network are exposed to physical climate risks, such as extreme weather events that can disrupt facilities. Many critical sites depend on stable power, water and climate control to protect sensitive equipment and specimens. These risks are mitigated through Sonic's geographically dispersed network, which reduces concentration risk and is supported by backup power and data systems, ensuring that localised climate events affecting one region do not incapacitate our overall service capability.

Logistics and transport 2 3

The efficient movement of specimens, supplies and results is a key aspect of Sonic's value chain. We manage a large fleet of courier vehicles, and partner with transport providers where necessary, to link our collection centres, laboratories, clinics and warehouses. This logistics network is optimised for speed and reliability, but is also exposed to physical climate risks – for example, extreme weather can disrupt these networks. To bolster resilience, we employ route flexibility and maintain communication systems to reroute around disruptions, and are adopting lower-emission transport options (such as hybrid electric vehicles) to reduce exposure to transition risk. These measures help ensure that our services can continue with minimal delay, even when transport conditions are challenging.

Suppliers and procurement 7 8 9

Sonic relies on global suppliers for specialised reagents, equipment and utilities, creating exposure to climate-related supply disruptions and transition risks within the upstream value chain. We carefully manage these relationships and often carry contingency stock or alternative sourcing plans for key supplies, recognising that climate-related events (like a factory shutdown or shipping delay) could impact our service delivery. Sonic manages this risk by strengthening supply-chain resilience, including engaging with key suppliers on their risk management practices, diversifying sourcing where feasible, and actively monitoring for potential disruptions. Our value chain also extends downstream to services like waste collection and disposal, where reliable, compliant practices by external providers are equally crucial to service continuity and limiting climate-related impacts.

Customers 10

As the recipients of Sonic's services, our customers, including patients, referring clinicians, hospitals, clinics and public health systems, face climate-related challenges that we must proactively manage. Extreme weather events can disrupt patient access to care and long-term climate shifts may alter disease patterns and testing demand. We monitor these changes to keep our healthcare services accessible, recognising that our stakeholders expect resilient, sustainable healthcare delivery.

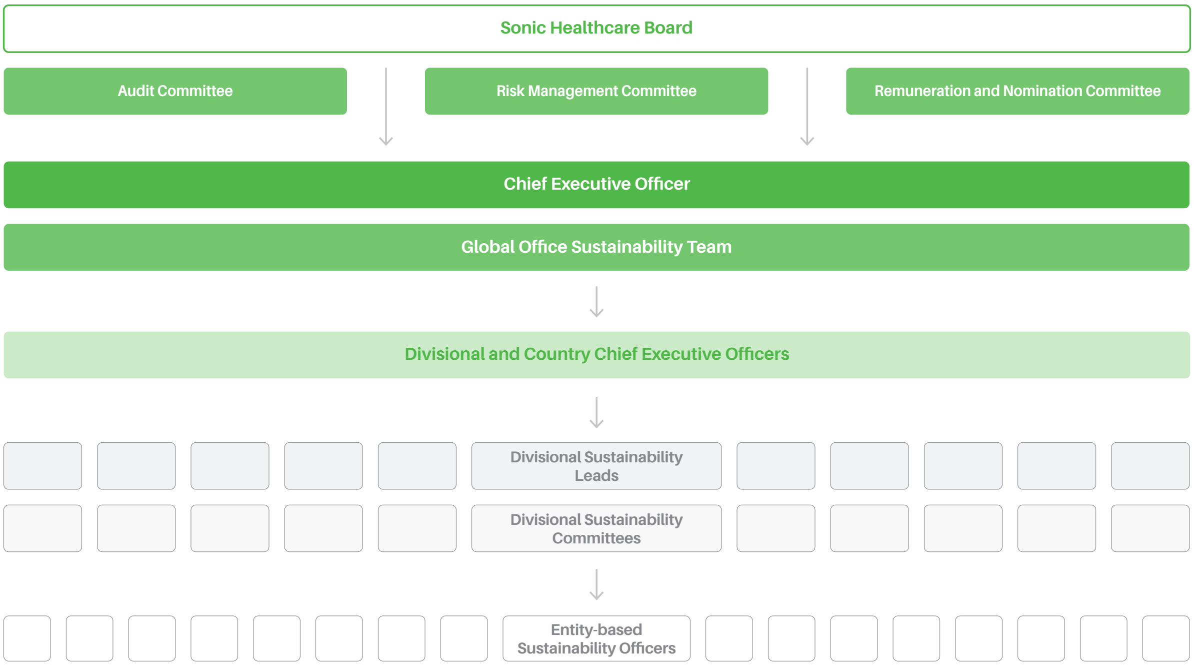
Communities and environment 11 12

Sonic's operations are deeply embedded in the communities we serve, and rely on the natural environment that supports both our services and those communities. Our operations rely on healthy communities for a skilled workforce and on stable natural resources, including water, energy and a stable climate to support laboratory operations, healthcare service delivery and supply chain continuity – dependencies that expose us to climate-related physical risks. Conversely, those communities depend on us to remain operational even under adverse conditions, underscoring the need for robust climate resilience across our operations.

3. GOVERNANCE OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

Sonic Healthcare's climate governance framework embeds engagement in climate-related activities across all levels of our organisation. The following diagram outlines this framework, illustrating the relationship between the Board, executive management and day-to-day operations.

Sonic Healthcare's climate governance framework



3.1 Board of Directors

Sonic's Board of Directors is responsible for setting the Company's overall strategic direction and providing oversight of its implementation, including the integration of sustainability priorities and the identification and management of climate-related risks and opportunities.

Sonic's Chief Executive Officer (CEO) and Managing Director has management responsibility for climate-related matters.

How the Sonic Healthcare Board oversees climate-related risks and opportunities

The Sonic Board's responsibility for oversight of climate-related matters is outlined in the Board Charter.

The Board receives a management update on climate-related matters at least annually, including on performance against Sonic's climate-related targets, climate-related risks and opportunities, climate resilience and a review of the emerging issues and mandatory reporting landscapes. The Board received one such report in FY2026.

Sonic conducts a thorough risk assessment, including of climate-related risks and opportunities, when making any significant strategic decision. Trade-offs of all forms of risk are assessed against Sonic's risk appetite statement. During the reporting period, there were no major transactions which required consideration of trade-offs associated with climate-related risks and opportunities.

Board committees

The Board is supported in its oversight of climate-related matters by three committees – the Risk Management Committee, the Audit Committee, and the Remuneration and Nomination Committee.

The distinct climate-related responsibilities of each committee are clearly outlined in their respective charters, which are reviewed annually. All directors have access to committee papers and are welcome to attend committee meetings on which they do not serve as standing members.

Each committee conducts an annual self-assessment to evaluate the extent to which it has discharged the responsibilities outlined in its charter. For FY2026, all committees concluded that their obligations were fully met.

Risk Management Committee

The Risk Management Committee assists the Board by ensuring there is an appropriate framework in place for the identification, monitoring and management of material risks and opportunities, including climate and other sustainability-related risks and opportunities. The committee receives updates on Sonic's climate-related risks and opportunities at least annually.

Audit Committee

The Audit Committee is responsible for overseeing the integrity of Sonic's financial reporting and appropriateness of related policies and practices. The Committee also has oversight of climate-related disclosures and assurance of climate-related data.

Climate-related assurance activities are reported through the Audit Committee to the Sonic Board, consistent with governance processes applied to financial reporting.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is responsible for overseeing the competitive remuneration of Sonic's CEO/ Managing Director and CFO/Finance Director, the recruitment and appointment of new directors to the Sonic Board, and the maintenance of an appropriate and current Board skills matrix, which includes climate- and sustainability-related experience and expertise.

Executive remuneration includes a short-term incentive (STI) plan, of which 20% is based on qualitative strategic objectives, including progress with the Company's sustainability and climate objectives.

In FY2026, as in prior periods, half of the STI qualitative portion was tied to the achievement of specific sustainability and climate-related goals, representing 4.4% of total executive management remuneration in the current period (see Remuneration Report). From these goals, it is not possible to isolate the amount linked specifically to climate-related goals.

Board skills and competencies on sustainability and climate

The Sonic Board continuously reviews the experience, qualifications and skills of its members. Directors complete a self-assessment of their individual capabilities annually to identify the Board's skills and expertise and to highlight areas requiring further development through ongoing education or via future appointments. These assessments are considered in relation to Sonic's strategic priorities and the broader external environment.

The Board brings extensive experience in strategic oversight, including risk and opportunity management. In recent years, this has expanded to include a growing understanding of climate-related risks and opportunities.

In FY2026, Board members self-assessed their climate-related competencies. Importantly, the Sonic Board was found to collectively cover all skills relevant to Sonic's oversight of sustainability- and climate-related topics. For more information on Sonic's Board skills matrix, please refer to the Corporate Governance Statement.

To enhance existing climate and sustainability-related competencies, various Board members participated in externally hosted education sessions on different climate-related topics during FY2026.

Target setting and performance oversight

The Sonic Board oversees climate-related target setting by reviewing and approving climate targets and monitoring progress against those targets at least annually. As a mitigation against climate-related risks, the Board requires that emissions targets are science-aligned (consistent with a 1.5° C pathway under the Paris Agreement), to ensure that targets are both sufficiently ambitious and credible.

In FY2026, Sonic reset its GHG emissions base year from FY2021 to FY2026, in alignment with the GHG Protocol Corporate Accounting and Reporting Standard's principles.

This reset was driven by two primary considerations:

- **Improved data integrity:** The original FY2021 baseline lacked sufficient granularity to support accurate tracking of emissions over time, including detailed monitoring of performance against targets. Sonic's continued focus on improved processes surrounding data collection, management and validation have significantly improved data granularity and integrity over time.
- **Atypical FY2021 operations (COVID-19 impact):** FY2021 was materially affected by the COVID-19 pandemic and therefore did not reflect business-as-usual operating conditions for Sonic. At the time, FY2021 provided a practical starting point for establishing group-wide emissions reporting and for beginning to track the impact of emissions management initiatives.

As a result of resetting the base year to FY2026, Sonic is in the process of re-establishing its associated emissions and climate targets and, accordingly, has no active targets in place at the time of reporting. The Board is overseeing the development of updated targets in line with science-based guidance. As part of the target resetting process, the Board will determine its approach to monitoring progress towards the new targets, including how performance against these targets will be considered in remuneration policies. Sonic expects to reinstate its prior commitment to achieve net zero emissions by 2050 and interim targets in the Group's November 2026 Sustainability Impact Report.

3.2 Management

The Board delegates day-to-day responsibility for executing strategy, including on climate-related matters, to Sonic's CEO and Managing Director. The Sonic CEO holds overall executive accountability for climate-related risks and opportunities, serving as the direct link between management and the Board.

The CEO chairs regular meetings of Sonic's divisional and country CEOs along with key global executives. Sustainability updates are provided to this group at least annually, and when considering strategy and decisions on major transactions. This structure ensures that climate-related issues are integrated across all divisions and functions, and that significant climate risks or opportunities are promptly escalated to the highest management level for action.

Delegations

While the CEO retains ultimate management responsibility for Sonic's climate strategy and policies, day-to-day implementation is delegated to the Group Chief Medical Officer (CMO), who directs execution of Sonic's climate-related agenda. The CMO works closely with Sonic's Chief Sustainability Officer, within a dedicated sustainability function that manages and coordinates climate-related activities across the Group. The remit of Sonic's dedicated sustainability function spans mandatory and voluntary climate reporting, oversight of group-wide climate initiatives and tracking of progress against Sonic's climate targets, with the objective of ensuring alignment with global standards and stakeholder expectations.

Management controls and procedures to support the oversight of climate-related risks and opportunities

Management controls and procedures supporting the oversight of climate-related risks and opportunities are consistent with Sonic's enterprise risk management policies, systems and processes as described in the Corporate Governance Statement.

Climate-related risks and opportunities are identified, assessed, monitored and reported through the same formal processes and control mechanisms that apply to other material business risks, ensuring they are subject to equivalent governance, rigour and review. These controls include clearly defined management responsibilities and accountabilities, formal risk identification and assessment protocols, periodic monitoring and escalation processes, and integration into the enterprise risk register.

Risks are reviewed by management and the Board through established governance structures, which are supported by central risk management, sustainability and compliance functions, and reinforced through internal review, reporting and training.

4. RISK MANAGEMENT

Sonic Healthcare operates an enterprise-wide Risk Management Framework under which climate risks are prioritised and managed alongside other material business risks and embedded into routine operational and strategic decision-making. This framework promotes consistent risk identification, evaluation and control processes across the Group, and supports effective oversight of climate-related risks that may affect the achievement of Sonic's strategic objectives.

Consistent with the Board's responsibility for determining the Company's overall risk profile, Sonic's Risk Appetite Statement incorporates climate-related considerations, ensuring that climate impacts are taken into account in strategic, capital and operational decisions. The Risk Appetite Statement is reviewed at least annually by the Board's Risk Management Committee to maintain alignment with Sonic's strategy and evolving climate commitments.

In FY2026, the processes Sonic used to identify, assess, prioritise and monitor climate-related risks and opportunities were unchanged from the previous reporting period.

Identification of climate-related risks and opportunities

Sonic's approach to identifying climate-related risks and opportunities involves both continuous monitoring of climate trends and a structured risk-identification process that also captures emerging opportunities.

Inputs and parameters

Climate-related risks and opportunities across Sonic's global healthcare operations and value chain are identified by gathering and analysing a wide range of information, including:

- **Internal data:** including business plans and financial models, operational information, asset and facility data, insurance and other financial information, greenhouse gas emissions and energy usage data, and outputs from climate-related scenario analyses.
- **External information:** including relevant regulatory developments, climate science and emissions trajectory data, technological and market trends in the transition to a low-carbon economy, evolving stakeholder sentiment (including investor perspectives), climate-related legal developments, and industry peer disclosures and benchmarks.

Use of climate scenario analysis in assessment of climate-related risks and opportunities

In FY2025, Sonic's identification and assessment of climate-related risks and opportunities was supported by climate scenario analysis, which was also used to assess the climate resilience of the Group's strategy and business model over the short-, medium- and long-term. Management has determined that structural changes during FY2026 did not materially affect the outcomes of this analysis, and that the FY2025 scenario analysis continues to provide a suitable basis for assessing climate resilience in FY2026.

The Group modelled and assessed two climate scenarios (lower warming and higher warming) to examine how and where diverse climate futures could give rise to physical and transition risks across Sonic's value chain. This scenario analysis – applied across all major operating geographies and business units, across short-, medium- and long-term time horizons – helped identify potential exposure to climate-related risks, enabling them to be integrated into the Group's risk management framework for timely assessment, management and monitoring. For financial quantification, all physical risks were assessed on an inherent basis, before mitigations or insurance. Transition risk was assessed on both a mitigated and unmitigated basis.

In addition, the scenario analysis supported the identification of climate-related opportunities by highlighting where different climate pathways could create opportunities to enhance operational resilience, improve efficiency and adapt service delivery models in response to changing climate conditions and stakeholder expectations.

Further details on Sonic's climate resilience assessment and climate scenario analysis are set out in '5.3 Climate Resilience'.

Assessment and prioritisation of climate-related risks and opportunities

Sonic assesses the nature, likelihood and potential magnitude of climate-related risks using the same enterprise risk management framework that applies to all organisational risks.

Every identified climate risk is evaluated by estimating the likelihood of occurrence and the severity of its possible consequences. Sonic uses a Risk Assessment Matrix to combine qualitative and quantitative factors, assigning each risk a rating based on defined probability levels and impact categories. These risk ratings are then benchmarked against Board-approved risk appetite and tolerance criteria, ensuring that climate risks are ranked and prioritised consistently across the Group.

This structured approach enables Sonic to determine which climate-related risks are within acceptable bounds and which require additional mitigation, supporting timely management of material climate risks.

In parallel, Sonic assesses and prioritises climate-related opportunities using the same framework, by evaluating how physical and transition drivers could create favourable outcomes, and prioritising opportunities where the potential benefits are aligned with the Group's strategy and Board-approved risk appetite.

Monitoring of climate-related risks and opportunities

Sonic monitors climate-related risks and opportunities on an ongoing basis as part of its enterprise risk management processes, ensuring that changes in climate risk exposure or emerging risks and opportunities are promptly identified and managed.

5. STRATEGY

To ensure our critical healthcare services and infrastructure remain resilient and available, Sonic Healthcare recognises climate change as an important consideration in strategic decision-making across short-, medium-, and long-term time horizons.

The Group addresses climate-related physical risks, such as extreme weather impacts on operations and logistics, together with transition risks, including carbon pricing and evolving climate policies, by embedding climate considerations into enterprise risk management and strategic planning. This approach strengthens operational resilience and preparedness across Sonic's global network, and positions the Group to recognise and respond to potential climate-related opportunities, consistent with its strategy to create long-term value for stakeholders through the delivery of high-quality healthcare.

Strategic time horizons

Sonic recognises that climate-related risks and opportunities arise over different timeframes and has defined three planning horizons to align climate considerations with strategic decision-making:

Short-term (1–2 years)	Aligned with Sonic's annual business planning cycles, this horizon focuses on near-term operational considerations, including acute physical risks, such as extreme weather events and immediate regulatory or supply chain impacts.
Medium-term (3–5 years)	Aligned with Sonic's capital allocation and investment planning processes, including transition risks and opportunities, such as evolving climate policies, technology changes and stakeholder expectations, integrated into multi-year strategic and investment decisions.
Long-term (6 years & beyond)	Aligned with Sonic's long-range strategic outlook, this horizon reflects global decarbonisation pathways and informs assessments of long-term resilience and opportunities, including major infrastructure planning, innovation and the positioning of the business to respond to longer-term climate-related health trends.

5.1 Identified climate-related risks and opportunities

Sonic identifies and evaluates climate-related risks and opportunities through its Risk Management Framework (see '4. Risk management' for further details), drawing on internal and external expertise to assess potential impacts on the Group's business model and value chain.

Climate-related risks

PHYSICAL RISKS

RISK 1: Impact of extreme weather intensification (acute and chronic physical risk)	
Description	As a provider of healthcare services via a physical footprint, Sonic is exposed to the impacts of weather intensification in both its own operations and via suppliers in its upstream value chain. Impacts may manifest as physical damage to facilities and inventory due to weather-related factors, as well as increased energy-related costs associated with more extreme temperatures.
Time horizons impacted	Short-term → Medium-term → Long-term Extreme weather events exist in the short-term and are expected to increase, along with the intensification of gradual weather-related changes, over the medium- to long-term.
Factors considered	In evaluating the current and potential financial effects of this risk on Sonic's own operations and upstream value chain, Sonic considered the individual and aggregate effects of the following: ▪ Cost of repairing owned assets ▪ Costs of replacing goods damaged by extreme weather ▪ Increased energy costs from cooling demands for equipment and operations ▪ Physical damage to inventory due to extreme weather events ▪ Interrupted delivery of supplied goods and services.
Strategic impact Impact on business model, value chain, strategy and decision-making	This risk is predominantly operational, with the largest potential impacts arising from extreme weather damage and heat-related costs at a small number of Sonic's facilities. By contrast, supply chain disruption risk is modest in scale, due to Sonic's key suppliers maintaining diverse manufacturing footprints with production and warehousing capabilities distributed across multiple geographies, maintenance of surplus inventories for key supplies and the availability of alternate supply sources. Assessment of these impacts reinforces Sonic's existing strategy of maintaining a geographically dispersed network of facilities, where resilient infrastructure, effective building management and sophisticated business continuity and redundancy plans are important to ensure operational resilience. These risks are considered by management within existing operational and strategic processes, such as site selection, facilities management, preventative maintenance programs, capital expenditure prioritisation, insurance arrangements, supplier contracts and business continuity planning.
Financial effects	**Current financial effects** No material financial effects during the current reporting period. The Group experienced minor operational and cost impacts associated with weather events in FY2026. Financial impacts of damage from these events were minor and absorbed within normal operating results.

RISK 1: Impact of extreme weather intensification (acute and chronic physical risk)

Financial effects

Anticipated financial effects

No material adjustment to the carrying amounts of assets and liabilities reported in the related financial statements is expected within the next annual reporting period.

Short-term

To date, Sonic has not experienced material effects on financial position, financial performance or cash flows due to acute or chronic weather-related factors.

Over the short-term, a gradual increase in the frequency of climate events, such as heatwaves and heavy rainfall, is anticipated. As a result, acute physical climate events may result in modest increases in operating costs at affected sites over this time horizon, which are not expected to have a material financial effect.

Medium-term **Long-term**

Over the medium- to long-term, more frequent and severe extreme weather events and sustained increases in average temperatures may result in higher baseline operating costs and additional capital expenditure across Sonic's portfolio of sites. Examples may include:

- Increased energy and utilities expense, driven by changing HVAC demand across climate-controlled facilities
- Increased maintenance, repair and replacement costs for HVAC systems
- Incremental capital investment to improve asset resilience, cooling capacity and facility standards, which may affect property, plant and equipment and investing cash flows over time.

Sonic does not anticipate these impacts to be material over the medium- to long-term.

Quantification

The financial effects of acute and chronic physical climate risks were assessed using a combination of historical cost data, forecasts of incremental energy consumption during potential extreme heat events, and a quantitative assessment of site exposure (own operations and key suppliers) to climate hazards.

Risk management
Current and future mitigations

Physical climate risks are managed through a combination of enterprise-level risk oversight and site-level operational controls. Physical risks are implicitly captured in the Group's enterprise risk register within risks relating to asset integrity, business continuity and operational resilience. All risks are managed in accordance with Sonic's established risk management framework.

At a Group level, current mitigations include:

- The geographic diversification of key laboratory, radiology and general practice facilities, reducing risk concentration from localised extreme weather events
- Robust business continuity and disaster recovery plans
- Maintenance of appropriate insurance coverage for buildings and contents
- Key suppliers with sophisticated business continuity, disaster recovery and redundancy plans for products supplied to Sonic.

At a local level, current mitigations include:

- Site-specific business continuity and emergency response plans
- Preventative maintenance programs for buildings and critical equipment
- Engagement with landlords and service providers to manage facility standards, maintenance responsibilities and site resilience.

Future mitigation and adaptation efforts at a Group and local level will continue to build on and strengthen existing practices, rather than representing a fundamental change in approach. As the frequency and severity of extreme weather events evolve, management will progressively enhance the explicit consideration of physical climate risks as needed within business continuity planning, asset management and capital investment processes.

RISK 2: Impact of patients being unable to access services due to extreme weather (acute physical risk)	
Description	Extreme weather events, such as floods, bushfires, severe storms and extreme heat, may disrupt patient access to healthcare services (including both Sonic sites and referring physicians), and the logistical processes associated with the provision of healthcare services. Extreme weather may limit patient mobility, disrupt transport networks, and constrain the movement of specimens and medical supplies, resulting in temporary reductions in service availability or delays in testing and reporting.
Time horizons impacted	Short-term / Medium-term / Long-term In the short-term, extreme weather events exist and can disrupt patient access to healthcare services and associated logistics. Such events may become more frequent over the medium- to long-term.
Factors considered	Sonic considered the following in evaluating the current and potential financial effects of this risk: ▪ The geographic dispersion of Sonic's network and limited concentration of key facilities ▪ The dependence of healthcare services on patient mobility, specimen transport and logistics ▪ The Group's ability to redirect specimens and workload to rebalance capacity in the event of extreme weather ▪ The essential and non-discretionary nature of healthcare services.
Strategic impact Impact on business model, value chain, strategy and decision-making	Impacts of this acute physical risk are primarily operational. Sonic's business model relies on timely patient access to collection centres and efficient movement of specimens across our distributed network of facilities. Severe weather may temporarily restrict patient mobility or disrupt courier routes, causing service delay. As a result of the essential and non-discretionary nature of healthcare services, any reduction in testing volumes is typically short-term. Accordingly, climate events are not expected to materially affect Sonic's business model, growth drivers or long-term strategy. Instead, they reinforce the strategic importance of resilient infrastructure, flexible logistics and surge capacity, which are already embedded in management's strategic and operational decision-making. Business continuity considerations are integral to network design, capacity planning, logistics arrangements and contingency planning, enabling continuity of patient care during localised disruptions.
Financial effects	**Current financial effects** The Group experienced minor operational disruption associated with extreme weather events in FY2026. Financial impacts of disruption from these events were limited and non-material. **Anticipated financial effects** No material adjustment to the carrying amounts of assets and liabilities reported in the related financial statements is expected within the next annual reporting period. Short-term Acute climate events may result in temporary volume reductions at affected locations due to patient access constraints, transport disruption or short-term service delays. These impacts are expected to be localised and primarily reflected in revenue timing-effects within the income statement, with immaterial impact on Group profit or cash flows.

RISK 2: Impact of patients being unable to access services due to extreme weather (acute physical risk)

Financial effects

Medium-term | Long-term

Over the medium- to long-term, an increase in the frequency and/or severity of extreme weather may result in episodic access disruptions to Sonic's operations. However, given the geographic diversification of the network, the ability to reallocate services, and the non-discretionary nature of healthcare, revenue impacts are expected to remain limited at a Group level.

Potential effects may include:

- Temporary revenue loss due to disruption to patient access
- Employee and operating costs to support temporary service alternatives and business continuity
- Short-term impact to operating cash flows.

Sonic does not anticipate these effects to be material over the medium- to long-term.

Quantification

The assessment of financial effects associated with disruption to patient access and logistics is based on historical experience (current and prior periods) of service disruption and recovery, observed volume deferrals and the Group's demonstrated ability to reallocate services across its network.

Risk management
Current and future mitigations

Physical climate risks are managed through a combination of enterprise-level risk oversight and site-level operational controls. Physical risks are implicitly captured in the Group's enterprise risk register, within risks relating to service continuity, logistics and operational resilience. These risks are managed in accordance with Sonic's established risk management framework.

At a Group level, current mitigation approaches include:

- The geographic diversification of key laboratory, radiology and general practice facilities, reducing risk concentration from localised extreme weather events, supporting continued patient access
- Ensuring capability to redirect specimen processing and workloads to alternative facilities where necessary
- Group level business continuity planning.

At a local level, current mitigation approaches to minimise disruption to patients include:

- Site-specific business continuity and emergency response plans
- Logistics coordination underpinning rapid response and recovery
- Staff redeployment and physician/patient communication processes
- Digital workflows allowing remote management and clinical reporting.

Future mitigation and adaptation efforts at both a Group and local level will continue to build on and further embed these practices. This is expected to include continued refinement of network flexibility, logistics coordination and service reallocation capabilities, informed by experience from past disruption events, at both Group and local levels.

TRANSITION RISKS

RISK 3: Impact of carbon pricing across the value chain	
Description	The introduction of carbon pricing mechanisms in the jurisdictions in which Sonic operates may result in increased operating costs, arising from direct impacts, such as carbon taxes, and indirect impacts, such as higher electricity prices and supply chain cost pass-through. Specifically, the introduction of a carbon price could: ▪ Result in a direct tax or compliance obligation to Sonic ▪ Increase Sonic's energy procurement costs across its laboratory, radiology and clinical services network, to the extent that grid decarbonisation has not reduced the carbon intensity of purchased electricity across Sonic's operating markets ▪ Increase the cost of relevant supply chain inputs, to the extent that key suppliers have not decarbonised their own operations ▪ Increase the capital expenditure required to accelerate the electrification of Sonic's vehicle fleet and the decarbonisation of laboratory facilities ahead of any carbon pricing commencement date.
Time horizons impacted	Medium-term / Long-term Over the medium-term, financial exposure may increase if carbon pricing mechanisms are introduced and/or expand in scope across operating jurisdictions. Over the long-term, exposure will depend on Sonic's emissions reduction efforts, the trajectory of jurisdictional carbon policy settings, the decarbonisation of electricity grids, and how key suppliers respond to future climate policies.
Factors considered	In evaluating the current and potential financial effects of this risk on Sonic's operations, the following elements were considered: ▪ The jurisdictions in which Sonic operates and their respective climate and carbon pricing policy settings ▪ The current and projected emissions profiles of operations in each jurisdiction in which we operate ▪ The likelihood and timing of direct and indirect carbon pricing exposure over the respective time horizons ▪ The pace of electricity grid decarbonisation in key markets.
Strategic impact Impact on business model, value chain, strategy and decision-making	Upstream scope 3 emissions account for approximately 80% of Sonic's current emissions footprint, thereby concentrating carbon pricing risk in Sonic's supply chain. This reinforces the importance of continuing to engage with key suppliers on decarbonisation initiatives. By contrast, scope 1 (direct operations) and scope 2 (purchased electricity) make up a smaller share of Sonic's total emissions, and thus carbon cost exposure. Nevertheless, direct operations are a focus of emissions reduction initiatives via energy efficient facilities and low emission vehicle fleets. Potential effects of carbon pricing on cost inputs, particularly electricity and supplier-provided goods and services are reflected in management decision-making, in the form of energy procurement strategies, capital investment decisions, operational efficiency initiatives and supplier selection. Carbon pricing risk is not expected to fundamentally alter the Group's strategy, however the importance of reducing emissions, and consequently carbon price exposure, is considered within medium- to long-term planning and capital allocation decisions.
Financial effects	**Current financial effects** No material financial effects during the current reporting period.

RISK 3: Impact of carbon pricing across the value chain

Anticipated financial effects

No material adjustment to the carrying amounts of assets and liabilities reported in the related financial statements is expected within the next annual reporting period.

Short-term

To date Sonic has not experienced material financial effects on financial position, financial performance or cash flows due to carbon pricing mechanisms.

In the short-term, carbon pricing could result in incremental increases in operating costs, which are expected to be immaterial, primarily through higher electricity prices and the pass-through of costs from suppliers across the value chain. Impacts may potentially be reflected in:

- Energy and utilities expense
- Cost of purchased goods and services
- Operating cash flows.

Medium-term **Long-term**

The magnitude of potential financial impacts cannot be reliably estimated due to significant uncertainty regarding the future trajectory of carbon pricing across Sonic's operating markets, the pace of electricity grid decarbonisation and the decarbonisation activities of key suppliers.

The majority of Sonic's carbon cost exposure lies within scope 3 (supply chain) emissions, highlighting that potential carbon pricing costs would predominantly arise from purchased goods, services and energy inputs rather than Sonic's direct operations.

Over the medium- to long-term, should carbon pricing regimes expand, this could result in pressure on operating costs, particularly in jurisdictions where electricity grids and key suppliers remain emissions intensive.

This may lead to an increased need for capital investment in energy-efficient technologies associated with facilities and medical equipment, and accelerated electrification of vehicle fleets.

Financial statement effects over the medium- to long-term horizon may include:

- Energy and utilities expense
- Cost of purchased goods and services
- Property, plant and equipment where decarbonisation investments are required
- Operating and investing cash flows.

Quantification

The assessment of current financial effects of carbon pricing is based on current regulatory settings and supplier agreements.

The potential financial effects of carbon pricing exposure were assessed based on a nominal, jurisdiction-specific price for carbon (refer to footnotes 2 and 3, page 179), and a high-level assessment of potential supplier cost pass-throughs.

RISK 3: Impact of carbon pricing across the value chain	
Risk management Current and future mitigations	The potential impact of carbon pricing across the value chain is included within the enterprise risk register as a discrete risk, and managed in accordance with Sonic's established risk management framework. At a Group level, current mitigation approaches include: ▪ Monitoring of climate-related regulatory developments across operating jurisdictions ▪ Incorporating carbon emission and energy efficiency factors within the assessment of business initiatives and strategic investment decisions ▪ Transitioning to lower-emission technologies, such as electrifying our vehicle fleet and upgrading to energy-efficient equipment across facilities ▪ Increasing on-site renewable electricity generation where feasible ▪ Increasing the use of renewably sourced electricity ▪ Engaging with suppliers to collaborate on emission reduction initiatives, and monitoring progress towards mutually aligned targets. At a local level, current mitigation approaches undertaken by operating entities include indirectly managing exposure through energy efficiency initiatives, such as facility upgrades or fleet transition opportunities that align with, and are supported by, Group-level governance and capital approval processes. As carbon pricing mechanisms and regulatory frameworks evolve, future mitigation efforts will involve management progressively enhancing the explicit consideration of carbon-related cost exposure within strategic planning, procurement decisions and capital investment assessments.

Climate-related opportunities

OPPORTUNITY 1: Increased need for healthcare services due to climate-related health trends	
Description	Changes in climate may contribute to an increased incidence and/or severity of heat-related illness, respiratory conditions, infectious diseases and other climate-sensitive health outcomes, resulting in increased demand for healthcare services.
Time horizons impacted	Short-term → **Medium-term** → **Long-term** In the short-term, climate-related health impacts may result in episodic increases in demand for healthcare services during extreme weather events. Over the medium- to long-term, changing climate conditions may contribute to more persistent health trends, reinforcing the importance of accessible and scalable services within the healthcare system.
Factors considered	In evaluating this potential opportunity, Sonic considered the following: ▪ The relationship between climate conditions and population health outcomes, including heat-stress, infectious diseases and respiratory impacts ▪ The essential role of healthcare services in population health ▪ The geographic diversification of Sonic's global network ▪ Historical experience of temporary increases in testing volumes during public health events ▪ The limited availability of robust, publicly available data linking climate impacts to the demand for diagnostic services.

OPPORTUNITY 1: Increased need for healthcare services due to climate-related health trends

Strategic impact Impact on business model, value chain, strategy and decision-making	This opportunity could manifest across the entirety of Sonic's operations, which are based on the provision of high-quality healthcare services that support clinical decision-making across the healthcare system. The Group's strategy prioritises capacity, patient access and service continuity, enabling rapid responses to changes in demand for services, including climate-related impacts. Although climate-related health impacts are not a primary strategic driver, Sonic is well positioned to respond if additional healthcare services are required, due to the Group's distributed global network, scalable operations and proven ability to manage demand variability.
Financial effects	**Current financial effects** No material financial effects during the current reporting period. **Anticipated financial effects** No material adjustment to the carrying amounts of assets and liabilities reported in the related financial statements is expected within the next annual reporting period. **Short-term** To date Sonic has not experienced separately identifiable effects on financial position, financial performance or cash flows due to acute or chronic climate-related factors. Episodic and localised increases in demand for healthcare services may occur during extreme weather events, however, any resulting financial effects are expected to be temporary, with modest increases in revenue offset by corresponding operating costs such as staffing, consumables and logistics. **Medium-term** **Long-term** Broader climate-related health trends over the medium- to long-term could gradually increase demand for the Group's healthcare services. Should a sustained rise in demand for healthcare services materialise, financial impacts would likely manifest as higher revenues and profits, assuming costs increase proportional to activity. If demand increases significantly, potential impacts on the Group's financial position and cash flows may occur if additional capital investments, such as new equipment or expanded facilities, are required to support higher service volumes. Any financial upside from climate-related opportunities is expected to be gradual, indirect and heavily dependent on external factors, emerging over time rather than resulting from any single climate event. **Quantification** The financial effects of increased demand for healthcare services due to climate-related health trends have not been quantitatively estimated due to limited robust data directly linking climate change to sustained changes in healthcare demand. Accordingly, assessment of this opportunity is qualitative, informed by observed links between climate conditions and healthcare utilisation, historical experience during extreme weather events, and the Group's operational capacity.
Opportunity capture approach	This opportunity is addressed through Sonic's existing enterprise and operational planning frameworks, which support patient access, service continuity and the management of demand variability and surge capacity. At a Group level, management considers capacity planning, network coverage and service scalability as part of strategic and operational decision-making. At a local level, operating entities manage fluctuations in demand through workforce planning and service prioritisation. No separate adaptation measures are currently required, as potential demand changes are addressed through the Group's core operational capabilities and service delivery model.

5.2 Climate scenario analysis

Sonic used scenario analysis to examine a range of plausible future climate conditions to test how different climate pathways could affect climate-related risks and opportunities across Sonic's operations, financial performance and long-term resilience. The analysis considered all of Sonic's operating geographies and business units, with physical climate risks assessed across critical and representative assets and key suppliers. The scenario analysis was undertaken with support from an external climate risk consultancy, which provided expertise supporting scenario selection, modelling approaches and assumptions, and alignment with emerging regulatory guidance.

As required under section 296D(2B) of the *Corporations Act 2001 (Cth)*, Sonic considered two representative scenarios in its analysis – a lower warming scenario aligned with limiting the increase in global average temperature to 1.5° C above pre-industrial levels, and a higher warming scenario in which global temperatures increase well beyond 2° C. The lower-warming scenario is designed to stress-test Sonic's capacity to withstand and capitalise on climate-related transition risks and opportunities in a world actively pursuing significant emissions-reduction efforts. The higher-warming scenario is intended to stress-test Sonic's ability to adapt to and, where relevant, benefit from, climate-related physical risks and opportunities in a future characterised by more frequent and severe extreme weather events. Scenarios selected represent a diverse range of potential climate futures, including one aligned with the latest international agreement on climate change.

Time horizons

Sonic structured its climate scenario analysis across three time horizons – short-term (to 2030), medium-term (to 2040) and long-term (to 2050) – to align the assessment with the temporal structure of available climate scenario datasets and recognised transition pathway milestones. This approach supports consistent analysis across the scenario data used, including commonly applied climate pathways such as NGFS and IPCC-aligned scenarios, and provides a clear basis for assessing climate-related risks and opportunities across the key stages of the global transition.

Short-term (to 2030)

The short-term horizon coincides with Sonic's strategic planning cycles and the Group's previous interim science-aligned target (a 43% reduction in scope 1 and 2 emissions by FY2030 from a FY2021 baseline, see pages 165–166 and 184). This period captures intensifying near-term climate impacts and is focused on acute physical and early transition factors that could affect operations or costs in the immediate future, such as severe weather events or initial regulatory and supply chain impacts.

Medium-term (to 2040)

The medium-term horizon serves as a midpoint between Sonic's FY2025 2030 and 2050 climate targets (currently undergoing resetting, see pages 165–166 and 184), and capital and investment planning cycles. This timeframe captures the further intensification of climate-related risks and opportunities, including the increasing frequency and severity of extreme weather events, evolving climate policies, technological shifts and changing stakeholder expectations, in a window that influences Sonic's multi-year strategic decisions.

Long-term (to 2050)

The long-term horizon reflects Sonic's intention to achieve net zero emissions by 2050 and corresponds to global climate benchmarks. This extended horizon considers Sonic's long-range strategic outlook and is used to evaluate sustained physical climate changes and to inform decisions on infrastructure resilience, supply chain adaptation and the positioning of our services for long-term climate-related health trends.

Scenarios

SCENARIO	Lower warming	Higher warming
	Primary use: Assess transition impacts	Primary use: Assess physical impacts
Sources	▪ Network for Greening the Financial System 'Net Zero 2050' (scenario aligned with the latest international agreement on climate change). ▪ IPCC Representative Concentration Pathway 2.6 / IPCC Shared Socio-Economic Pathway 1-2.6.[1]	▪ IPCC Representative Concentration Pathway 8.5 / IPCC Shared Socio-Economic Pathway 5-8.5. ▪ Network for Greening the Financial System 'Current Policies'.
Temperature outcome	Increase limited to 1.5° C by 2050	3+° C by 2100
Narrative description	A rapid yet orderly global transition, driven by stringent climate policies and sustained innovation achieves net zero emissions around 2050 and limits warming to approximately 1.5° C, significantly reducing physical climate risks while reshaping markets, investment patterns and supply chains, and giving rise to substantial, economy-wide transition risks.	A continuation of current climate policies and fossil-fuelled development, characterised by limited policy ambition and continued reliance on carbon intensive energy, drives rising emissions and around 3–4° C (or more) of global warming by 2100, leading to severe physical climate impacts and significant long-term economic disruption, while near-term transition risks remain comparatively low.
Rationale for selection	To assess resilience and examine climate risks and opportunities under a rapid decarbonisation scenario aligned with the Paris Agreement's most ambitious goal of limiting global temperature increase to 1.5° C by 2050.	To assess resilience and examine climate risks and opportunities under a higher warming scenario where global GHG emissions continue to rise throughout the 21st century.
Scenario characteristics	▪ Global warming is limited to 1.5° C through stringent climate policies and innovation, reaching global net zero CO_2 emissions around 2050. ▪ Aggressive global policy measures favour low carbon energy, water and waste. ▪ Significant shift in capital spending from fossil fuels to renewables. ▪ Embedded carbon costs accounted for in raw materials. ▪ Consumers and investors strongly prefer low carbon products and services.	▪ Frequent extreme weather events, such as storms, floods and fires, disrupt manufacturing, logistics and supply chains. ▪ Increased repair and insurance costs. ▪ No additional changes in government policy. ▪ Little shift in consumer behaviour and investor preferences towards low-carbon products. ▪ Increasing cost of raw materials due to volatility in availability. ▪ Changing patterns of disease and population health.

[1] For the lower warming scenario, in addition to the NGFS 'Net Zero 2050' scenario that limits global warming to 1.5° C by 2050, Sonic applied the IPCC's SSP1-2.6 pathway (AR5 RCP2.6) instead of the newer SSP1-1.9 scenario, owing to limited physical-risk data for SSP1-1.9. This approach leverages more extensive climate datasets and tools and serves as a conservative proxy for a 1.5° C pathway – slightly overstating potential physical risks – to ensure Sonic's climate resilience is assessed prudently under an ambitious climate outcome.

SCENARIO	Lower warming	Higher warming
	Primary use: Assess transition impacts	Primary use: Assess physical impacts
Key scenario assumptions	■ Governments enact immediate, globally coordinated climate policies – with high carbon prices[2], strict emissions limits and clean-energy incentives – to drive an orderly transition to net zero emissions by ~2050. ■ Sustainable economic growth decoupled from carbon. Global GDP continues to rise but becomes progressively less emissions-intensive, as efficiency measures and innovation maintain resilient economic expansion while curbing emissions. ■ Rapid decarbonisation of energy supply. Fossil fuel use declines steeply (coal phased out, oil and gas significantly reduced); renewable energy and electrification scale up to dominate by mid-century, aided by efficiency gains that temper energy demand. ■ Accelerated clean-technology uptake. Massive R&D and deployment efforts for low-carbon solutions (renewables, EVs, energy storage, green hydrogen) enable deep emissions cuts, including adoption of carbon capture and removal methods in hard-to-abate sectors. ■ Global cooperation with phased action. Advanced economies cut emissions immediately (achieving net zero ~2040–50), while emerging economies peak emissions in the 2020s and reach net zero ~2050–60 with international support. Clean technologies diffuse worldwide, narrowing regional disparities and lowering climate risk exposures for all major markets. ■ Extreme weather intensification is significantly curtailed, sea-level rise is slower, and catastrophic climate impacts are largely avoided.	■ Minimal climate policy progress. No new climate policies beyond existing commitments; fragmented efforts result in low or localised carbon pricing[3] and continued fossil-fuel subsidies. ■ Fossil-fuelled economic growth path. Strong global GDP growth remains carbon-intensive. No significant decoupling of economic output from emissions. ■ Persistent fossil fuel dominance. Coal, oil and gas remain the primary energy sources through mid-century and beyond, with only gradual, market-driven growth in renewables. Surging energy demand from population and economic expansion outpaces efficiency improvements, so global emissions keep rising. ■ Slow clean-tech uptake. Technological progress continues along historical lines without a focused decarbonisation push. Renewables and EVs improve but remain relatively niche (mainly in wealthy markets); heavy industry and transport largely stick to conventional fossil-fuel technologies. Carbon capture and removal deployment is negligible due to weak incentives. ■ Fragmented global response. A few developed countries plateau emissions under existing pledges, but most regions – especially fast-growing economies – continue increasing fossil energy use. No coordinated international climate effort emerges; adaptation is largely reactive, leaving vulnerable regions disproportionately exposed to climate hazards. ■ More frequent and intense extreme weather events, accelerated sea-level rise (multi-metre long-term) and widespread, irreversible environmental damage. With limited mitigation or planned adaptation, societies face escalating and potentially catastrophic climate risks by late century.

[2] NGFS ‘Net Zero 2050’ scenario carbon price ranges across Sonic’s jurisdictions are originally denominated in USD and have been converted to AUD for reporting purposes: 2030 A$364 – A$401; 2040 A$566 – A$868; 2050 A$803 – A$1,334

[3] NGFS ‘Current Policies’ scenario carbon price ranges across Sonic’s jurisdictions are originally denominated in USD and have been converted to AUD for reporting purposes: 2030 A$16 – A$38; 2040 A$15 – A$34; 2050 A$15 – A$31

5.3 Climate resilience

Sonic's climate scenario analysis – covering lower- and higher-warming pathways over short-, medium- and long-term timeframes, did not identify any immediate need for material changes to the Group's strategy or business model under the scenarios assessed. However, maintaining resilience will depend on the continued execution of risk mitigation and adaptation initiatives, periodic review of strategic assumptions, and ongoing management of evolving climate-related risks and opportunities.

Capacity to adjust and adapt

Sonic's climate resilience assessment indicates the Group has the capacity to adjust and adapt its strategy and business model to climate change over the short-, medium- and long-term.

Sonic's climate resilience is underpinned by several core strengths, which also guide the Group's strategy:

- **Geographically diversified operations:** Sonic's global footprint minimises exposure to localised climate impacts by enabling operational flexibility and regional back-up capacity when disruptions (such as extreme weather) occur in specific areas. This diversification also reduces reliance on any single market's policy environment, mitigating Sonic's exposure to jurisdiction-specific transition risks, such as carbon pricing.
- **Optimised business continuity and network flexibility:** Mature business continuity plans and an interconnected network of laboratories enable Sonic to redirect specimen processing and other services as needed, providing operational resilience against acute physical climate events. The ability to maintain service continuity in the event of site- or region-level disruption is an important element of Sonic's climate resilience.
- **Provision of essential and non-discretionary services:** Sonic's pathology, radiology and primary care services are essential and generally non-discretionary. This inherent demand resilience supports Sonic's business model and informs the Group's continued focus on maintaining service accessibility and capacity.
- **Resilient supply chain management:** Sonic's established supply chain partnerships and proactive supplier management support resilience to climate-related supply disruptions. Scenario analysis results reinforce the importance of ongoing supplier engagement on decarbonisation to limit long-term exposure to transition-related cost pressures, including potential carbon pricing impacts embedded in purchased goods and services.
- **Financial strength and flexibility:** Sonic's strong balance sheet and available liquidity support the Group's capacity to manage identified climate-related risks and pursue related opportunities over time. These attributes provide flexibility to fund mitigation and adaptation measures through normal capital allocation processes and to respond to short-term impacts where they arise. This assessment is subject to the assumptions and limitations inherent in climate scenario analysis, including uncertainty regarding the timing, scale and financial effects of some medium- and long-term climate-related risks.
- **Adaptive assets and capital planning:** Sonic's operating model progressively upgrades and adapts its facilities and equipment through routine capital planning cycles, including efficiency improvements in equipment and a phased transition towards lower-emissions vehicles. A substantial portion of Sonic's sites are leased, providing flexibility to relocate or reconfigure facilities over time if needed. These practices ensure Sonic can address emerging climate risks without abrupt strategic changes, reinforcing long-term resilience. Any future potential carbon pricing impacts are considered as medium- to long-term exposure that is expected to materialise gradually, allowing sufficient time to plan, resource and fund the required response in an orderly manner, rather than requiring sudden reallocation of financial resources.

Effects on current and planned investments

Sonic's current and planned investments in climate-related initiatives are expected to remain manageable within its existing capital allocation framework. Investments underway, including expanding on-site solar generation, improving energy efficiency (including HVAC upgrades) and progressing the transition of the vehicle fleet, will reduce emissions exposure and, in turn, reduce potential future policy and carbon-cost impacts identified in scenario analysis.

Where physical climate-risks increase in frequency or severity, Sonic will consider mitigation initiatives, such as site-level upgrades, within normal planning and approval processes.

Significant uncertainties

Sonic recognises a number of significant areas of uncertainty related to scenario analysis in its assessment of climate resilience, including:

- **Limitations in climate science and modelling:** Projections of future physical hazards are subject to inherent uncertainty and ongoing refinement over time as climate science advances. Physical risk assessments will be updated as scientific assumptions and hazard guidance evolve.
- **Transition progress:** The pace of decarbonisation among Sonic's customers, the healthcare sector and the broader economy is unpredictable, making climate risk assessments and opportunity evaluations inherently uncertain.
- **Policy and regulation:** Government climate policies, regulations and reporting standards continue to evolve across regions, affecting data consistency and influencing the speed and nature of the transition.
- **Data availability and quality:** Limited and inconsistent climate data create measurement challenges and reduce comparability across locations and time periods.
- **Technology and external factors:** The development, adoption and cost-effectiveness of low-carbon technologies are uncertain. Evolving stakeholder expectations, global events (such as geopolitical or economic disruptions) and other external factors can also significantly affect climate outcomes.

These uncertainties reflect factors that are largely outside of Sonic's direct control and are highly dependent on external policy, market and technological developments.

These uncertainties are inherent to climate scenario analysis and do not affect the Group's overall conclusion regarding the relative resilience of Sonic's business model.

5.4 Climate transition plan

Sonic does not currently have a formal, detailed climate transition plan, but is in the foundational stages of developing one. In the interim, Sonic continues to implement climate mitigation and adaptation initiatives as part of its response to managing climate-related risks.

Sonic recognises the importance of transition plans for establishing a credible, science-aligned pathway to reduce scope 1, 2 and 3 GHG emissions.

6. METRICS AND TARGETS

6.1 Climate-related metrics

Measurement approach

Sonic Healthcare measures and reports its GHG emissions in accordance with the 'Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)', unless otherwise required by AASB S2. This globally recognised methodology has been adopted to ensure Sonic's emissions are measured on a consistent, comparable basis with industry practice. All seven major GHGs (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3) are included, with emissions aggregated and reported on an absolute (gross) basis in metric tonnes of CO_2 equivalent (tCO_2e).

Sonic prepares its GHG inventory using the operational control approach in accordance with the GHG Protocol. The operational control approach reflects the operations over which Sonic has the full authority to introduce and implement its operating policies at the operation.

Sonic includes 100% of scope 1 and 2 emissions from operations where it has the authority to introduce and implement operating policies and procedures.

For pathology laboratory and diagnostic imaging services provided within hospitals and other medical facilities, operational control of these sites is deemed to reside with the third-party operator of the facility. While these operations are legally and financially independent corporate activities of Sonic, operationally and clinically they function as an embedded part of the host facility. The host facility holds authority over the operating policies that drive emissions at these sites, which include control of operating hours and service availability, emergency readiness parameters, patient access, equipment permitted on site, health and safety requirements (including radiation safety, biosafety and hazardous-materials) and the master utility supplies and facility infrastructure (including central HVAC and magnet chilling plants). Sonic delivers its clinical services within, and in accordance with, these operating frameworks rather than setting them.

Accordingly, notwithstanding Sonic's legal and financial interest in these sites, operational control resides with the host facility. Emissions arising from these co-located hospital footprints are therefore excluded from Sonic's scope 1 and 2 inventory and accounted for within scope 3, category 8 (upstream leased assets).

Sustainability Report

30 JUNE 2026

For non-controlled investees, Sonic reports its share of emissions within scope 3, category 15 (Investments), based on the best available information.

Emissions from acquired operations are included from the acquisition date, and emissions from divested operations are excluded from the date operational control ceases (including through divestment or other loss of control).

Sonic reports scope 1 emissions and scope 2 location-based emissions as required by AASB S2, and additionally reports scope 2 (market-based) emissions voluntarily to reflect the impact of Sonic's contractual instruments relating to the procurement of certificate-supported renewable energy in multiple jurisdictions. In jurisdictions where contractual arrangements to procure renewable energy do not exist, Sonic applies the relevant residual mix factor in accordance with the 'Greenhouse Gas Protocol: Scope 2 Guidance'.

Scope 1 and 2 emissions are measured using the indirect method, whereby emissions are estimated by applying relevant emission factors to activity data. The Group prioritises direct data sources (such as utility invoices and fuel card records) to measure activity data wherever possible. Where such primary data is unavailable, the Group uses estimation methods based on all reasonable and supportable information available at the reporting date.

Scope 1 refrigerant emissions from HVAC systems and cool rooms are estimated using screening methodologies where asset-level refrigerant inventory data is not yet available. The methodologies apply operational control assessments, site characteristics, refrigerant charge assumptions, leakage rates and refrigerant-specific 100-year Global Warming Potentials (GWP) to estimate emissions.

Shared or landlord-controlled HVAC systems are reported in scope 3 category 8. During FY2026, the methodologies were enhanced through the adoption of IPCC AR6 GWP values, updated refrigerant charge and leakage assumptions, and expanded screening approaches to improve reporting completeness and consistency across the global portfolio.

These methods are applied consistently across reporting periods and are reviewed regularly to reflect changes in operations, data availability or regulatory guidance.

Sonic uses jurisdiction-specific government emission factor sources as the primary basis for scope 1 and 2 emissions calculations, supplemented by recognised reference databases, where necessary. If local factors are not available, Sonic uses proxy factors to determine the most appropriate and conservative estimates.[1]

The market-based method calculates scope 2 emissions using emission factors that reflect the specific electricity products procured through contractual instruments.

The Group has various agreements to purchase unbundled renewable energy certificates (RECs) from various renewable energy producers as part of its strategy to reduce market-based scope 2 emissions. The Group acquired and retired 67,081 MWh of RECs in FY2026. Where renewable electricity purchases do not cover total consumption, a jurisdictional residual mix factor is applied. This represents the emissions intensity of remaining grid electricity after accounting for claimed renewable energy.

Scope 1 and 2 greenhouse gas emissions

The following table discloses Sonic's absolute (gross) GHG emissions for FY2026.

No offsets were used in the current reporting period.

No comparative figures are shown, and scope 3 emissions are omitted, under the transition relief permitted for first-year climate disclosures (AASB S2, Appendix C).

FY2026 SCOPE 1 AND 2 EMISSIONS	tCO_2e
Scope 1	
Consolidated accounting group	35,058
Scope 2 (location-based)	
Consolidated accounting group	82,029
Total Scope 1 and 2 (location-based)	
Consolidated accounting group	117,087
Scope 2 (market-based)	
Consolidated accounting group	59,983

[1]
- Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW), National Greenhouse Accounts Factors 2025.
- Australian Clean Energy Regulator (CER), Renewable Power Percentage.
- European Environment Agency (EEA), Greenhouse Gas Emission Intensity of Electricity Generation in Europe.
- Association of Issuing Bodies (AIB), European Residual Mixes 2025.
- New Zealand Ministry for the Environment, Measuring Emissions Catalogue 2025.
- BraveTrace, New Zealand Energy Certificate System (NZECS) Annual Market Report.
- UK Department for Energy Security and Net Zero, Greenhouse Gas Reporting: Conversion Factors 2026.
- Cornerstone Sustainability Data Initiative, eGRID 2024.
- Center for Resource Solutions (CRS), 2025 Residual Mix Emissions Rates.
- Carbon Data Intelligence, International Electricity Factors.
- German Environment Agency (Umweltbundesamt), Emissions Balance of Renewable Energy Sources 2024.
- GHG Protocol and IPCC Sixth Assessment Report (AR6), Global Warming Potentials (GWPs).

6.2 Other cross-industry metrics

Vulnerability of assets and business activities to climate-related risks

Vulnerability to climate-related transition risks

Carbon pricing mechanisms (including direct carbon taxes and the indirect pass-through of carbon costs in energy prices and supplied goods and services) could increase Sonic's operating costs over time. This includes potential carbon-related taxes and expenditure on consumables, transportation, utilities and other operating inputs procured in the ordinary course of business that are potentially subject to carbon cost pass-through (approximately 44% of operating expenditure). These operating costs reflect business activities potentially vulnerable to transition risk, to the extent that Sonic relies on inputs where costs may increase under carbon pricing regimes.

In addition, Sonic's vehicle fleet represents operational activity that may be exposed to carbon pricing through the pass-through of carbon pricing impacts within fuel costs.

Vulnerability to climate-related physical risks

Physical climate risks to Sonic primarily arise from acute weather events (such as storms, fires, floods and heatwaves) that may potentially damage facilities, disrupt operations and limit patient access to healthcare services (including both Sonic sites and referring physicians).

Sonic's climate scenario analysis did not identify a material concentration of physical climate risk by geography or service line, with assessed physical risk impacts remaining localised and not expected to be financially material at a Group level over all scenarios and time horizons assessed.

For the purposes of AASB S2 paragraph 29(c), Sonic assesses assets potentially vulnerable to physical climate risks as the carrying value of facilities used to deliver services.

This is represented by:

- Freehold land and buildings within property, plant and equipment
- Right-of-use assets relating to leased premises.

In FY2026, these assets totalled $2,193 million, representing 15.5% of Sonic's total non-current assets of $14,179 million.

Owned buildings are insured for physical damage, as are operations for business continuity, which materially mitigates the potential financial impact of acute events.

Physical climate risks may also give rise to temporary business interruption through disruption to patient mobility and access to healthcare services. Due to Sonic's geographically diversified footprint, the non-discretionary nature of services provided, and the ability to redirect workflows between facilities, these risks are not concentrated in a single geography or service line. On this basis, it is not considered appropriate to quantify this impact as a proportion of business activities.

Activities aligned with climate-related opportunities

Sonic's climate-related opportunity relating to potential increased demand for healthcare services arising from climate-related health trends is expected to be relevant across the entirety of the Group's operations, given Sonic's diversified footprint and role in providing essential healthcare services that support clinical decision-making and community healthcare needs.

Sonic's ability to respond to this opportunity is supported by established capability to scale and adapt service delivery during periods of heightened demand and demand variability, as demonstrated during the COVID-19 pandemic.

We do, however, note that the extent to which this opportunity is realised is highly uncertain and dependent on the nature, timing and location of climate-related health events and related demand patterns.

Capital deployed towards climate-related risks and opportunities

Sonic deploys capital towards climate-related emission reduction activities as part of its ongoing 'business-as-usual' operational and capital expenditure programs, as distinct from dedicated climate-related capital investments.

Related activities include the progressive transition of Sonic's global fleet of courier vehicles to low emission alternatives, the procurement of certificate supported renewable electricity, the installation of energy efficient technology within new and existing facilities, and the expansion of on-site solar generation across the Group's facilities.

Sustainability Report

30 JUNE 2026

As these initiatives are integrated within 'business-as-usual' operations, Sonic does not currently separately identify and report the capital expenditure directed towards these climate 'related' activities as a discrete line item within financial reporting. Climate-related expenditure is expensed in the utilities and depreciation expense lines in the income statement, and principally within additions to property, plant and equipment in the cash flow statement and balance sheet, as it relates to the replacement of vehicles, and investments in owned facilities.

Internal carbon price

Sonic has not introduced internal pricing of environmental externalities (such as a shadow carbon price), as it has not been an immediate priority in our climate strategy.

6.3 Climate-related targets

Sonic's Board oversees climate-related target setting by reviewing and approving climate targets and monitoring progress against those targets at least annually. In FY2026 Sonic commenced a reset of its GHG emissions target base year from FY2021 to FY2026. This reset is intended to improve the robustness and verifiability of emissions data used for target-setting and performance monitoring, reflect normalised operations, and align the baseline with the Group's current organisational structure.

As at the reporting date, Sonic is in the process of re-establishing its associated emissions and climate targets and accordingly, does not have active climate-related targets in place for performance monitoring under AASB S2 at this time.

Prior to the FY2026 baseline reset process, Sonic had publicly stated targets to:

- Achieve net zero greenhouse gas emissions by 2050
- Reduce scope 1 and 2 (market-based) emissions by 43% by 2030 against the FY2021 base year.

Notwithstanding the target resetting currently in progress, Sonic seeks to provide users with directional context on progress against its previously stated interim commitment.

At 30 June 2026, Sonic's scope 1 and 2 (market-based) emissions, calculated on a like-for-like basis excluding the impact of the LADR acquisition (completed on 1 July 2025), had reduced by 34.2% relative to the FY2021 base year and 11.1% relative to the prior period (FY2025).

This progress measure excludes the emissions profile of the LADR laboratory group, and therefore does not represent Sonic's consolidated scope 1 and 2 emissions for FY2026.

The Board-supervised target reset process includes establishing a revised baseline, confirming scope coverage, and determining metrics and governance arrangements for monitoring progress. Sonic intends to review progress against climate-related targets at least annually and will disclose its approach to monitoring progress, including the metrics used and the basis for any revisions to targets, once updated targets are finalised.

Directors' Sustainability Declaration

30 JUNE 2026

7. Directors' Sustainability Declaration

For the year ended 30 June 2026

The directors of Sonic Healthcare Limited declare that:

In the Directors' opinion:

Sonic Healthcare Limited has taken reasonable steps to ensure that the substantive provisions of the Sustainability Report of Sonic Healthcare Limited and its subsidiaries (the Group) for the financial year ended 30 June 2026, set out on pages 158–184, are in accordance with the *Corporations Act 2001* (the Act), including:

- Section 296C of the Act (compliance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*), and
- Section 296D of the Act (climate statement disclosures).

This declaration is made in accordance with a resolution of the Board of Directors of Sonic Healthcare Limited, and is signed for and on behalf of the Board of Directors by:

Dr JP Newcombe
Director

CD Wilks
Director

Sydney
24 September 2026

Independent Auditor's Review Report on specified Sustainability Disclosures

To the Members of Sonic Healthcare Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Sonic Healthcare Limited (the Company) and its controlled entities (together, the Group) for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Specified Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	Governance disclosures presented on pages 164 to 166.
Strategy (risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	The following climate-related physical risks and associated "Descriptions": • Impact of extreme weather intensification (page 169) • Impact of patients being unable to access services due to extreme weather (page 171) The following climate-related transition risk and associated "Description": • Impact of carbon pricing across the value chain (page 173) The following climate-related opportunity and associated "Description": • Increased need for healthcare services due to climate-related health trends (page 175) Applicable methods described under the Risk Management section on pages 167 to 168.
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	The following emissions disclosures presented on page 182: • Scope 1 emissions: 35,058 tCO_2e • Scope 2 (location-based) emissions: 82,029 tCO_2e • Scope 2 (market-based) emissions: 59,983 tCO_2e Applicable measurement approach on pages 181 to 182.

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The requirements of AASB S2 together with the applicable method and measurement approaches identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report for the year ended 30 June 2026, but does not include the specified Sustainability Disclosures and our auditor's report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. We have issued a separate opinion on the Financial Report, including the Remuneration Report, included in the Annual Report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in preparing the specified Sustainability Disclosures

Sustainability information may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, and estimating such information. Different acceptable methods have varying precision and can affect the comparability of sustainability information across entities and over time.

In addition, greenhouse gas emissions quantification is subject to inherent uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases

The specified Sustainability Disclosures in relation to Strategy (risks and opportunities) have been prepared using assumptions about future events, and management's actions, that may not occur.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inspected the specified Sustainability Disclosures and assessed the completeness and accuracy of these disclosures against the relevant disclosure requirements of AASB S2 and with reference to the knowledge and evidence obtained during the assurance engagement;

- Performed enquiries of management regarding the methodologies, processes and controls for capturing, collating, calculating and reporting the specified Sustainability Disclosures and assessed their alignment with AASB S2 and applicable method and measurement approaches;

- Inspected and assessed, on a sample basis, charters, policies, minutes of meetings regarding the monitoring, management and oversight of climate-related matters, and other underlying evidence supporting the climate-related financial disclosures on governance;

- Performed enquiries of management regarding the approach taken by Group to:
  - Identify climate-related risks and opportunities;
  - Identify material information for disclosure with regards to the Strategy (risks and opportunities) disclosures;

- Performed enquiries of management and examined underlying evidence to assess the completeness and accuracy of the establishment of the organisational boundary, and sources of emissions, in the context of the specified Sustainability Disclosures;

- Performed enquiries of management regarding the assumptions, conversion factors and greenhouse gas emission factors applied within the calculations of the Scope 1 and 2 emissions;

- Applied analytical procedures to evaluate the Scope 1 and 2 emissions and the underlying activity data; and

- Performed testing over the calculations of the Scope 1 and 2 emissions, including testing the activity data utilised within the calculations to third-party records, and other relevant underlying information, on a sample basis.

PricewaterhouseCoopers

PricewaterhouseCoopers

C Cosgrove

Carolyn Cosgrove
Partner

Sydney
24 September 2026

Shareholders' Information

1. INFORMATION RELATING TO SHAREHOLDERS

a) Distribution schedule as at 11 September 2026

		No. of holders ordinary shares	Percentage held
1-1,000		55,064	4.42%
1,001-5,000		28,153	12.23%
5,001-10,000		2,626	3.73%
10,001-100,000		1,259	5.34%
100,001 and over		94	74.28%
		87,196	100%
Voting rights	– on a show of hands	1/member	
	– on a poll	1/share	
Percentage of total shares held by the twenty largest registered holders		69.9%	
Number of holders holding less than a marketable parcel		3,257	

b) Substantial shareholders as at 11 September 2026

The Company has received substantial shareholding notices to 11 September 2026 in respect of the following holdings:

	No. of securities	Percentage held
State Street Corporation and its subsidiaries	36,384,812	7.36%
The Vanguard Group, Inc. and its controlled entities	34,647,600	7.01%
BlackRock Group	28,160,023	5.70%

Shareholders' Information

1. INFORMATION RELATING TO SHAREHOLDERS

c) Names of the 20 largest registered holders of equity securities as at 11 September 2026

	No. of securities	Percentage held
HSBC Custody Nominees (Australia) Limited	121,363,017	24.56%
J P Morgan Nominees Australia Pty Limited	75,088,854	15.19%
Citicorp Nominees Pty Limited	64,025,534	12.95%
Jardvan Pty Ltd	15,109,474	3.06%
Gekramon Investment GmbH & Co. KG	13,802,416	2.79%
BNP Paribas Nominees Pty Ltd <Agency Lending A/C>	11,415,103	2.31%
BNP Paribas Noms Pty Ltd	9,427,344	1.91%
BNP Paribas Nominees Pty Ltd <HUB24 Custodial Serv Ltd>	5,500,750	1.11%
Argo Investments Limited	4,226,053	0.86%
Netwealth Investments Limited <Wrap Services A/C>	4,150,248	0.84%
HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/C>	3,683,642	0.75%
Warbont Nominees Pty Ltd <Settlement Entrepot A/C>	2,753,742	0.56%
BKI Investment Company Limited	2,110,000	0.43%
Netwealth Investments Limited <Super Services A/C>	1,985,420	0.40%
Anton-Martin Familienstiftung<Anton-Martin Foundation A/C>	1,864,163	0.38%
Blaise Mentha	1,850,000	0.37%
Polly Pty Ltd <A/C Patterson Family>	1,817,416	0.37%
Merrill Lynch (Australia) Nominees Pty Limited <Equity Finance A/C>	1,789,917	0.36%
IOOF Investment Services Limited <IPS Superfund A/C>	1,755,606	0.36%
HSBC Custody Nominees (Australia) Limited-GSCO ECA	1,658,718	0.34%
	345,377,417	**69.90%**

2. UNQUOTED EQUITY SECURITIES AS AT 11 SEPTEMBER 2026

	No. on issue	No. of holders
Options over unissued ordinary shares	33,958,951	462
Performance rights	284,841	4

Shareholders' Information

3. SHARE REGISTRY

Computershare Investor Services Pty Limited

Registered address:	Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067, Australia
Postal address:	GPO Box 2975, Melbourne, VIC 3001
Enquiries within Australia:	1300 556 161
Enquiries outside Australia:	61 3 9415 4000
Email:	www.investorcentre.com/contact

Shareholders with enquiries should email, telephone or write to the Share Registry.

Separate shareholdings may be consolidated by advising the Share Registry in writing or by completing a Request to Consolidate Holdings form which can be found online at the above website.

Shareholders who are issuer-sponsored holders should notify the Share Registry of a change of address without delay. Shareholders who are broker-sponsored on the CHESS sub-register must notify their sponsoring broker of a change of address.

For Australian and New Zealand shareholders direct payment of dividends into a nominated Australian or New Zealand account must be arranged with the Share Registry. Shareholders should complete a payment instruction form online or advise the Share Registry in writing with particulars.

The Annual Report is produced for your information. However, should you receive more than one, or wish to be removed from the mailing list for the Annual Report, please advise the Share Registry. Unless you have elected to receive a hard copy of our Annual Report or you have not provided us with your email address, you will continue to receive an electronic copy in accordance with the *Corporations Act*, until Sonic Healthcare receives a written election from you.

Supporting the environment through electronic communication

With your support of electronic communication channels, Sonic Healthcare has significantly decreased its shareholder communication print production. Less than 2% of Sonic's shareholders still request a hard copy Annual Report, and more than 63% of shareholders receive communications electronically. The result is a reduction in energy and water resources associated with paper production.

4. ANNUAL GENERAL MEETING

The 2026 Annual General Meeting (AGM) will be held at the main laboratory of Sullivan Nicolaides Pathology, 24 Hurworth Street, Bowen Hills, Brisbane at 10.00am on Thursday 19 November 2026. In addition there will be an option to attend virtually.

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KSHV
Control
Leica

Inset
(L-R) Eliza Fenech and Senya Saylik, Specimen Reception Area (SRA) at Melbourne Pathology in Victoria, Australia

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