



**CSL**



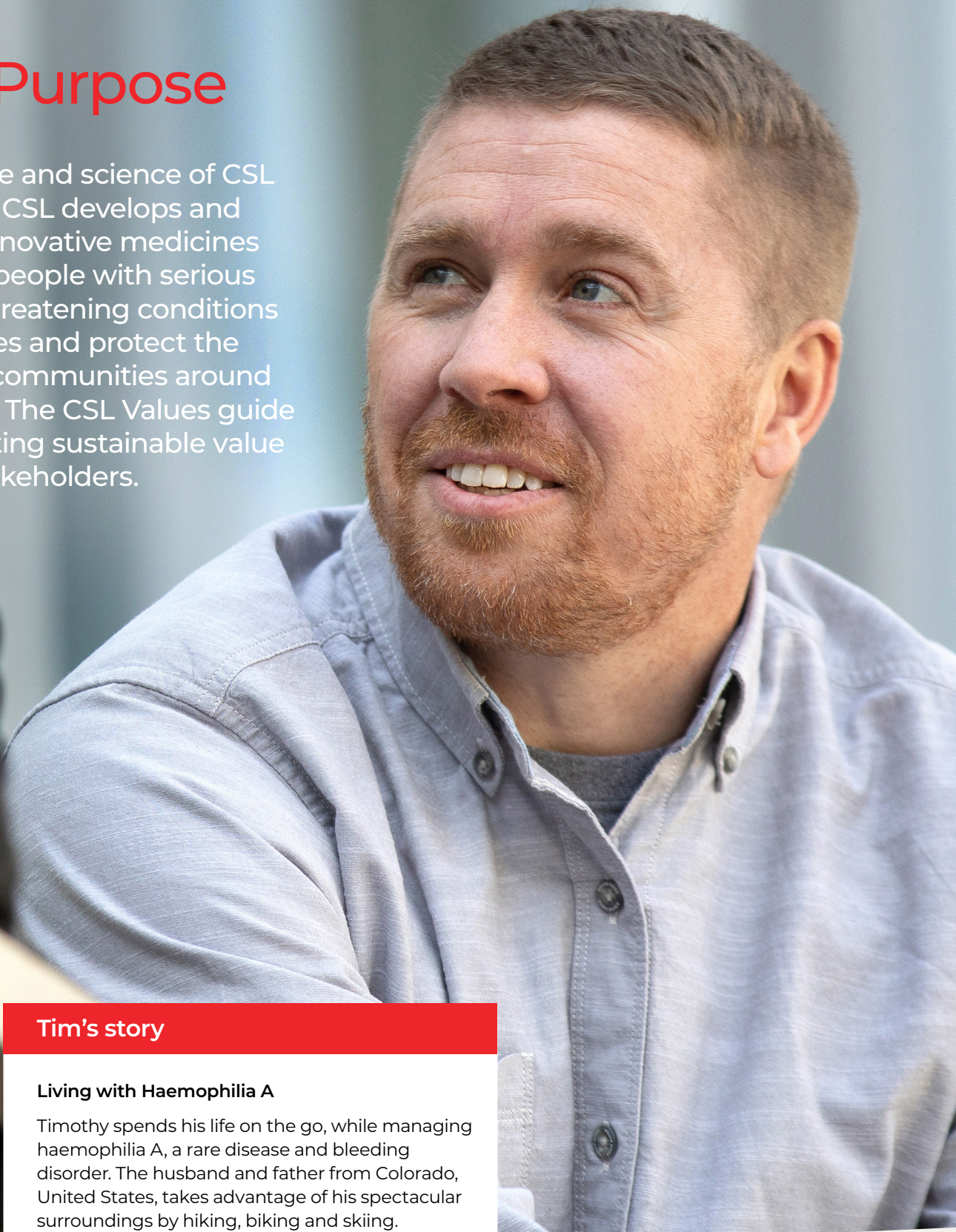
Driven by **Our Promise**





# Our Purpose

The people and science of CSL save lives. CSL develops and delivers innovative medicines that help people with serious and life-threatening conditions live full lives and protect the health of communities around the world. The CSL Values guide us in creating sustainable value for our stakeholders.



## Tim's story

### Living with Haemophilia A

Timothy spends his life on the go, while managing haemophilia A, a rare disease and bleeding disorder. The husband and father from Colorado, United States, takes advantage of his spectacular surroundings by hiking, biking and skiing.

He's no slouch in the water as well, having set several records as an NCAA Division I swimmer.





# Introduction

## 2023 Corporate Governance Statement

The CSL Limited Board of Directors is pleased to present CSL's Corporate Governance Statement for the financial year ended 30 June 2023.

Copies of all governance documents referred to in this statement can be found on [CSL.com](https://www.csl.com).

### 2022/23 Governance Highlights:

- On 9 August 2022, CSL welcomed Vifor Pharma into the CSL Group (CSL Vifor).
- In September 2022, the Board visited CSL's European operations, including manufacturing plants and research and development facilities in Bern, St Gallen and Marburg.
- On 13 December 2022, CSL announced the appointment of Dr Paul McKenzie as Chief Executive Officer and Managing Director, effective from 6 March 2023, upon the retirement of Mr Paul Perreault, and Dr Paul McKenzie joined the Board of Directors as an Executive Director.
- In December 2022, CSL's Audit and Risk Management Committee of the Board approved CSL's first standalone Human Rights Statement.
- The CSL Speak Up Policy, the CSL Anti-Fraud Policy and the Global Conflict-of-Interest Policy were updated in December 2022.
- On 5 March 2023, Mr Perreault stepped down as CEO and MD, and retired from the CSL Board of Directors. Mr Perreault will remain with the company as a strategic adviser until he retires on 6 September 2023.
- In March 2023, CSL completed its new CSL Global Headquarters and Centre for R&D in Melbourne, Australia. Situated in the heart of the Melbourne Biomedical Precinct, this cutting-edge facility stands tall with 18 stories, offering a productive and inspiring environment for over 850 employees.
- In April 2023, the Board held meetings in Melbourne, Australia and visited CSL's Broadmeadows manufacturing plant, Bio21, the Biotech Incubator and new CSL Global Headquarters and Centre for R&D.
- In June 2023, the Jumar Bioincubator was announced. The Jumar Bioincubator is a partnership between CSL, WEHI and The University of Melbourne to offer early-stage biotech companies an opportunity to become a resident of the state of the art facility located at CSL Melbourne.
- In enhancing CSL's approach to risk governance, CSL expanded its senior leader representation at the Enterprise Risk Management Committee to cover all functions and business units at CSL.

The following table indicates where each ASX Corporate Governance Principle is dealt with in this statement.

ASX Corporate Governance Principles and Recommendations	Section reference in this Statement
Principle 1 – Lay solid foundations for management and oversight	1, 2, 3
Principle 2 – Structure the Board to be effective and add value	1, 2
Principle 3 – Instil a culture of acting lawfully, ethically and responsibly	4
Principle 4 – Safeguard the integrity of corporate reports	2, 5
Principle 5 – Make timely and balanced disclosure	6
Principle 6 – Respect the rights of security holders	6
Principle 7 – Recognise and manage risk	2, 5
Principle 8 – Remunerate fairly and responsibly	2, 7

Find out more [CSL.com](https://www.csl.com)

### Relevant governance documents:

- Board Charter
- Corporate Governance and Nomination Committee Charter

## 1.1 Role of the Board

The Board has a formal charter documenting its membership, operating procedures and the allocation of responsibilities between the Board and the management team.

The Board's key responsibilities are to:

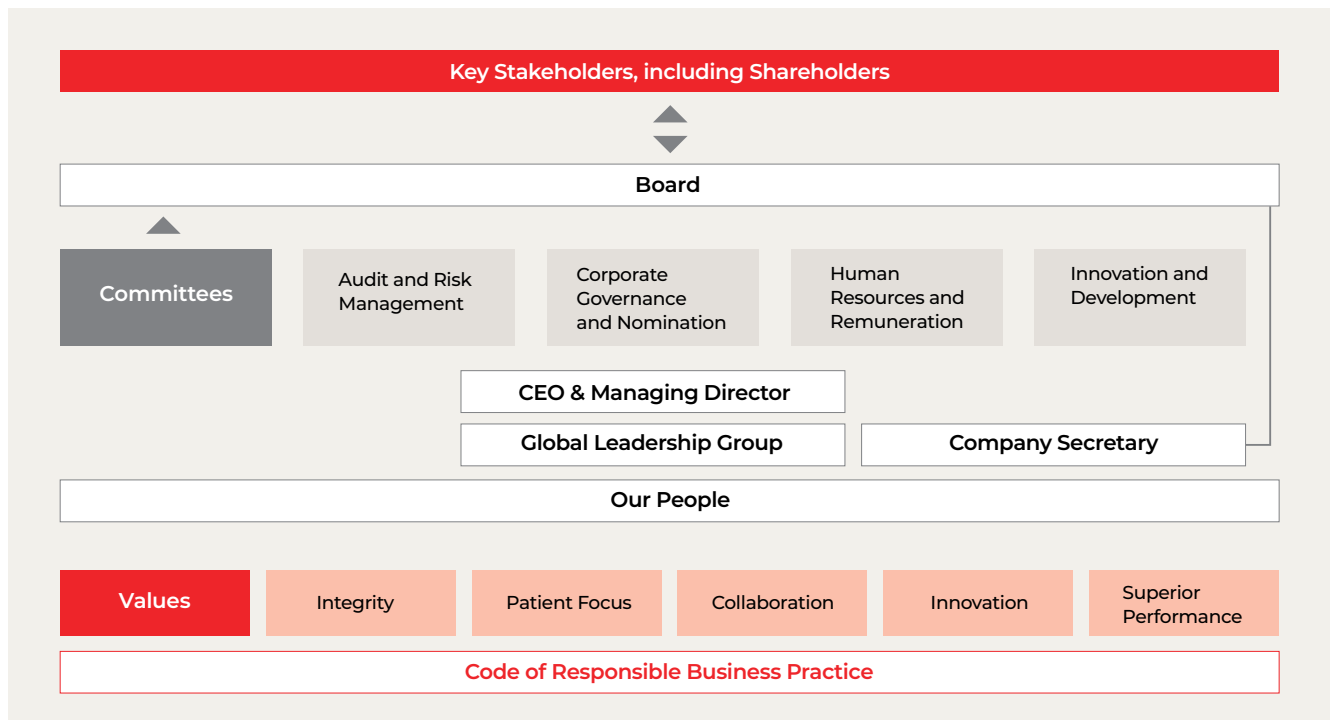
- set CSL's strategic objectives and the risk appetite within which the Board expects the management team to operate;
- model and monitor the values and culture of CSL;
- act to protect and enhance the performance and reputation of CSL and build sustainable value for shareholders;
- select, appoint, remove and evaluate the performance of, determine the remuneration of, and plan succession of, the Managing Director (MD) and Chief Executive Officer (CEO); and
- oversee the management, performance, and corporate governance frameworks of CSL, including ensuring that mechanisms are in place for making timely and balanced disclosure to shareholders and the market regarding CSL's performance and major developments affecting its state of affairs.

## 1.2 Delegation

The Board has delegated the day-to-day management of CSL, and the implementation of approved business plans and strategies, to the MD and CEO, who in turn delegates to the management team. To implement this, CSL has a detailed authorisations policy that sets out the decision-making powers which may be exercised at various levels of management. The matters reserved to the Board are set out in the Board Charter which is available on CSL.com (We Are CSL > Our Leadership).

The Board has delegated specific authority to four Board committees, which assist the Board by examining various issues and making recommendations. A description of each committee and their responsibilities is set out in section 2 of this statement.

The Board may also delegate specific responsibilities to ad hoc committees from time to time.



# 1 Board of Directors

## 1.3 Board processes

CSL has entered into a written agreement with each director and senior executive setting out the terms of their appointment, including their respective roles and responsibilities.

The Company Secretary monitors the Board and committee policies and procedures and assists the Board and its committees on governance matters. The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

All directors have access to the Company Secretary for advice and services relating to their director duties. The Board approves any appointment or removal of the Company Secretary.

Directors are entitled to access independent professional advice at CSL's expense to assist them in fulfilling their responsibilities as appropriate.

Details of Board meetings and committee meetings held during the year and individual directors' attendance at these meetings can be found in the Directors' Report of the 2023 Annual Report available on CSL.com (Investors).

## 1.4 Board Composition

Throughout the year, there were between nine and ten directors on the Board. Details are set out in the following table.

Director	Length of service as a director (as at 30 June 2023)	Independent/Non-independent
Dr Brian McNamee AO	5 years, 5 months	Independent, non-executive director and Chair
Dr Paul McKenzie	7 months	Non-independent, executive director, MD and CEO
Mr Bruce Brook	11 years, 11 months	Independent, non-executive director
Dr Megan Clark AC	7 years, 5 months	Independent, non-executive director
Professor Andrew Cuthbertson AO	4 years, 8 months	Non-independent, non-executive director
Ms Carolyn Hewson AO	3 years, 7 months	Independent, non-executive director
Professor Duncan Maskell	1 year, 11 months	Independent, non-executive director
Ms Marie McDonald	9 years, 11 months	Independent, non-executive director
Ms Alison Watkins AM	1 year, 11 months	Independent, non-executive director
Mr Paul Perreault*	10 years, 1 month	Former non-independent, executive director MD and CEO

\* Retired from the Board on 5 March 2023

## 1.5 Director Independence

The majority of the Board comprises of independent non-executive directors. The Board also has an independent non-executive Chair.

The Board considers a director to be independent where he or she is free of any interest, position or relationship that might influence, or might reasonably be perceived to influence, in a material respect, his or her capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of CSL as a whole rather than in the interests of an individual shareholder or other party.

The Board assesses the independence of new directors on appointment and makes an annual assessment of each non-executive director to determine whether it considers the director to be independent.

As part of this assessment process, the Board has adopted the guidelines for assessing the independence of a director as set out in Box 2.3 of the ASX Corporate Governance Council's Principles and Recommendations (4th edition), including assessing relevant interests or relationships, and considers other relevant factors and information.

The Board Charter sets out guidelines as to the desired length of service of non-executive directors, after which time the Board may invite the director to stand for an additional term. The Board believes that having directors with a range of tenure is beneficial to the functioning and effectiveness of the Board, as it results in having a mix of corporate experience and knowledge as well as new ideas and perspectives

represented on the Board. The Board considers that there is currently an appropriate diversity of tenure represented among the non-executive directors.

The Board has determined that all of its non-executive directors, with the exception of Professor Cuthbertson, are independent and were independent for the duration of the reporting period. Professor Cuthbertson is not presently considered independent because of his former executive role with CSL as Chief Scientific Officer, which he ceased to hold in October 2021.

The Chair of the Board, Dr Brian McNamee AO, is an independent, non-executive director. The responsibilities of the Chair are described in the Board Charter. The roles of the Chair and the CEO are exercised by separate individuals.

## 1.6 Nomination and Appointment of Directors

Before appointing a director (or senior executive), or nominating a director for election, CSL undertakes appropriate background checks, including the person's character, experience, education, criminal record and bankruptcy history.

CSL provides its shareholders with all material information (in its possession) relevant to a decision on whether to elect or re-elect a director (including any material adverse information) in its notice of meeting.

Prior to the expiry of a director's current term of office, the Board reviews that director's performance and determines whether to recommend that director for re-election by shareholders.

# 1 Board of Directors

## 1.7 Induction of New Directors and Ongoing Development

CSL provides an extensive induction program to assist new directors to gain an understanding of:

- CSL's financial, strategic and operational risk management position;
- the culture and values of CSL;
- the rights, duties and responsibilities of the directors;
- the roles and responsibilities of senior executives;
- the role of the Board committees;
- meeting arrangements; and
- director interactions with each other, senior executives and other stakeholders.

In addition to the briefing papers, agendas and related information regularly supplied to directors, the Board has an ongoing professional development and education program designed to give directors further insight into the operation of CSL's business, and to provide opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.

The program includes education on key developments relating to CSL and the industry and environment within which it operates. As part of this program, directors periodically visit CSL's facilities, including major operating sites in the United States, Europe and Australia, and attend meetings and information sessions with CSL's local management and employees.

In September 2022, the Board visited CSL's European operations, including manufacturing plants and research and development facilities in Bern, St Gallen and Marburg.

This was the Board's first visit to CSL Vifor operations at St Gallen.

The Board met with a wide cross section of CSL employees, including meeting top talent at each location. The Board also attended the opening of the new R&D site at Marburg, which will provide space for up to 500 R&D employees, making it one of CSL's largest R&D hubs.

In April 2023, the Board held meetings in Melbourne, Australia and visited CSL's Broadmeadows manufacturing plant, Bio21, the Biotech Incubator and new CSL Global Headquarters and Centre for R&D.











## 1.8 Director Knowledge, Skills and Experience

The Board, through its Corporate Governance and Nomination Committee (CGNC), is focused on maintaining an appropriate mix of skills and diversity in its membership. This includes a range of skills, experience and background in the pharmaceutical industry, international business, finance and accounting and management, as well as diversity. The Board skills matrix as at 30 June 2023 is set out below and describes the capabilities that the Board considers necessary to support CSL's ongoing growth and fulfilling its corporate strategy.

In addition, the Board considers that each of its directors has the following attributes:

- honesty and integrity;
- sufficient time to undertake the role;
- commitment to upholding strong corporate governance; and
- financial literacy.

The Board considers that collectively its directors have the appropriate range of skills and experience necessary to direct CSL's businesses and achieve CSL's strategic objectives.

Skill Category	Skill Description	Number of Directors
 <b>Biopharmaceutical, Biotechnology or Medical</b>	Senior Executive who has deep operational or technical experience with a large global biopharmaceutical, biotechnology or medical organisation (and a deep understanding of patient focus).	4
 <b>Global Experience</b>	Global experience working in a globally diverse organisation including a deep understanding of and experience with global markets, economies and international political issues.	7
 <b>Strategy</b>	Experience in developing and implementing successful strategies in enterprises with long implementation timelines, large R&D programs, and complex supply chains.	6
 <b>Risk, Compliance and EHS</b>	Experience and deep understanding of risk management and compliance frameworks and controls, ability to identify and oversee mitigation strategies for emerging risk and compliance issues in the organisation. Experience related to workplace health, safety and environment issues in a complex manufacturing environment.	5
 <b>Finance</b>	Board audit/risk management membership or senior executive or equivalent experience in financial accounting and reporting, corporate finance and internal financial controls.	4
 <b>Capital Projects – Manufacturing/ Quality</b>	Experience in an industry with projects involving large-scale capital outlays on manufacturing/quality operations with long-term investment horizons and complex regulatory requirements.	6
 <b>Sustainability</b>	Understanding of sustainability and climate related issues within a large patient or stakeholder focussed business enterprise.	4
 <b>Corporate Culture and Remuneration</b>	Board Human Resources committee membership or senior executive or equivalent experience relating to change management, corporate culture and the remuneration issues applicable in a global organisation.	4
 <b>R&amp;D/Product Development</b>	Experience in research and development or product development with a large biopharmaceutical, pharmaceutical or medical organisation.	5
 <b>Digital, Artificial Intelligence and Cyber-Security</b>	Recent experience and understanding of the opportunities and threats posed by digital transformation and disruption, artificial intelligence and cyber-security issues.	0

### Relevant governance documents:

- Board Charter
- Corporate Governance and Nomination Committee Charter
- Audit and Risk Management Committee Charter
- Human Resources and Remuneration Committee Charter
- Innovation and Development Committee Charter
- 2022/23 CSL Limited Annual Report

## 2.1 Board Committees

In 2022/23 CSL had four Board committees:

- Corporate Governance and Nomination Committee;
- Audit and Risk Management Committee;
- Human Resources and Remuneration Committee; and
- Innovation and Development Committee.

Each committee is governed by a formal charter setting out its composition, functions and responsibilities. Each committee's charter is approved by the Board and is available on CSL.com (We Are CSL > Our Leadership).

Details of the number of committee meetings held during the year and individual directors' attendance at these meetings can be found in the Directors' Report of the 2023 Annual Report, available on CSL.com (Investors). Details of the qualifications and experience of committee members can also be found in the 2023 Directors' Report.

A summary of each committee's composition and role is set out in the following table.

Committee	Members	Composition	Role
<p><b>Corporate Governance and Nomination Committee</b></p> <p>The Committee's Charter, including its responsibilities, can be found at:  <a href="https://www.csl.com/-/media/shared/documents/board-docs/corporate-governance-and-nomination-committee-charter.pdf">https://www.csl.com/-/media/shared/documents/board-docs/corporate-governance-and-nomination-committee-charter.pdf</a></p>	<p>Ms Carolyn Hewson (Chair)            Dr Brian McNamee            Mr Bruce Brook            Dr Megan Clark            Professor Andrew Cuthbertson</p>	<ul style="list-style-type: none"> <li>– At least three independent non-executive directors.</li> <li>– An independent Chair.</li> </ul>	<p>The role of the CGNC is to develop and recommend corporate governance principles to the Board and to assist the Board in fulfilling its responsibilities relating to the size and composition of the Board, reviewing Board performance and Board and CEO succession planning.</p>
<p><b>Audit and Risk Management Committee</b></p> <p>The Committee's Charter, including its responsibilities, can be found at:  <a href="https://www.csl.com/-/media/shared/documents/board-docs/armc-charter.pdf">https://www.csl.com/-/media/shared/documents/board-docs/armc-charter.pdf</a></p>	<p>Mr Bruce Brook (Chair)            Ms Marie McDonald            Ms Carolyn Hewson            Ms Alison Watkins</p>	<ul style="list-style-type: none"> <li>– At least three, and not more than five, non-executive directors, all of whom must be independent (as determined by the Board).</li> <li>– At least one member should have financial expertise.</li> <li>– An independent Chair who is not Chair of the Board.</li> </ul>	<p>The role of the ARMC is to assist and advise the Board in discharging its responsibilities in relation to the following:</p> <ul style="list-style-type: none"> <li>(a) oversight of the integrity and quality of interim and annual financial reporting and disclosures;</li> <li>(b) identification and management of key risks, including financial risks and regulatory risks;</li> <li>(c) oversight of compliance with relevant laws, regulations, standards, and codes;</li> <li>(d) oversight of the adequacy of the internal control framework; and</li> <li>(e) oversight of CSL's global quality, health, safety and environmental performance.</li> </ul>

Committee	Members	Composition	Role
<p><b>Human Resources and Remuneration Committee</b></p> <p>The Committee's Charter, including its responsibilities, can be found at:  <a href="https://www.csl.com/-/media/shared/documents/board-docs/hrrc-charter.pdf">https://www.csl.com/-/media/shared/documents/board-docs/hrrc-charter.pdf</a></p>	<p>Dr Megan Clark (Chair)</p> <p>Ms Marie McDonald</p> <p>Ms Carolyn Hewson</p> <p>Ms Alison Watkins</p>	<ul style="list-style-type: none"> <li>– At least three non-executive directors.</li> <li>– A majority of members will be independent (as determined by the Board).</li> <li>– Chaired by an independent director.</li> </ul>	<p>The role of the HRRC is to assist the Board in fulfilling its oversight responsibilities to shareholders in respect of the CSL Group's remuneration policies and practices, executive management succession planning and diversity initiatives.</p>
<p><b>Innovation and Development Committee</b></p> <p>The Committee's Charter, including its responsibilities, can be found at:  <a href="https://www.csl.com/-/media/shared/documents/board-docs/idc-charter.pdf">https://www.csl.com/-/media/shared/documents/board-docs/idc-charter.pdf</a></p>	<p>Professor Andrew Cuthbertson (Chair)</p> <p>Dr Brian McNamee</p> <p>Dr Megan Clark</p> <p>Professor Duncan Maskell</p>	<ul style="list-style-type: none"> <li>– At least three members, being at least two independent non-executive directors and the MD &amp; CEO.</li> <li>– Chaired by a member of the Innovation and Development Committee.</li> </ul>	<p>The role of the IDC is to assist and advise the Board in discharging its responsibilities in relation to its oversight of the Company's strategy related to research, product development programs and technical capabilities, which includes potential acquisitions, partnerships or joint ventures.</p> <p>The IDC also has oversight of R&amp;D project risk and patient safety risk.</p>

## 2.2 Remuneration of Directors and Senior Executives

CSL is committed to ensuring that it has competitive remuneration and human resources policies and practices that offer appropriate and fair rewards to directors and employees in the countries in which they are employed, while at the same time aligning the interests of the management team with that of CSL's shareholders.

Details regarding the activities of the Human Resources and Remuneration Committee during the reporting period, along with a summary of its responsibilities, and CSL's remuneration policies and practices are set out in the Remuneration Report in CSL's 2023 Annual Report, available on CSL.com (Investors).

The Remuneration Report separately discloses details of the policies and practices regarding the remuneration of directors (executive and non-executive) and other key management personnel of the CSL Group. The Remuneration Report also includes details of CSL's short- and long-term incentive plans.

## 2.3 Performance Evaluation

The Corporate Governance and Nomination Committee oversees the annual process for reviewing the performance of the Board, individual directors and the Board committees.

The effectiveness of the Board, individual directors and its committees is assessed against the roles and responsibilities set out in the Board Charter and each committee charter.

Matters considered in the evaluation include:

- the conduct of Board and committee meetings, including the effectiveness of discussion and debate at those meetings;

- the effectiveness of the Board and committees' processes and relationship with the management team, including the timeliness and quality of meeting agendas, Board and committee papers and secretariat support; and
- the composition of the Board and each committee, focusing on the skills, experience, expertise and diversity of the directors necessary to enable it to oversee the delivery of CSL's objectives and strategy and applicable committee responsibilities.

During the 2022/23 financial year, the Board undertook an external review of its performance and that of its committees as well as individual directors. The findings of the review will be confirmed and implemented by the Board and changes made as appropriate.

The Human Resources and Remuneration Committee, working with the Chair of the Board, is responsible for overseeing the process for assessing the performance of the Managing Director, who in turn evaluates the performance of all other senior executives and makes recommendations in respect of their remuneration. These evaluations are based on specific criteria, including CSL's business performance and the achievement of long-term strategic objectives and individual performance objectives.

These performance evaluations took place in accordance with the processes described above during the 2022/23 financial year. Further information about the performance of key management personnel is set out in the Remuneration Report in the 2023 Annual Report, available on CSL.com (Investors).



# 3 Diversity

## Relevant governance documents:

- Diversity and Inclusion Policy
- Code of Responsible Business Practice

### 3.1 Diversity, Equity and Inclusion at CSL

At CSL, we rely on our people's unique perspectives, backgrounds and experiences to deliver on our promise to save lives and protect public health. The more than 32,000 CSL employees around the world strengthen our company and inspire our innovation.

We consider diversity in the broadest of terms, including gender, nationality, ethnicity, disability, sexual orientation, gender identity, age, socioeconomic status, marital/family status, religious belief, language, cultural experience, professional and educational background and any other criteria protected by applicable law or company policy.

Fostering a diverse and inclusive culture helps us:

- better understand and connect with our donors and patients;
- build strong relationships with a variety of stakeholders, including our employees, suppliers, customers, shareholders, governments and the communities where we live and work;
- attract, retain, develop and engage top talent to drive sustainable growth; and
- improve the quality of the decisions we make.

CSL's global Diversity and Inclusion Policy is integral to our overall People and Culture Strategy and guides our investments as we continue to enhance the employee experience and meet the evolving needs of our organisation. Our Diversity and Inclusion Policy is available on CSL.com (We Are CSL > Corporate Governance > Core Policies).

In accordance with the requirements of Australia's *Workplace Gender Equality Act 2012* (Cth), CSL lodged its annual public report with the Workplace Gender Equality Agency. A link to this report can be found on CSL.com (Sustainability > Sustainable Workforce > Diversity, Equity and Inclusion).

### 3.2 CSL's Diversity Profile

We continue to focus on achieving our long-term diversity, equity and inclusion (DE&I) goals and centre our efforts around promoting a diverse workforce, strengthening our inclusive culture and building our reputation as an equitable and inclusive company for employees, suppliers and those we serve.

Our workforce overview follows and highlights progress toward our 2030 representation goals and insights into the diversity of our global workforce in the areas of gender, generations at work, ethnicity in the United States and disability in the United States and Germany. Our workforce data for the 2022/23 financial year includes CSL Vifor demographics given that business unit joined the CSL family in August 2022.

#### CSL's Generational Profile

Our multigenerational workforce includes employees of ages ranging from Gen Z to Baby Boomers. Millennials continue to make up over half of CSL's total workforce and are the largest and fastest-growing segment in the global workforce overall.

#### Senior Executives\*



- Gen X (1962-1979) **80%**
- Gen Y (1980-2000) **10%**
- Baby Boomers (1946-1961) **10%**

#### People Managers\*



- Gen X (1962-1979) **52%**
- Gen Y (1980-2000) **43%**
- Baby Boomers (1946-1961) **5%**

#### All Employees\*



- Gen Y (1980-2000) **54%**
- Gen X (1962-1979) **35%**
- Gen Z (2001+) **6%**
- Baby Boomers (1946-1961) **5%**

\* Limited assurance by Ernst & Young. Data as at 30 June 2023 and includes all employees globally where birthday is recorded (99.5% of population).

# 3 Diversity

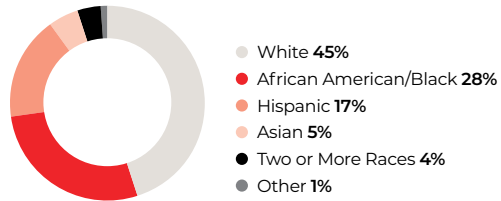
## Ethnic & Disabled Workforce Composition

CSL is assessing the global legal landscape to capture expanded demographic information related to multiple diversity dimensions. This information will inform our strategies to further build a diverse and inclusive workplace with equitable work processes.

Currently, our global diversity data meets reporting requirements in various geographies and represents gender globally, race/ethnicity in the United States and disability status in Germany and the United States. With that, our combined global diversity is at 69%.

## CSL's Ethnic Profile (United States)

Currently, our ethnically diverse talent represents 55% of our workforce in the United States. Ethnicity of our United States employee population is shown below.



## CSL's Disability Profile (Germany and United States)

We continue to focus on disability inclusion worldwide, and while we look to expand our disability metrics in various geographies soon, we currently measure our progress in the United States and Germany. Representation of people with disabilities is at 6% in Germany and at 8% in the United States.





# 3 Diversity

## CSL's Gender Profile

CSL also has a strong commitment to advancing women in the workplace. Women represent 59% of our global workforce. The Board of Directors and Executive Team monitor the percentage of women in the workforce with a particular focus on Senior Executive and People Manager positions.

Our Board, Senior Executive and People Manager gender representation progress through the 2022/23 financial year, compared to our long-term goal, is as follows:

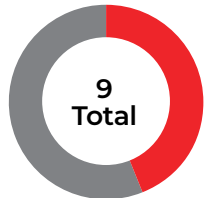
- We have met the gender representation goal set by the ASX Corporate Governance Council, of at least 30% of each gender on the Board, with female representation at 44%.

- The representation of women in People Manager positions (meaning managers with three or more direct reports) is at 45%.
- At 32%, we are trending to meet our Senior Executive target of 40% women by the 2029/30 financial year.

In line with the ASX Principles and Recommendations (4th edition), the following charts highlight the proportion of women and men on the Board, in Senior Executive positions (meaning Senior Directors and above), in People Manager roles (which do not include Senior Executives) and across the entire organisation as of 30 June 2023, as well as the current gender targets set by the Board.

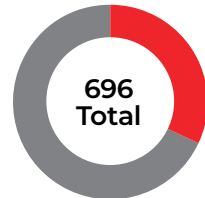
## Gender Composition

**Board of Directors\***  
ASX Guidance:  
30% representation  
by either gender



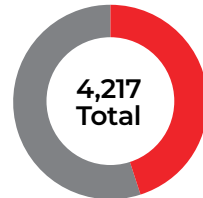
● Women 44%  
● Men 56%

**Senior Executive\***  
Goal: 40% women  
by FY30



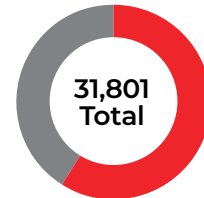
● Women 32%  
● Men 68%

**People Manager\***  
Goal: 50% women  
by FY25



● Women 45%  
● Men 55%

**All Employees\***



● Women 59%  
● Men 41%

\* Limited assurance by Ernst & Young. Includes all employees globally (including CSL Vifor data); % calculations exclude 264 employees with unspecified gender. These 264 employees are excluded from the total counts.



# 3 Diversity

## 3.3 Report on Measurable Objectives for the 2022/23 financial year

The Board sets measurable objectives for advancing DE&I and evaluates progress against them on an annual basis.

Multiyear Measurable Objectives	Highlights of Progress: 2022/23 financial year	Highlights of Focus Areas: 2023/24 financial year
<p><b>Build a more diverse workforce</b> to bring a wide variety of viewpoints and ideas to the work that we do every day, including diversity representation goals to:</p> <ul style="list-style-type: none"> <li>• achieve gender diversity in the composition of our Board by having 30% or better of each gender represented;</li> <li>• make progress towards achieving goal of 50% women in CSL's overall People Manager population by 2024/25 financial year;</li> <li>• demonstrate a 5% increase of ethnic or disabled diverse talent in People Manager roles in the United States by 2024/25 financial year;</li> <li>• achieve goal of 40% women among our Senior Executives by 2029/30 financial year.</li> </ul> <p><b>Foster an inclusive culture</b> in which all employees are respected, valued and inspired to do their best work.</p> <p><b>Enhance our external reputation</b> by partnering with organisations and suppliers who share our commitment to DE&amp;I.</p>	<ul style="list-style-type: none"> <li>• Launched and activated a Global DE&amp;I Network, comprised of three regional networks (APAC, Americas and EMEA) that are championing CSL's DE&amp;I agenda and collaborating within regions to lead DE&amp;I observances.</li> <li>• Developed guides for Global DE&amp;I Network and tools to support Inclusive Leadership and Inclusive Workforce Development programs.</li> <li>• Provided global training and encouraged dialogue on DE&amp;I topics, conducted global webinars on Neurodiversity, Psychological Safety, Celebrating Pride, Unconscious Bias and Conscious Inclusion, and increased awareness on the use of the Culture Wizard online tool, available to all employees, that provides better understanding of multicultural perspectives.</li> <li>• Conducted annual global gender pay equity analysis as part of our equal pay for equal work process and found no systemic pay issues in our pay practices.</li> <li>• Promoted dialogue and increased awareness of various identity groups through celebratory and educational events throughout the year, including panel discussion in Australia with Ross Wetherbee, President of Wear it Purple Inc.; NAIDOC week-long celebration with educational sessions on understanding First Nations' history and culture; and global panel discussions with women leaders on International Women's Day led by Global DE&amp;I network.</li> <li>• Increased representation of racial diversity in leadership development programs, hiring and promotions.</li> <li>• Defined and launched a holistic career management framework that provides an inclusive career planning process, owned by employees and supported by the organisation, to drive equal opportunity for career progression, and established career profiles to raise awareness among senior leaders of potential successors to whom they may not have otherwise been exposed.</li> <li>• Implemented a supplier diversity strategy including measuring diverse supplier spend to promote an inclusive approach to procurement and create opportunities to expand our business relationships with appropriate diverse suppliers, including businesses that are minority-owned, for example, veterans with disabilities, women, racially diverse.</li> <li>• Received conditional endorsement from Reconciliation Australia of CSL's first Reflect Reconciliation Action Plan (RAP) in Australia; CSL expects to launch our Reflect RAP in September 2023.</li> <li>• Continued to promote CSL's Promising FUTURES Scholarship Program in the United States and Australia.</li> <li>• Repositioned some of our diversity and community partnerships to align with our long-term strategy and increase awareness of CSL's commitment to DE&amp;I and community engagement.</li> </ul>	<ul style="list-style-type: none"> <li>• Broadening our collection of information pertaining to employee demographics, such as, disability, race and ethnicity, in countries where CSL operates and this data collection is allowed by law.</li> <li>• Continuing to build a diverse talent pipeline and increase diversity in succession pools.</li> <li>• Establishing disability inclusion partnerships and programs.</li> <li>• Communicating our DE&amp;I strategy and road map more broadly within the organisation for achieving our D&amp;EI vision and long-term goals of building a diverse workforce, fostering an inclusive culture and making a positive impact on the community.</li> <li>• Developing and implementing a DE&amp;I learning series that focuses on Inclusive Leadership at various levels of the organisation and how to foster an inclusive culture.</li> </ul>



### Relevant governance documents:

- Code of Responsible Business Practice
- Third Party Code of Conduct
- Anti-Bribery and Anti-Corruption Policy
- Anti-Fraud Policy
- 2022 Modern Slavery Statement
- 2022/23 CSL Limited Annual Report
- Speak Up Policy
- 2022 Human Rights Statement

CSL's Group Values, the Code of Responsible Business Practice and related policies shape CSL's approach to Corporate Responsibility.

#### 4.1 Group Values

Our Values are common to each of the business units that form the CSL Group (Group Values). The Group Values serve as the foundation for everyday decision-making.

A detailed description of the Group Values is available on CSL.com (We are CSL) and in the Code of Responsible Business Practice.

#### 4.2 Code of Responsible Business Practice

CSL's Code of Responsible Business Practice (the Code) outlines our commitment to responsible business practices and ethical standards. The Code sets out the rights and obligations of our people when they are conducting CSL's business and applies to directors, senior executives and employees.

The Board is informed of any material breaches of the Code.

All employees are required to undertake regular training on the Code and CSL's ethics-based decision making tool.

CSL's Third Party Code of Conduct (Third Party Code) sets out expectations for the conduct of CSL business by third parties, including suppliers, and is available in multiple languages for suppliers and workers. The Third Party Code complements CSL's Code, adopting the Pharmaceutical Supply Chain Initiatives Principles for Responsible Supply Chain Management (including international labour standards drawn from international human rights conventions).

The Code and Third Party Code can be found on CSL.com (We Are CSL > Corporate Governance > Code of Responsible Business Practice). CSL's ethics-based decision-making tool weaves together CSL's Purpose, Values and decision-making Principles to establish a clear point of reference when making decisions across the organisation. The development of the tool was informed by the expertise of The Ethics Centre, employees and the management team.

#### 4.3 Human Rights

In December 2022, CSL's Audit and Risk Management Committee of the Board approved CSL's first standalone Human Rights Statement. The Statement builds on the rights of key stakeholders detailed in CSL's Code of Responsible Business Practice and sets out our approach for human rights due diligence. The Statement can be found on CSL.com (Sustainability > Data and Reporting Centre > Policies).

Each year, CSL's Board of Directors reviews and approves CSL's Modern Slavery Statement as required by the Australian *Modern Slavery Act 2018* (Cth). The Statement details the steps the CSL Group undertakes to identify, assess and address modern slavery risks.

In December 2022, CSL's Statement was approved by the Board and can be found at CSL.com (Sustainability > Data and Reporting Centre > Policies).

#### 4.4 Speak Up Policy

In accordance with the Code, CSL is committed to ensuring that employees, contractors, suppliers and business partners are able to raise concerns regarding any potential misconduct and to have such concerns appropriately investigated. This commitment is implemented through CSL's Speak Up Policy. The Speak Up Policy contains mechanisms, including a global 24/7 telephone and internet hotline service, for employees, contractors, suppliers and business partners to raise concerns in a confidential and anonymous (where permissible by law) manner without being subject to any form of detriment or retaliation.

In December 2022, CSL updated the Speak Up Policy to introduce new categories of reportable concerns such as tax evasion/money laundering and human rights violations in response to recent external regulatory developments such as the German Supply Chain Due Diligence Act, which requires companies to provide to third parties mechanisms to raise concerns on human rights violations. In addition to this, the Speak Up policy update covered further detail on the definition of a reportable concern versus a routine HR grievance and information that a reporter may provide in the context of anonymous versus confidential reporting.

The Audit and Risk Management Committee (ARMC), has oversight of matters reported under the Speak Up Policy and the ARMC receives periodic updates, including any material incidents, reported under the Policy as well as other information related to the effectiveness of the Speak Up Policy across the Group. Individual reports may be escalated to the Board at any time as appropriate.

The Speak Up Policy is available on CSL.com (We Are CSL > Corporate Governance > Core Policies).

## 4 Corporate Responsibility

### 4.5 Anti-Bribery and Anti-Corruption

CSL has no tolerance for acts of bribery and corruption by any of our employees, officers or third-party representatives.

CSL has a Group Anti-Bribery and Anti-Corruption Policy (ABAC Policy). The ABAC Policy builds on CSL's position in the Code and supports the considerable amount of work being undertaken in many areas of CSL's operations so that CSL's people are acting ethically and with integrity (one of CSL's core Values) at all times, as well as protecting CSL's reputation.

CSL has training programs for employees across the CSL Group to raise awareness of CSL's 'zero tolerance' of bribery and corruption at any level within CSL's global operations.

CSL carries out an annual Anti-Bribery and Anti-Corruption Risk Assessment (ABAC Risk Assessment) with a cross section of employees in the commercial and manufacturing operations across the CSL Group with the goal of complying with the ABAC policy and global anti-bribery and anti-corruption laws including, for example, the Australian Criminal Code Act, the United States Foreign Corrupt Practices Act and the UK AntiBribery Act. The ABAC Risk Assessment keeps the business proactively aware of external enforcement initiatives related to CSL's business locations and the third parties CSL chooses to partner with, for example, distributors, agents, etc.

The results of the ABAC Risk Assessment support CSL in a number of ways including the compliance procedures which are completed as part of the financial half and full year end processes.

The Board, through the ARMC, is informed of material breaches under the ABAC Policy. The ABAC Policy is available on CSL.com (We Are CSL > Corporate Governance > Core Policies).





### Relevant governance documents:

- Audit and Risk Management Committee Charter
- Code of Responsible Business Practice

## 5.1 Role of the Audit and Risk Management Committee

The ARMC assists the Board in overseeing and reviewing annually the integrity of financial reporting, the effectiveness of the risk management framework, compliance systems and internal control framework, and the external and internal audit functions. In addition to this, the ARMC has oversight of CSL's global quality, health, safety and environmental performance. During the 2022/23 financial year, the ARMC has, in conjunction with the management team, reviewed CSL's risk management framework to satisfy itself that it continues to be sound and that CSL is operating with due regard to the risk appetite set by the Board.

Senior executives and internal and external auditors attend committee meetings on invitation by the ARMC. The ARMC holds regular meetings with both the internal and external auditors and the Chief Risk Officer without the management team or executive directors present. Any director who is not a member of the ARMC may attend any meeting of the committee in an ex-officio capacity.

There is an annual joint meeting with the ARMC and the Human Resources and Remuneration Committee to align risk management outcomes with remuneration outcomes.

## 5.2 Enterprise Risk Management Framework

CSL has adopted, and follows, a detailed and structured Enterprise Risk Management Framework (ERMF) to identify, evaluate, monitor and manage risks in the CSL Group.

The ERMF sets out the risk management processes, internal compliance and monitoring requirements, governance structures and processes including roles and responsibilities for different levels of management, the matrix of risk impact and likelihood for assessed risks, the three lines of accountability for managing risk, the risk appetite statements, measures and thresholds and risk management reporting requirements.

The ERMF has been established to provide reasonable assurance that:

- any material exposure to risk can be identified and adequately monitored and managed; and
- significant strategic, emerging, financial, and operating risk-related information is accurate, relevant, timely and reliable.

CSL has implemented internal 'Risk Appetite Statements' and associated Risk Appetite Statement measures and thresholds which are applied throughout the CSL Group. CSL's risk appetite is integral to the Company's overall enterprise risk management processes and sets out the types and extent of risk that CSL is willing to accept in pursuit of its global strategic objectives, while adhering to CSL's Group Values and reinforcing its commitment to corporate responsibility.

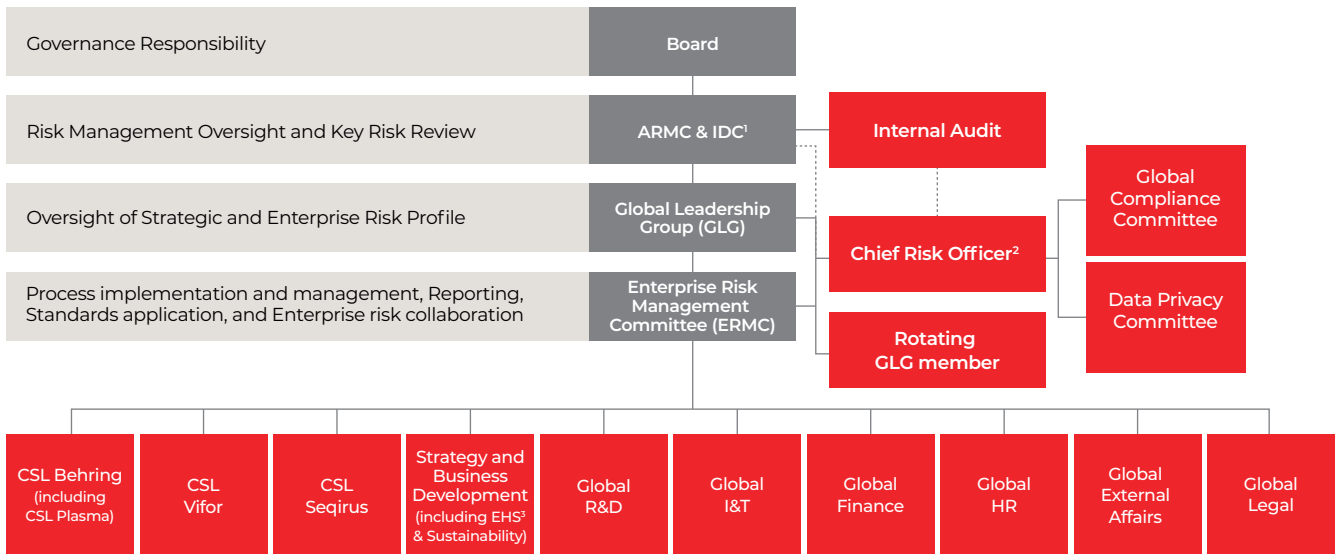
In support of CSL's business operating model, the enterprise-wide risks are reported by global function and business unit. These risks are reported to, and discussed at, the Enterprise Risk Management Committee (ERMC), which comprises of senior leaders across the organisation who hold an assignment as the senior risk leaders, and are responsible for overseeing and managing the risk management process for their respective global function or business unit. The ERMC is responsible for ensuring enterprise-wide and emerging risks are appropriately considered, with the structure of the committee illustrated in the diagram overleaf. The ERMC also facilitates connectivity across CSL in assessing and managing group-wide risks. The outcomes and reporting from this committee is then escalated to and reviewed by the senior executives which comprise the Global Leadership Group (GLG) at CSL in accordance with the governance framework, where strategic risks are also discussed. Ultimate risk management oversight is with the Board through the ARMC.

The oversight of R&D project risk and patient safety risk is the responsibility of the Board and the Innovation and Development Committee. The Innovation and Development Committee receives a number of management reports from the R&D operations concerning these risks.

# 5

## Risk Management and Financial Reporting

### CSL's Enterprise Risk Management Framework Governance



1 Only as it pertains to R&D Project Risks and Patient Safety Risks.  
 2 Chair of the ARMC.  
 3 EHS (Environment Health & Safety).

### 5.3 External Auditor

One of the chief functions of the ARMC is to review and monitor the performance and independence of the external auditor.

CSL's external auditor for the 2022/23 financial year was Ernst & Young, who was appointed by shareholders at the 2002 AGM.

The ARMC has established a policy in relation to the engagement of the external auditor for non-audit services to review the independence of the external auditor. The ARMC has considered the nature of the non-audit services provided by the external auditor during the 2022/23 financial year and is satisfied that the services provided, and the amount paid for those services, did not compromise the independence of the external auditor. Details of fees paid (or payable) to Ernst & Young for non-audit services provided to the CSL Group in the year ended 30 June 2023 are set out in the Directors' Report of the 2023 Annual Report, available on CSL.com (Investors).

Ernst & Young has provided an independence declaration to the Board for the reporting period. The declaration forms part of the 2023 Directors' Report. The ARMC undertakes a formal review of the appropriateness of continuing with the incumbent audit firm prior to approving the appointment of a new signing partner by rotation.

The external auditor attends each Annual General Meeting and is available to answer questions from shareholders relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by CSL in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In line with an observed trend in many jurisdictions towards a tenure limit for audit firms, CSL undertook a competitive external audit tender process during the 2022/23 financial year. Subject to receiving shareholder approval in the 2023 AGM, Deloitte Touche Tohmatsu became CSL's external auditor on 1 July 2023.

### 5.4 Internal Auditor

Another important function of the ARMC is to review and monitor the performance of CSL's internal audit activities. CSL's internal auditor for the 2022/23 financial year was PricewaterhouseCoopers. Prior to CSL Vifor's integration into the CSL Group, its internal audit function was conducted by internal personnel until March 2023, at which point PricewaterhouseCoopers assumed this role.

The role of CSL's internal audit function is to provide independent and objective assurance to the ARMC and management team regarding the effectiveness of CSL's risk management processes (including the state of any material risks) and internal compliance and control systems, which are made up of various CSL policies, processes, practices and procedures.

An internal audit plan is prepared by the internal auditor and reviewed and approved by the ARMC on an annual basis (for the upcoming financial year). The internal audit plan seeks to cover, on a rolling basis, all significant activities of CSL, including its controlled entities and their operations.

In addition, CSL's internal auditor may be requested to perform investigative reviews on suspected fraudulent activities or reports made under the Speak Up Policy or other management requested reviews as required.

### 5.5 Integrity in Financial Reporting and Regulatory Compliance

The Board is committed to the integrity and quality of its financial reporting, risk management and compliance and control systems.

Prior to giving their directors' declaration in respect of the annual and half-year financial statements, the Board requires the Chief Executive Officer and the Chief Financial Officer to each sign a written declaration to the Board, to the effect that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that their opinion has been formed on the basis of a sound system of risk management and internal control, which is operating effectively.

This written declaration was received by the Board prior to its approval of the full-year and half-year financial statements for the financial year ended 30 June 2023.

### 5.6 Verification of Unaudited Reports

CSL has a corporate reporting process in place to review the accuracy of information (which includes whether the information is balanced) so that investors can make informed investment decisions.

This includes processes to verify the integrity of any periodic corporate report that CSL releases to the market that is not audited or reviewed by the external auditor. The verification process varies depending on the particular release but generally involves:

- confirmation by individuals responsible for the information that, to the best of their knowledge and belief, the information is accurate and not misleading;
- providing source material or supporting information for particular disclosures;
- review of the report or document by the relevant internal subject matter expert(s), and in some case external advisers; and
- approval by the individual responsible for the corporate report and confirmation that it is appropriate for release.

### 5.7 Sustainability Risks

In the course of CSL's business operations, CSL is exposed to a variety of risks that are inherent in the global biotechnology industry, and in particular the plasma therapies, vaccine, pharmaceutical, iron deficiency and nephrology industries.

Key business/industry risks and financial risks, including any applicable environmental and social sustainability risks and CSL's material exposure and actions to manage these risks are set out in sections 4, 8 and 9 of the 2023 Annual Report available on CSL.com (Investors).

CSL has a practice of periodically engaging external experts to apply climate science analytics against CSL's climate change risk assessments. The last external expert assessment was undertaken during the 2021/22 financial year and the physical risks identified during that risk assessment have now been integrated into the existing enterprise risk management processes in accordance with the Enterprise Risk Management Framework. Further detail on the approach and outcomes can be found in section 8 of CSL's 2023 Annual Report and on CSL.com (Sustainability > Environment > Climate Resilience).

In addition, further detail regarding CSL's ongoing efforts to operate ethically and responsibly with respect to sustainability are also set out in section 9 of the 2023 Annual Report and on CSL.com (Sustainability).



### Relevant governance documents:

- Code of Responsible Business Practice
- Continuous Disclosure Policy

#### 6.1 Communication and External Disclosure

CSL has a Continuous Disclosure Policy. This policy operates in conjunction with CSL's internal protocols. Together, this policy and protocols are designed to facilitate CSL's compliance with its disclosure obligations under the ASX Listing Rules and the Corporations Act.

The Board receives copies of all material announcements promptly after they have been released and notification has been received that they have been published on the ASX platform.

The Continuous Disclosure Policy is available on CSL.com (We Are CSL > Corporate Governance > Core Policies).

#### 6.2 Shareholder Communication

In addition to its formal disclosure obligations under the ASX Listing Rules and the Corporations Act, CSL uses several additional means of communicating with shareholders and investors. These include:

- the half-year and annual report and shareholder review;
- posting media releases, public announcements, notices of general meetings and voting results, and other investor-related information on CSL.com (Investors); and
- Annual General Meetings (AGM), including webcasting which facilitates shareholders worldwide to view proceedings.

CSL has a dedicated governance page on CSL.com, which supplements the communication to shareholders in the annual report and this Corporate Governance Statement regarding CSL's corporate governance policies and practices. CSL also provides other information on its website, including a financial calendar for the 2022/23 financial year, ASX and media announcements, dividend information, presentations and other information for investors.

CSL seeks to facilitate effective two-way communication with investors and encourages participation at shareholder meetings by allowing shareholders to receive communications from, and send communications to, CSL and its share registry (Computershare) electronically, and inviting shareholders to provide CSL with their questions ahead of the AGM. This helps CSL understand shareholder issues and concerns and enables CSL to address key shareholder feedback. At the AGM, it is CSL's practice to put all substantive resolutions to a vote by poll.

So that shareholders and other stakeholders have a full understanding of CSL's performance and strategies, CSL convenes a number of analyst briefings and investor presentations and roadshows each year. Any new and substantive investor or analyst presentations are also released on the ASX platform ahead of the presentation.

This was the first year since the COVID-19 pandemic that CSL held physical shareholder briefings. The meetings were held in Brisbane and Sydney.

The Board is committed to monitoring ongoing developments that may enhance communication with shareholders, including technological developments, regulatory changes and the continuing development of 'best practice' in the market.

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**📄 Relevant governance documents:**

– Securities Dealing Policy

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By promoting director and employee ownership of shares, the Board intends to encourage directors and employees to become long-term holders of CSL securities, aligning their interests with those of CSL.

CSL has a comprehensive Securities Dealing Policy which applies to all directors, officers and employees as well as each contractor and consultant to the CSL Group whose terms of engagement apply the Policy to them. The policy aims to inform directors and employees of the law relating to insider trading and provide them with practical guidance for avoiding unlawful transactions in CSL securities and to protect the reputation of CSL, its directors and employees.

The Securities Dealing Policy also prohibits short-term or speculative trading in CSL securities by directors and employees. In addition, directors and employees are not permitted to enter into any price-protection arrangements to hedge CSL securities or margin loan arrangements in relation to CSL securities. This includes securities awarded under CSL's equity incentive schemes.

A copy of CSL's Securities Dealing Policy has been lodged with the ASX in accordance with Listing Rule 12.9 and is available on CSL.com (We Are CSL > Corporate Governance > Core Policies).

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This Corporate Governance Statement was current and approved by the Board on 14 August 2023 and signed on its behalf by:



**Dr Brian McNamee AO**  
Chair

14 August 2023

# Corporate Directory

## Share Registry

Computershare Investor Services Pty Limited  
Yarra Falls  
452 Johnston Street  
Abbotsford VIC 3067  
GPO Box 2975  
Melbourne VIC 3001  
Enquiries within Australia: 1800 646 882  
Enquiries outside Australia: +61 3 9415 4178  
Investor enquiries online: [Investorcentre.com/contact](http://Investorcentre.com/contact)

## Auditors

Ernst & Young  
8 Exhibition Street Melbourne VIC 3000  
GPO Box 67  
Melbourne VIC 3001  
Telephone: +61 3 9288 8000  
Facsimile: +61 3 8650 7777

## Registered Head Office

CSL Limited  
ABN 99 051 588 348  
655 Elizabeth Street  
Melbourne VIC 3000  
Australia  
Telephone: +61 3 9389 1911  
Facsimile: +61 3 9389 1434  
[CSL.com](http://CSL.com)

## Further Information

For further information about CSL and its operations, refer to Company announcements to the Australian Securities Exchange and our website [CSL.com](http://CSL.com)