



Notice of Annual General Meeting

ACN 129 643 492



Notice is hereby given that the Annual General Meeting (2021 AGM) of shareholders of Virtus Health Limited (the Company) will be held (Meeting) on:

Date: Thursday 18 November 2021

Time: 11.00am (AEDT)

Online: The 2021 AGM will be held online at <https://agmlive.link/VRT21>

Due to current circumstances relating to COVID-19 and associated government-imposed restrictions and recommendations, the Meeting is being held by way of a virtual meeting. Shareholders through the online platform will be able to:

- attend the meeting;
- ask questions at the meeting; and
- vote at the meeting electronically.

Further information on how to participate in the meeting electronically is set out in the Virtual Participation section of this Notice of Meeting and the Virtual Meeting Online Guide is appended to this Notice.

The Explanatory Notes to this Notice provide additional information on matters to be considered at the Meeting. The Explanatory Notes and the Proxy Form are part of this notice.

Business of the Meeting

Item 1: Financial Statements and Reports

To receive and consider the Financial Statements of the company and the Directors' Report and the Auditor's Report for the year ended 30 June 2021.

Note: There is no requirement for Shareholders to approve these reports.

Item 2: Remuneration Report

To consider and, if thought fit, to pass the following as an advisory resolution of the Company:

"To adopt the Remuneration Report for the year ended 30 June 2021."

Notes:

- (a) In accordance with section 250R of the Corporations Act, the vote on this Resolution will be advisory only and will not bind the Directors or the Company.
- (b) A voting exclusion statement applies to this Resolution (see Explanatory Notes for details).

Item 3: Election of director Ms Cathy Aston

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

"That Ms Cathy Aston, being a Director who is retiring in accordance with Article 10.7 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers herself for election as a Director of the Company."

Item 4: Election of director Dr Priscilla Rogers (PhD)

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

"That Dr Priscilla Rogers, being a Director who is retiring in accordance with Article 10.7 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers herself for election as a Director of the Company."

Item 5: Grant of Performance Rights to Kate Munnings, Group Chief Executive Officer & Managing Director

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

"That, for the purposes of Part 2D.2 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant by the Company to Group Chief Executive Officer and Managing Director, Ms Kate Munnings under the Virtus Health Limited Executive Option Plan and Specialist Option Plan of 111,094 performance rights to acquire ordinary Shares in the Company, subject to achievement of performance conditions and on other terms set out in the Explanatory Notes."

Note: A voting exclusion statement applies to this Resolution (see Explanatory Notes for details).

Item 6: Approval of Non-Executive Director Fee Pool

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

"That for the purposes of ASX Listing Rule 10.17 and Article 10.8 of the Company's Constitution and for all other purposes, the maximum aggregate amount of Directors' fees payable to the Company's non-executive Directors per annum is increased by \$250,000, from \$600,000 per annum to \$850,000 per annum."

Note: A voting exclusion statement applies to this Resolution (see Explanatory Notes for details).

Entitlement to vote

The Directors have determined that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7.00 p.m. (AEDT) on Tuesday 16 November 2021 (**Entitlement Time**) subject to any applicable voting exclusion.

This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

Virtual participation

In accordance with Treasury Laws Amendment (2021 Measures No. 1) Act 2021 and to facilitate Shareholder participation, the Board has determined that Shareholders will have the opportunity to participate in the 2021 AGM by electronic means through an online platform.

Shareholders who wish to participate in the Meeting online may do so by logging into the following website: <https://agmlive.link/VRT21>. Instructions on how to log into the online portal are provided in the Virtual Meeting Online Guide appended to this Notice. If you have any problems accessing the meeting please call **1800 990 363** for technical assistance.

If you choose to participate in the Meeting this way, you will be able to view the 2021 AGM live, lodge a direct vote in real time and ask questions online.

Shareholders participating in the Meeting using the online platform will be able to cast direct votes between the commencement of the Meeting (11.00am (AEDT) on Thursday 18 November 2021) and the closure of voting as announced by the Chair during the Meeting.

More information regarding online participation at the Meeting (including how to vote and ask questions online during the Meeting) is available in the User Guide. The Virtual Meeting Online Guide is attached to this Notice of Meeting, will be lodged with the ASX and will be available from our website.

Annual report

Copies of the Company's 2021 Annual Report are available at www.virtushealth.com.au or from the Company.

Voting options and proxies

If you do not plan to attend the Meeting in person through the online platform, you are encouraged to complete and return the Proxy Form which accompanies this Notice of Meeting.

Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceeds that to which the Shareholder is entitled, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the 2021 AGM.

Subject to the specific proxy provisions applying to Items 2, 5 and 6 (see the Explanatory Notes below):

- (a) if a Shareholder has not directed their proxy on how to vote, the proxy may vote as the proxy determines; and
- (b) if a Shareholder appoints the Chair of the Meeting as proxy and does not direct the Chair on how to vote on an item of business, the Chair will vote in accordance with her voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting.

Proxy Voting by the Chair

For Item 2 (Remuneration Report), Item 5 (Performance Rights to CEO) and Item 6 (Non-Executive Director Fee Pool) where the Chair is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the Chair is to vote on Items 2, 5 and 6, the Shareholder is directing the Chair to vote in accordance with the Chair's voting intentions for these items of business; even though Items 2, 5 and 6 are connected with the remuneration of Key Management Personnel (**KMP**).

The Chair intends to vote all undirected proxies in favour of the resolutions put in the Notice of Meeting, including Items 2, 5 and 6.

Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original Power of Attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 11.00am (AEDT) on Tuesday 16 November 2021 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- (a) **By mail** to Link Market Services Limited using the reply-paid envelope or Locked Bag A14, Sydney South, NSW, 1235, Australia. Please allow sufficient time so that it reaches Link Market Services Limited by the Proxy Deadline;
- (b) **By fax** to Link Market Services Limited on +61 2 9287 0309;
- (c) **Online** via the Company's Share Registry website at www.linkmarketservices.com.au. Please refer to the Proxy Form for more information; or
- (d) **By hand** delivery to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

Voting procedure

Voting on all resolutions for consideration at the 2021 AGM will be conducted by poll.

Corporate representatives

Where a shareholding is registered in the name of a corporation, the corporate shareholder may appoint a person to act as its representative to attend the meeting by providing that person with:

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD

Ava Bentley
Company Secretary

19 October 2021

Explanatory Notes

These Explanatory Notes accompany and form part of the Notice of Meeting for the Company's AGM to be held on Thursday 18 November 2021 at 11.00am AEDT. It contains information relevant to the business to be considered at the AGM and shareholders should read this section in full.

Item 1 – Financial Statements and Reports

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report for the Company for the most recent financial year will be presented to the Meeting.

The Company's financial report comprises the consolidated financial statements of the consolidated entity consisting of Virtus Health Limited and its subsidiaries.

There is no requirement for a formal resolution on this item.

The Chair of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's Auditor, PricewaterhouseCoopers (**PwC**) questions about the:

- (a) Auditor's Report;
- (b) Conduct of its audit of the Company's Financial Report for the year ended 30 June 2021;
- (c) Preparation and content of the Audit Report;
- (d) Accounting policies adopted by the Company in its preparation of the financial statements; and
- (e) Independence of PwC in relation to the conduct of the audit.

Shareholders may submit written questions to the Company in relation to the above matters.

A form to facilitate the submission of questions is attached to this Notice and it includes details on the return of this form to the share registry including how to lodge questions online.

Item 2 – Remuneration Report

In accordance with section 300A of the Corporations Act, the Company has proposed a Remuneration Report for the consideration of shareholders.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company.

The Company has designed a remuneration framework to support both a high performance culture and a team focus on adhering to agreed business objectives and directions.

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market practice for delivery of reward.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this resolution.

Voting Exclusion

As required by the Corporations Act, the Company will disregard any votes cast on Item 2 by any member of the Company's KMP or a Closely Related Party of any such member unless the person:

- votes as a proxy appointed by writing that specifies how the person is to vote on the resolution; or
- is the Chair of the Meeting and votes as a proxy appointed by writing that authorises the Chair to vote on the resolutions even though that resolution relates to the remuneration of a member of the Company's KMP.

What this means for Shareholders: If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them on how to vote on the proposed resolution in Item 2. If you intend to appoint the Chair of the Meeting as your proxy, you can direct her on how to vote by marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting) or you can choose not to mark any of the boxes for Item 2 and give the Chair your express authority to vote your undirected proxy (in which case the Chair will vote in favour of this item of business).



Item 3 – Election of Ms Cathy Aston as director

In accordance with the Constitution and ASX Listing Rule 14.4 a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 10.7 of the Constitution states the Directors may at any time appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director appointed under this article holds office until the conclusion of the next annual general meeting of the Company and is eligible to stand for election at that meeting.

In accordance with Article 10.7 of the Constitution and ASX Listing Rule 14.4, Ms Cathy Aston is retiring and submitting herself for election as a Director of the Company having last been appointed as a Director by the Board on 1 September 2021.

Cathy comes to the Virtus Board having had an extensive executive career at Telstra where she moved across roles in finance, marketing and strategy including as the Finance Director of the International Division where she was based in Hong Kong and New Delhi and as Chief Executive of a mobile phone company based in Colombo. Cathy's executive roles each had a focus on enabling the business to improve its customer service and to operate more effectively and efficiently through better use of technology.

Since 2013, Cathy has held a range of Non-Executive director roles and has also worked as a business advisor with a range of clients. Most recently, Cathy has worked with the NSW Government to improve outcomes across an array of programs and is currently a Non-Executive Director with Macquarie Investment Management Ltd, IMB Bank Ltd, IVE Group (ASX:IGL) and Over the Wire Holdings (ASX:OTW), with the latter two roles also including Chair of Audit, Risk and Compliance committees. Cathy's Non-Executive director experience also includes serving as an Advisory Board Member of Avanseus, an AI business based out of Singapore.

Having had regard to the ASX Corporate Governance Principles and Recommendations (4th edition), the Board considers Ms Aston to be an independent Non-Executive Director.

Directors' Recommendation

The Board (other than Ms Aston) unanimously supports the election of Ms Cathy Aston and recommends that Shareholders vote in favour of this resolution.



Item 4 – Election of Dr Priscilla Rogers (PhD) as director

In accordance with the Constitution and ASX Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 10.7 of the Constitution states the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director appointed under this article holds office until the conclusion of the next annual general meeting of the Company and is eligible to stand for election at that meeting.

In accordance with Article 10.7 of the Constitution and ASX Listing Rule 14.4, Dr Priscilla Rogers is retiring and submitting herself for election as a Director of the Company, having last been appointed as a Director by the Board on 1 September 2021.

As an engineer and an entrepreneur, Priscilla has direct experience in leading technology innovation to transform industries and improve health outcomes. With a PhD in engineering, she has spent her career in the research, development and translation of next generation solutions for real-world problems, including innovations in artificial intelligence, digital health, medical devices and micro/nano sensors.

Priscilla has co-founded multiple companies across the health and automotive sectors, including Doftek, Grean Brands, and IntelliMedical. Prior to this, she was leading the Cognitive Health & Life Sciences portfolio at IBM Research - Australia, which was responsible for researching and developing novel artificial intelligence and digital health solutions. Today, Priscilla's Non-Executive director roles include serving on the Board of the Digital Health Cooperative Research Centre and the Board of Australian Dementia Network Limited.

Having had regard to the ASX Corporate Governance Principles and Recommendations (4th edition) the Board considers Dr Rogers to be an independent Non-Executive Director.

Directors' Recommendation

The Board (other than Dr Rogers) unanimously supports the election of Dr Priscilla Rogers PhD and recommends that Shareholders vote in favour of this resolution.



Item 5 – Grant of Performance Rights to Kate Munnings, Group Chief Executive Officer and Managing Director

The Board is seeking the approval of Shareholders for the grant of 111,094 performance rights (**Rights**) under the Virtus Health Limited Executive Option Plan and Specialist Option Plan (**Plan**) to Ms Kate Munnings, Group Chief Executive Officer & Managing Director. The terms of Ms Munnings' employment contract with the Company entitle her to participate in the Plan and the Board has proposed that for the financial year ending 30 June 2022, Ms Munnings be eligible for Rights under the Plan of up to 100% of her fixed remuneration. The grant constitutes Ms Munnings' long term incentive (**LTI**) opportunity for FY22.

The Company adopted the Plan to assist in the reward, motivation and retention of key personnel. The Plan is also designed to recognise the abilities, efforts and contributions of participants to Virtus' performance and success and provide the participants with an opportunity to acquire or increase their ownership interest in the Company. Under the Plan, a performance right will become a vested right following a three year performance period, subject to the satisfaction of performance measures and service conditions.

Group CEO's remuneration

For the financial year ending 30 June 2022, Ms Munnings' remuneration comprises the following components:

- (a) fixed remuneration including statutory superannuation of \$721,000 per annum;
- (b) an at-risk short-term incentive of up to 50% of fixed remuneration subject to the achievement of specified targets; and
- (c) an at-risk long-term incentive of up to 100% of fixed remuneration.

The Board has endorsed an award of Rights with a face value of \$721,000.00 (**Group CEO's Rights**) as Ms Munnings' FY22 LTI opportunity. The purpose of the LTI opportunity is to focus the Group CEO on the Company's long term business strategy, align her interests with those of Shareholders and support the creation of long term shareholder value.

If approved by Shareholders, the Group CEO's Rights will be granted to Ms Munnings as soon as possible and no later than three years after the 2021 AGM.

The grant of Rights under the Plan will allow Ms Munnings to obtain ordinary shares in the Company.

Performance measures:

The Rights will only vest if the performance hurdles relating to relative total shareholder return (**Relative TSR**) and average annual return on equity (**Average ROE**) are met as set out below. No dividends are paid with respect to Rights. Shares resulting from the exercise of Rights following their vesting will have full voting and dividend rights corresponding to the rights of other holders of ordinary shares in the Company.

The Company does not have the ability to provide any cash equivalent on exercise.

The performance hurdles for the LTI Performance rights are Relative TSR and Average ROE. Each hurdle applies to 50% of the grant.

Relative TSR

Relative TSR is measured on the Company's TSR relative to a peer group of companies in the S&P ASX 300 Index over the three year performance period ending 13 September 2024. TSR is a measure of the return on investment in a company's shares including dividends and all other returns to Shareholders notionally invested over the relevant performance period.

Once the Company's Relative TSR ranking is determined, the performance rights will vest in accordance with the following vesting scale:

If at the end of the Performance Period the TSR percentile ranking compared to the TSRs of the S&P/ASX 300 index is:	The percentage of the performance rights subject to the Relative TSR Component which will vest is:
Below 50 th percentile	0%
At 50 th percentile	50%
Above 50 th percentile to 75 th percentile	Progressive pro rata vesting from 50% to 100% (i.e. on a straight line basis)
At or above the 75 th percentile	100%

Average ROE

The Average ROE will be calculated as an average of the ROE for each of the financial years over the period 1 July 2021 to 30 June 2024 and compared to the Company's average Weighted Average Cost of Capital (**WACC**) for each of the financial years in the same period. The performance rights will vest in accordance with the following table:

If at the end of the Performance Period the average ROE of the Company is:	The percentage of the performance rights subject to the Average ROE Component which will vest is:
Less than 115% of WACC	0%
Equal to 115% of WACC	50%
Is between 115% and 135% of WACC	Progressive pro rata vesting from 50% to 100% (i.e. on a straight line basis)
Equal to or above 135% of WACC	100%

Calculations of the Company's Relative TSR and Average ROE attributable to Shareholders will be determined at the end of the three year period and approved by the Board. Accordingly, Ms Munnings' benefits are aligned with the interests of Shareholders.

Termination of employment

If Ms Munnings' employment is terminated for cause, then Ms Munnings loses the benefit of her Rights.

If Ms Munnings resigns due to illness or for exceptional circumstances, then some of her unvested Rights will be retained according to the formulae outlined in the Plan Rules which is based on the period of service from grant date until resignation date. The Board also has the ability to exercise discretion in these circumstances (refer "Other Matters" below).

Shareholder approval – ASX Listing Rules

ASX Listing Rule 10.14 requires Shareholder approval before a Director can acquire securities or performance rights to securities under an employee incentive scheme. Approval from Shareholders is being sought to grant Rights to Ms Munnings under the Plan in respect of the period commencing on and from the date of this Meeting, with any Rights issued within three years of the date of this Meeting.

The grant of Rights to Ms Munnings falls within Listing Rule 10.14.1 and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

This Resolution seeks the required Shareholder approval to the issue of Rights for the purposes of Listing Rule 10.14.

If the Resolution is passed, the Company will be able to proceed with the Rights Issue and the Rights (and Shares issued upon vesting of the Rights) will not be included in calculating the Company's capacity to issue equity securities equivalent to 15% of the Company's ordinary securities under Listing Rule 7.1. Listing Rule 7.1 restricts the number of equity securities that the Company may issue in a given 12 month period without shareholder approval or unless an exception applies. In accordance with Listing Rule 7.2 exception 14, Listing Rule 7.1 will not apply when an issue of securities is made with the approval of shareholders of the Company under Listing Rule 10.14.

If the Resolution is not passed, the Company will not be able to proceed with the issue of Rights. In that circumstance, issues may arise with the competitiveness of Ms Munnings' total remuneration package and alignment of rewards with other senior executives in the Company. The Board would then need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles including providing an equivalent cash long term incentive subject to the risk of forfeiture, performance conditions and performance period as described in this section of the Explanatory Notes.

Maximum number of Rights and Shares

The maximum number of Rights of 111,094 to be granted to Ms Munnings within three years of this Meeting has been calculated as 100% of her base salary of \$721,000 divided by the volume weighted average daily closing price of the Company's shares for the 15 business days commencing 24 August to 13 September 2021 (inclusive) of \$6.49.

After the grant of Rights, the number of Rights that vest will

determine the number of Shares that Ms Munnings may receive at the end of the vesting period on the vesting date, 19 November 2024. Only those Rights that satisfy the performance hurdles as outlined above will vest, and the remaining Rights will lapse. Each Right, will upon vesting, convert into one fully paid ordinary share.

On vesting of the Rights, the Board will decide on or around the vesting day whether to purchase the number of shares on market or to issue shares held by the Employee Share Trust (EST).

Performance period

The performance period will begin on 19 November 2021 and end on 19 November 2024. This aligns with all other FY22 LTI offers for senior executives.

Price for each Right (and the price for each Share that vests)

No payment for the Rights is required by Ms Munnings and the exercise price of the Rights is zero.

Securities issued under the Plan to Ms Munnings, Group Chief Executive Officer and Managing Director:

During the financial year ended 30 June 2021, 204,082 Performance Rights were issued to Ms Munnings on 23 November 2020 under the Plan. Of these, 54,013 rights vested as Shares on 23 March 2021. In the financial year ending 30 June 2020, 162,037 Performance Rights were issued to Ms Munnings on 11 June 2020 under the Plan. Further details of these performance rights are outlined in the Company's Remuneration Report contained in the 2021 Annual Report. No consideration for those Performance Rights was required to be made by Ms Munnings for the issue of the rights and the exercise price of those Performance Rights is zero. No consideration was payable by Ms Munnings on vesting.

Terms of any related loan

There is no loan provided in relation to the acquisition of Rights by Ms Munnings.

Issue date of Rights

The Rights will be granted to Ms Munnings no earlier than the date of this Meeting and no later than three years from the date of the Meeting, on the conditions described in this Explanatory Note.

Change of control

The Board has discretion to allow all or a part of unvested performance rights to vest on a change of control of Virtus (e.g. a takeover, merger, compromise or arrangement). In exercising this discretion, the Board would generally not fully accelerate vesting but, rather, would consider pro-rata assessments for plans on foot.

Other matters

The Corporations Act prescribes that shareholder approval must be obtained before the Company can give a person a "benefit" in connection with the person's retirement from a managerial or executive office. Under the Plan, where a participant ceases to be an employee of Virtus (other than in prescribed circumstances) all unvested performance rights held by that participant will lapse.

In circumstances where the reason for that participant ceasing

employment is because of death, total and permanent disability, retirement or redundancy the Board has discretion as to how unvested performance rights are treated. In the context of exercising this discretion, providing Securities to the person may constitute a termination benefit regulated by Part 2D.2 of the Corporations Act. The value of the benefit received will be

the market price of the shares that are received following the exercise of the vested performance rights.

The Key Management Personnel who are participants in the Plan and received a grant of performance rights during the financial year FY21 are as follows:

Key Management Personnel	No. of performance rights granted during the financial year FY21
Kate Munnings	204,082
Glenn Powers*	69,264
Richard Banks	63,443

*Rights granted to Glenn Powers lapsed on his resignation in May 2021.

Voting Exclusion

The Company will disregard any votes cast in favour of Item 5 by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or any associate of those persons (which includes Ms Munnings). However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, no KMP of the Company or a Closely Related Party of such a member may vote as a proxy on Item 5 unless:

- the person votes as a proxy appointed by writing that specifies how the person is to vote on Item 5; or
- the person is the Chair and votes as a proxy appointed by writing that authorises the Chair to vote on Item 5 even though the resolution is connected directly or indirectly with the remuneration of KMP of the Company.

Details of any securities issued under the scheme will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the scheme after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule.

Directors' Recommendation

The Board (other than Ms Munnings) unanimously recommends that Shareholders vote in favour of this resolution to grant performance rights under the Plan to the Group CEO and Managing Director on the terms set out above.

Glossary

Item 6 – Approval of Non-Executive Director Fee Pool

The ASX Listing Rules (Listing Rule 10.17) and the Company's Constitution provide that the maximum aggregate amount of Non-Executive Director remuneration (**Fee Pool**) must not be increased without the approval of the Company's shareholders at a general meeting.

Item 6 seeks shareholder approval to increase the Fee Pool from \$600,000 to \$850,000 per annum (an increase of \$250,000 per annum). The proposed Fee Pool is inclusive of any statutory entitlements (including superannuation). The Directors are seeking shareholder approval to increase the fee pool for the following reasons:

- (a) The current Fee Pool of \$600,000 per annum was approved by shareholders in 2015 and the Company has not sought to increase the Fee Pool since 2015;
- (b) to allow for future adjustments in Non-Executive Directors' remuneration to align closer to Non-Executive Director remuneration of companies of similar size, profitability, growth and risk profile and to maintain market competitiveness to reflect increasing workload on Non-Executive Directors;
- (c) to provide sufficient scope for Board expansion, succession planning and ongoing flexibility to enable the Board to appoint an additional Non-Executive Director to the Board and to ensure the Company has the ability to remunerate with a view to attracting and retaining high quality Non-Executive Directors with an appropriate range of skills, expertise and diversity; and
- (d) the Directors are satisfied that the proposed Fee Pool will be consistent with companies of comparable revenue size, in broadly comparable industries and that the proposed increase is reasonable and that the proposed maximum Fee Pool of \$850,000 would be consistent with the market.

The proposed increased pool reflects a maximum aggregate limit. The Board does not intend to pay the full amount of the increase in the short to medium term. If the Resolution is not passed, a reduction in NED fees paid would be required in order to appoint an additional director or no additional NED would be appointed. A reduction in NED fees would make the company less competitive in seeking to attract new quality NEDs in future.

If shareholders approve the increased Fee Pool, the following fees will apply to Non-Executive Directors from 1 July 2022:

Role	Fees
Chair	\$220,000 (inclusive of committee fees)
Non-Executive Director	\$102,872
Committee Chair	\$20,000
Committee Member	\$10,000

As required to be disclosed pursuant to Listing Rule 10.17, it is confirmed that no securities were issued to Non-Executive Directors or their associates under either Listing Rule 10.11 or 10.14 with shareholder approval in the last three years.

Voting Exclusion

The Company will disregard any votes cast in favour of Item 6 by or on behalf of any Director of the Company or any associate of any such persons. However, this does not apply to a vote cast in favour of the Resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Directors' Recommendation

As the Directors have an interest in the outcome of Item 6 the Board does not believe it is appropriate to make a recommendation to the Shareholders as to how to vote in relation to Item 6.

\$ means Australian Dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, Australia.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Associate has the meaning given to that term in sections 10 and 11 and sections 13 to 17 of the Corporations Act.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the Listing Rules of the ASX.

Board means the current board of directors of the Company.

Closely Related Party has the meaning as defined in section 9 of the Corporations Act.

Company means Virtus Health Limited (ACN 129 643 492)

Constitution means the Company's Constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the current directors of the Company.

Entitlement Time means 7.00 pm (AEDT) on 16 November 2021.

Explanatory Notes means the Explanatory Notes accompanying the Notice.

Key Management Personnel or **KMP** has the meaning as defined in section 9 of the Corporations Act.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting and the explanatory notes accompanying the Notice and the Proxy Form.

Options means options issued under the Plan.

Plan means Virtus Health Limited Executive Option and Specialist Option Plan.

Proxy Deadline means Tuesday 16 November 2021 at 11.00am (AEDT).

Proxy Form means the proxy form accompanying the Notice.

Related Body Corporate has the meaning set out in section 50 of the Corporations Act.

Remuneration Report means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Performance Rights means performance rights issued under the Plan.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.



Virtus Health Head Office

Level 3, 176 Pacific Highway
Greenwich NSW 2065

T +61 2 9425 1722

F +61 2 9425 1633

ACN 129 643 492

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Virtus Health Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Virtus Health Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (AEDT) on Thursday, 18 November 2021 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/VRT21> (refer to details in the Virtual Meeting Online Guide). To access the **Notice of Annual General Meeting and Online Guide**, please visit Company's website at <https://www.virtushealth.com.au/investor-centre>.

Important for Items 2, 5 and 6: If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Items 2, 5 and 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Items	For	Against	Abstain*		For	Against	Abstain*
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of Non-Executive Director Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of director Ms Cathy Aston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Election of director Dr Priscilla Rogers (PhD)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Grant of Performance Rights to Kate Munnings, Group Chief Executive Officer & Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Items are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (AEDT) on Tuesday, 16 November 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Virtus Health Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions

Virtual Meeting Online Guide

Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **whatismybrowser.com**

Supported browsers are:

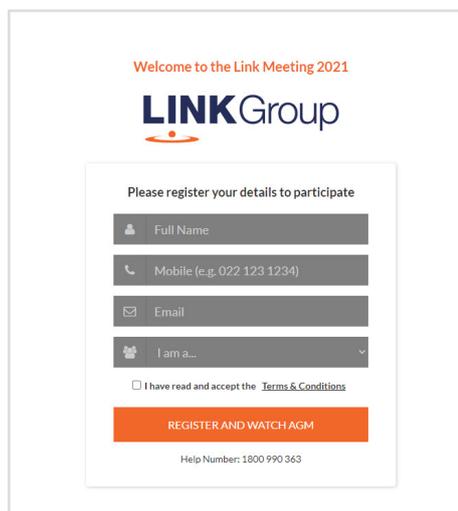
- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up
- Microsoft Edge - 92.0 and after

To attend and vote you must have your securityholder number and postcode.

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

Please make sure you have this information before proceeding.

Virtual Meeting Online Guide



Welcome to the Link Meeting 2021

LINKGroup

Please register your details to participate

Full Name

Mobile (e.g. 022 123 1234)

Email

I am a...

I have read and accept the [Terms & Conditions](#)

REGISTER AND WATCH AGM

Help Number: 1800 990 363

Step 1

Open your web browser and go to <https://agmlive.link/VRT21>

Step 2

Log in to the portal using your full name, mobile number, email address, and participant type.

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

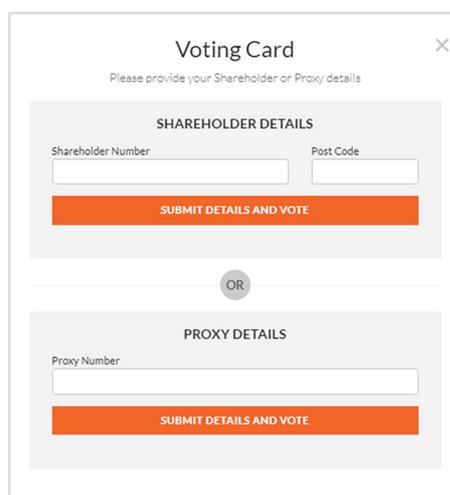
- On the left – a live audio webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

Note: If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.



Voting Card

Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number

Post Code

SUBMIT DETAILS AND VOTE

OR

PROXY DETAILS

Proxy Number

SUBMIT DETAILS AND VOTE

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



The presentation will begin at XX:XX am/pm ZONE



+
Get a Voting Card

?
Ask a Question

Downloads

- Speakers Bio
- Sustainability Report
- Notice of meeting
- Online Guide

ABC COMPANY PTY LTD X123456789

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the Unitholder's voting instructions.

Full Vote Partial Vote

Resolution 2B	<input checked="" type="radio"/> For	<input type="radio"/> Against	<input type="radio"/> Abstain
RE-ELECTION OF MR. ABC AS A DIRECTOR			
Resolution 2C	<input checked="" type="radio"/> For	<input type="radio"/> Against	<input type="radio"/> Abstain
RE-ELECTION OF MS XYZ AS A DIRECTOR			
Resolution 3	<input checked="" type="radio"/> For	<input type="radio"/> Against	<input type="radio"/> Abstain
INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT			
Resolution 4	<input checked="" type="radio"/> For	<input type="radio"/> Against	<input type="radio"/> Abstain
ADOPTION OF REMUNERATION REPORT			
SUBMIT VOTE			

Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

Note: You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

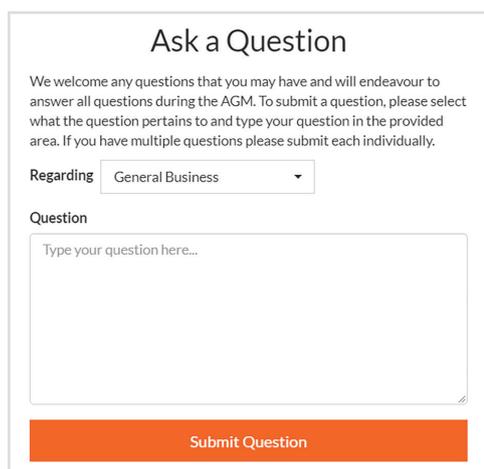
Once voting has been closed all submitted voting cards cannot be changed.

2. How to ask a question

Note: Only securityholders are eligible to ask questions.

If you have yet to obtain a voting card, you will be prompted to enter your securityholder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The 'Ask a Question' box will then pop up with two sections for completion.



The 'Ask a Question' form is titled 'Ask a Question' and includes a welcome message: 'We welcome any questions that you may have and will endeavour to answer all questions during the AGM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.' Below this, there is a 'Regarding' dropdown menu currently set to 'General Business'. Underneath is a 'Question' section with a text input field containing the placeholder 'Type your question here...'. At the bottom of the form is an orange 'Submit Question' button.

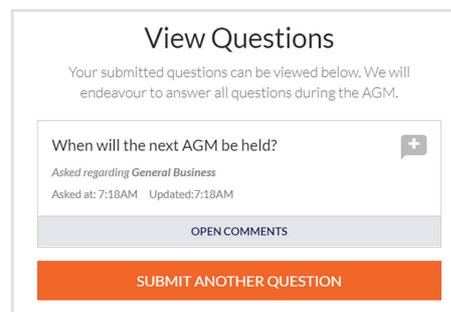
In the 'Regarding' section click on the drop down arrow and select the category/resolution for your question.

Click in the 'Question' section and type your question and click on 'Submit'.

A 'View Questions' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.



The 'View Questions' box is titled 'View Questions' and contains the text: 'Your submitted questions can be viewed below. We will endeavour to answer all questions during the AGM.' Below this, there is a question card for 'When will the next AGM be held?'. The card includes the text 'Asked regarding General Business' and 'Asked at: 7:18AM Updated:7:18AM'. There is a plus icon in the top right corner of the card. Below the card is a grey 'OPEN COMMENTS' button and an orange 'SUBMIT ANOTHER QUESTION' button.

3. Downloads

View relevant documentation in the Downloads section.

4. Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

5. Phone Participation

What you will need

- a) Land line or mobile phone
- b) The name and securityholder number of your holding/s
- c) To obtain your unique PIN, please contact Link Market Services on +61 1800 990 363 by 11:00am (AEDT) on 16 November 2021.

Joining the Meeting via Phone

Step 1

From your land line or mobile device, call: 1800 718 570 and +61 2 9189 2030 (if calling from overseas).

Step 2

You will be greeted with a welcome message and provided with instructions on how to participate in the Meeting. Please listen to the instructions carefully.

At the end of the welcome message you will be asked to provide your PIN by the moderator. This will verify you as a securityholder and allow you to ask a question on the resolutions at the Meeting.

Step 3

Once the moderator has verified your details you will be placed into a waiting room where you will hear music playing.

Note: If your holding cannot be verified by the moderator, you will attend the Meeting as a visitor and will not be able to ask a question.

Step 4

At the commencement of the Meeting, you will be admitted to the Meeting where you will be able to listen to proceedings.

Asking a Question

Step 1

When the Chairman calls for questions on each resolution, you will be asked to **press *1** on your keypad should you wish to raise your hand to ask a question.

Step 2

Please advise if your question relates to an item of business or General Business. The moderator will make a note and ask if you have any additional questions.

Step 3

When it is time to ask your question, the moderator will introduce you to the meeting, your line will be unmuted and you can then start speaking.

Note: If at any time you no longer wish to ask your question, you can lower your hand by **pressing *2** on your key pad. If you have also joined the Meeting Online, we ask that you mute your laptop, desktop, tablet or mobile device while you ask your question.

Step 4

Your line will be muted once your question has been answered.

Contact us

Australia
T +61 1800 990 363
E info@linkmarketservices.com.au