

Section 172 (1) statement and our stakeholders

Overview

The following reports how the directors have performed their duty under Section 172 (s.172) of the Companies Act 2006. S.172 sets out a series of matters to which the directors' must have regard in performing their duty to promote the success of the Company for the benefit of its shareholders.

S.172 (a) – “The likely consequences of any decision in the long term”

The Directors understand the business and the environment in which it operates. The strategy set by the Board is intended to strengthen the position of the Company, looking at commercial considerations and the development of current and possible future markets. It also takes a long-term perspective on matters where this approach is appropriate.

The directors have acted in line with the above responsibilities when approving the declaration of the dividend paid during the year. This decision was made in line with the strategic goals and objectives of both the Company and the ultimate parent company CSL Limited.

S172 (b) – “The interest of the Company’s employees”

The Directors recognise that the Company’s employees are fundamental and core to the business. The success of the Company depends on attracting, retaining and motivating employees. The Directors ensure that the Company follows the Group’s diversity policy which is integral to the Group’s talent and cultural strategies. The Directors also ensure that employees are actively engaged via employee feedback surveys and incentives to recognise outstanding employees.

The COVID-19 pandemic affected employees’ lives, families and communities in numerous unexpected ways. The Group developed employee-centric programs and policies that prioritised the safety and wellbeing of employees whilst continuing to deliver on the Company’s promise to patients and public health. The Directors ensured that these were implemented in the Company. Those policies that have been deemed still relevant have been continued.

S172 (c) – “The need to foster the company’s business relationships with suppliers, customers and others”

Operating the Company requires strong mutually beneficial relationships with suppliers, customers, patients and other stakeholders.

The nature of the Company’s business means that it has a relatively small number of customers, with whom a high-value, long-term relationship is maintained. The Directors ensure that regular contact by the Company is made to the customers to maintain these relationships.

Patients are core to the Company's success and hence it is vital that the Board has regard to them. The Directors ensure that the Company is compliant with the ABPI code in order to deliver safe and secure treatments.

S172(1) (D) “The impact of the company’s operations on the community and the environment”

The Company abides by the Group's principles as noted in CSL Limited's 2023 Annual Report. In addition to these the Directors have also facilitated the formation of a Sustainability Committee. The findings and suggestions of which are reported back to the Directors.

S172(1) (E) “The desirability of the company maintaining a reputation for high standards of business conduct”

The Board ensures that frameworks such as Codes of Conduct, specific Ethics & Compliance manuals, and its Modern Slavery Statements are followed to ensure that the Company's high standards are maintained both within the businesses and the business relationships it maintains. This, complemented by the ways the Board is informed and monitors compliance with relevant governance standards help assure its decisions are taken and that the Company acts in ways that promote high standards of business conduct.

S172(1) (F) “The need to act fairly as between members of the company”

The Directors will consider all relevant factors before concluding on any decision, including the impact on relevant stakeholders. In doing so, the Directors act fairly between the Company's members.