



Tax Transparency Statement, period ended June 2021

This Statement is provided in accordance with the requirements of para 16(2) and 25(1) of Schedule 19, Finance Act 2016.

The CSL Group recognises that operating responsibly and transparently is critical to the long-term sustainability of our business and that our continued success requires strong corporate governance and transparent engagement with our stakeholders, on a range of issues including our tax philosophy and tax profile.

Our approach to managing tax is underpinned by 'Integrity' – one of CSL's long held corporate values.

In relation to tax matters, CSL has a low tax risk appetite. CSL will seek to manage its tax affairs in a manner that maintains the integrity and reputation of CSL at all times. CSL will adopt the following principles in managing its tax affairs:

Compliance:

- Comply at all times with the law and with CSL's understanding of the intent of the tax laws in each jurisdiction in which it operates.
- Tax positions adopted must be cogent, well-grounded, considerable in their persuasiveness, and at least 'Reasonably Arguable'.
- CSL will use the arm's length principles as established by the OECD Transfer Pricing Guidelines when determining the appropriate transfer price for transactions between International related parties.

Risk Management and Governance

- The Board has ultimate responsibility for ensuring there is an effective process in place to manage tax risk. The operational responsibility for this is delegated to the Audit and Risk Management Committee (AMRC).
- The CFO is responsible for monitoring the effectiveness of CSL's tax risk management framework. Risks identified as material are reported to the AMRC and the Board.
- CSL will ensure that the group's tax team is a global team of appropriately qualified professionals.
- External expert advice is obtained where required, either due to uncertain tax positions, or to ensure compliance obligations are met.

Business Structure

- Only implement transactions that are aligned with the business activity, exhibit clear commercial objectives and that do not rely on their tax effect for commercial viability.
- Will not operate aggressive or artificial tax structures.



- Will locate business activities in locations that deliver commercially viable outcomes for CSL. Tax is one of many factors that form part of this consideration, with tax never being the driver for commercial decisions. CSL will manage its tax obligations, including transfer pricing obligations, in a manner that ensures tax is paid according to the value created in the countries it operates in.
- CSL will avail itself of tax concessions and incentives that are available in the jurisdictions it operates

Transparency

- Publish an annual Tax Transparency Report that includes an explanation of CSL's tax principles and tax governance framework and taxes paid in CSL's key jurisdictions. The full Tax Transparency Report can be found on CSL's public Corporate Responsibility website, under Public Policy.

Relationships

- Operate with integrity and transparency to maintain an open, respectful and co-operative relationship with Revenue Authorities.
- Where appropriate, seek rulings from Revenue Authorities to seek to minimise potential future areas of disagreement with Revenue Authorities and provide certainty to CSL.