

## CSL's Statement on the Prevention of Human Trafficking, Slavery and Forced Labour (Modern Slavery)

CSL's second edition of our Code of Responsible Business Practice (**CRBP**) defines the standards of behaviour expected of all our employees, contractors, suppliers and distributors. Our CRBP:

- Recognises the right of every child to be protected from economic exploitation;
- Supports the right of every employee to be legally employed;
- Allows employees the right to seek representation (i.e. from a trade (labour) union or employee association) without fear of intimidation, reprisal or harassment;
- Ensures employees receive payment that meets or exceeds the minimum wage in all jurisdictions; and
- Prohibits less favourable treatment of a person on the basis of gender, age, race, religion, disability and sexual orientation.

Over the reporting year, CSL undertook the following steps to prevent and mitigate modern slavery.

### Governance

- CSL has commenced a review of the second edition of our CRBP to ensure it is current with industry standards and developments, and stakeholder expectations. We will release an updated version of the CRBP in 2017.

### Our direct operations

- CSL has appropriate systems and processes in place to ensure changes in wage regulation are applied across all entities and geographies. In addition, wage reviews are undertaken annually across groups and with select employee categories on an as needed basis and are reported to the Human Resources and Remuneration Committee of the CSL Board. In 2015/16, these reviews resulted in immaterial changes.
- In some regions where CSL operates, employee union/enterprise agreements (**EA**) set out expectations for wage increases and entitlements. Employees not under an EA are covered by individual employment agreements and in all cases these agreements remunerate at or above minimum wage. In 2015/16, EAs in Kankakee, US, and for eligible Australian employees were successfully negotiated.
- For employment to proceed, all candidates must provide applicable proof of eligibility to work (e.g. proof of age, qualification or immigration status). Under no circumstance will CSL retain or hold the original of an individual's proof of eligibility to work (e.g. visa, passport).
- Stakeholders, including employees, are able to anonymously (where permissible by law) bring instances of inappropriate conduct to our attention via CSL's global whistleblower process. From 1 July 2015 to 30 June 2016, no instances related to human trafficking or slavery and forced labour were raised for the attention of management.

## Our supply chain

- CSL commenced a pilot program to assess suppliers across a number of environmental, social and governance (ESG) related aspects including modern slavery.
- To enable the pilot and assist with the selection of suppliers, CSL commissioned an independent desktop risk screen of the likely inherent risks of modern slavery and related poor labour practices in the main countries of our suppliers.
- Developed an ESG based questionnaire for the pilot to assess alignment against CSL's own commitments and expectations.
- Based on outcomes of the risk screen, issued the questionnaire to a sample of raw-material/manufacturing equipment suppliers, and also providers of cleaning services in countries where CSL holds key operations. CSL will assess responses and the effectiveness of the pilot in 2016/17.
- Over the reporting period, all (52) sourcing and procurement personnel across the organisation with decision making authority undertook e-learning training on *Protecting Human Rights in the Supply Chain*.

This statement was reviewed and approved by the Board of Directors of CSL Limited on 9 September 2016 and signed on its behalf by:



**Paul Perreault**  
CEO and Managing Director  
CSL Limited