**Section 1: Company Overview**

**S1.1: Basic Information**

| **Field** | **Value** |
| --- | --- |
| Company Name | CSL Limited |
| Establishment Date | 1916 |
| Headquarters Location | Melbourne, Australia |

**S1.2 : Core Competencies**

| **Perspective** | **2024 Report** | **2023 Report** |
| --- | --- | --- |
| Innovation Advantages | CSL maintains a strong innovation edge through significant R&D investment (US$1.43 billion in 2023/24), a robust pipeline in disruptive technologies (e.g., next-gen mRNA, gene/cell therapies), and digital transformation initiatives. The company leverages partnerships, digital tools, AI, and automation to accelerate development and productivity, and continuously upskills its workforce to adapt to new scientific and digital demands. | CSL demonstrates innovation through a robust R&D pipeline, investment exceeding US$1.2 billion, and focus on disruptive technologies like mRNA, gene/cell therapies, and digital transformation. The company uses automation, AI, and digital platforms to enhance R&D and operational efficiency, and partners strategically to drive innovation. |
| Product Advantages | CSL’s product advantages include leadership in plasma-derived therapies, recombinant proteins, cell/gene therapies, and vaccines (notably influenza). The company’s broad, differentiated portfolio addresses unmet needs in multiple therapeutic areas, supported by a global manufacturing network and high standards for quality and safety. Ongoing investment in product lifecycle management and new product development ensures reliable supply and continuous improvement. | CSL leads in plasma-derived therapies, recombinant proteins, cell/gene therapies, and influenza vaccines. Its broad, differentiated portfolio addresses unmet needs in immunology, haematology, nephrology, and more. The company’s global manufacturing network, high product quality, and ongoing investment in new products and lifecycle management underpin its product strengths. |
| Brand Recognition | CSL is recognized globally as a biotechnology leader, providing life-saving products in over 100 countries. Its long history, global reach, and consistent delivery of innovative therapies have established it as a trusted partner. The company’s values-driven culture and recognition in industry rankings further reinforce its brand presence. | CSL enjoys strong brand recognition as a global leader in biotechnology, serving patients in more than 100 countries. Its reputation is built on a long history, global reach, and consistent delivery of innovative therapies. Industry accolades and a values-driven culture enhance its brand appeal. |
| Reputation Ratings | CSL’s reputation is built on its commitment to patient safety, product quality, ethical business practices, and sustainability. The company is frequently audited, adheres to international standards, and maintains robust risk management. High employee engagement and recognition for diversity and inclusion further enhance its reputation. | CSL’s reputation is underpinned by its focus on patient safety, product quality, ethical conduct, and sustainability. The company is regularly audited, follows international standards, and has strong risk management. High employee engagement and recognition for diversity and inclusion contribute to its positive reputation. |

**S1.3 : Mission & Vision**

| **Field** | **Value** |
| --- | --- |
| Mission Statement | 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 protects the health of communities around the world. |
| Vision Statement | CSL is committed to a healthier world. Its vision is a sustainable future for its employees, communities, patients and donors, inspired by innovative science and a values-driven culture |
| Core Values | Patient Focus, Integrity, Innovation, Superior Performance, Collaboration |

**Section 2: Financial Performance**

**S2.1: Income Statement**

| **Field** | **2024** | **2023** | **2022** | **Multiplier** | **Currency** |
| --- | --- | --- | --- | --- | --- |
| Revenue | 14,800 | 13,310 | 10,562 | Millions | USD |
| Cost of Goods Sold | (7,129) | (6,485) | (4,830) | Millions | USD |
| Gross Profit | 7,671 | 6,825 | 5,732 | Millions | USD |
| Operating Expense | (3,859) | (3,756) | (2,805) | Millions | USD |
| Operating Income | 3,812 | 3,069 | 2,927 | Millions | USD |
| Net Profit | 2,714 | 2,244 | 2,255 | Millions | USD |
| Income before income taxes | 3,375 | 2,663 | 2,780 | Millions | USD |
| Income tax expense(benefit) | (661) | (419) | (525) | Millions | USD |
| Interest Expense | (476) | (444) | (165) | Millions | USD |

**S2.2: Balance Sheet**

| **Field** | **2024** | **2023** | **2022** | **Multiplier** | **Currency** |
| --- | --- | --- | --- | --- | --- |
| Total Assets | 38,022 | 36,234 | 28,346 | Millions | USD |
| Current Assets | 10,768 | 9,259 | 16,461 | Millions | USD |
| Non-Current Assets | 27,254 | 26,975 | 11,885 | Millions | USD |
| Total Liabilities | 18,621 | 18,408 | 13,769 | Millions | USD |
| Current Liabilities | 4,950 | 4,608 | 7,108 | Millions | USD |
| Non-Current Liabilities | 13,671 | 13,800 | 6,661 | Millions | USD |
| Shareholders' Equity | 17,363 | 15,786 | 14,577 | Millions | USD |
| Retained Earnings | 16,012 | 14,621 | 13,504 | Millions | USD |
| Total Equity and Liabilities | 38,022 | 36,234 | 28,346 | Millions | USD |
| Inventories | 5,964 | 5,466 | 4,333 | Millions | USD |
| Prepaid Expenses | 254 | 309 | 174 | Millions | USD |

**S2.3: Cash Flow Statement**

| **Field** | **2024** | **2023** | **2022** | **Multiplier** | **Currency** |
| --- | --- | --- | --- | --- | --- |
| Net Cash Flow from Operations | 2,764 | 2,601 | 2,629 | Millions | USD |
| Net Cash Flow from Investing | (1,259) | (11,843) | (1,636) | Millions | USD |
| Net Cash Flow from Financing | (1,284) | 456 | 7,676 | Millions | USD |
| Net Increase/Decrease in Cash | 221 | (8,786) | 8,669 | Millions | USD |
| Dividends | (1,239) | (1,266) | (1,039) | Millions | USD |

**S2.4: Key Financial Metrics**

|  | **2024** | **2023** | **2022** |
| --- | --- | --- | --- |
| Gross Margin (%) | 51.8% | 51.3% | 54.3% |
| Operating Margin (%) | 25.77% | 23.06% | 27.72% |
| Net Profit Margin | 18.34% | 16.87% | 21.37% |
| Current Ratio | 217.54% | 200.93% | 231.58% |
| Quick Ratio | 91.92% | 75.61% | 168.18% |
| Debt-to-Equity | 107.25% | 116.61% | 94.46% |
| Interest Coverage | 801.68% | 691.22% | 1,773.94% |
| Asset Turnover | 40.0% | 41.22% | N/A |
| Return on Equity | 14.58% | 13.85% | N/A |
| Return on Assets | 7.3% | 6.95% | N/A |
| Effective Tax Rate | 19.59% | 15.74% | 18.90% |
| Dividend Payout Ratio | 45.65% | 56.42% | 46.08% |

**S2.5: Operating Performance**

| **Field** | **2024** | **2023** | **2022** |
| --- | --- | --- | --- |
| Revenue by Product/Service | Immunoglobulins: 5,666, Albumin: 1,209, Haemophilia: 1,313, Specialty: 1,940, Other: 441, Egg based vaccines: 140, Cell culture vaccines: 535, Adjuvanted egg based vaccines: 1,040, Pandemic: 172, Other (including in-license): 181, Iron: 1,018, Nephrology - Dialysis: 786, Nephrology - Non-Dialysis: 200, Other: 49 | Immunoglobulins: 4,675, Albumin: 1,109, Haemophilia: 1,193, Specialty: 1,831, Other: 375, Egg based vaccines: 148, Cell culture vaccines: 599, Adjuvanted egg based vaccines: 893, Pandemic: 156, Other (including in-license): 211, Iron: 1,009, Nephrology - Dialysis: 771, Nephrology - Non-Dialysis: 136, Other: 68 | Immunoglobulins: 4,024, Albumin: 1,072, Haemophilia: 1,166, Specialty: 1,792, Other: 500, Egg based vaccines: 228, Cell culture vaccines: 486, Adjuvanted egg based vaccines: 885, Pandemic: 162, Other (including in-license): 178, Iron: N/A, Nephrology - Dialysis: N/A, Nephrology - Non-Dialysis: N/A, Other: N/A |
| Revenue by Geographic Region | Australia: 900, United States: 7,294, Germany: 873, UK: 744, Switzerland: 318, China and Hong Kong: 747, Rest of World: 3,924 | Australia: 1,045, United States: 6,563, Germany: 869, UK: 717, Switzerland: 488, China and Hong Kong: 779, Rest of World: 2,849 | Australia: 1,022, United States: 5,124, Germany: 781, UK: 596, Switzerland: 281, China and Hong Kong: 745, Rest of World: 2,013 |

**Section 3: Business Analysis**

**S3.1: Profitability Analysis**

| Perspective | Answer |
| --- | --- |
| Revenue & Direct-Cost Dynamics (Revenue Growth ; Gross Margin; Revenue by Product/Service; Revenue by Geographic Region) | CSL demonstrated strong revenue growth over the three-year period, with 26.0% growth from 2022 to 2023 ($10,562M to $13,310M) followed by 11.2% growth from 2023 to 2024 ($13,310M to $14,800M). However, gross margin declined from 54.3% in 2022 to 51.3% in 2023, with modest recovery to 51.8% in 2024, indicating cost pressures despite revenue growth. Immunoglobulins remains the largest revenue driver, growing from $4,024M in 2022 to $5,666M in 2024. Geographically, the United States is the dominant market, expanding from $5,124M in 2022 to $7,294M in 2024, while other regions showed mixed performance with Rest of World segment nearly doubling from $2,013M to $3,924M. |
| Operating Efficiency (Operating Margin) | Operating efficiency showed volatility over the period, with operating margin declining from 27.72% in 2022 to 23.06% in 2023, then recovering to 25.77% in 2024, though still below 2022 levels. Despite margin pressure, absolute operating income grew consistently from $2,927M in 2022 to $3,069M in 2023 and $3,812M in 2024, indicating effective cost management relative to revenue expansion. Operating expenses increased from $2,805M in 2022 to $3,859M in 2024, but the growth rate was controlled relative to revenue increases, demonstrating operational leverage benefits as the company scaled. |
| External & One-Off Impact (Effective Tax Rate, Non-Recurring Items) | The effective tax rate exhibited significant volatility, dropping from 18.90% in 2022 to 15.74% in 2023, then spiking to 19.59% in 2024, creating earnings volatility beyond operational performance. This tax rate fluctuation had material impact on net profitability, with income tax expense increasing from $525M in 2022 to $661M in 2024 despite the intermediate drop in 2023. The tax burden growth outpaced income growth, contributing to net profit margin compression from 21.37% in 2022 to 18.34% in 2024. Information regarding non-recurring items is not explicitly detailed in the provided financial statements, limiting analysis of one-time impacts on profitability. |

**S3.2: Financial Performance Summary**

| Perspective | 2024 Report | 2023 Report |
| --- | --- | --- |
| Comprehensive financial health | CSL demonstrates robust financial health with total assets growing from $36,234M in 2023 to $38,022M in 2024, representing 4.9% growth. Shareholders' equity increased significantly from $15,786M in 2023 to $17,363M in 2024, strengthening the balance sheet foundation. The company maintained strong liquidity with current ratio of 217.6% compared to 200.9% in 2023. However, there was a notable shift in asset composition with current assets increasing while non-current assets remained relatively stable. Cash flow from operations remained healthy at $2,764M in 2024 versus $2,601M in 2023, indicating consistent operational cash generation capability. | The company showed strong financial resilience during 2023, with total assets growing substantially from $28,346M in 2022 to $36,234M in 2023, a remarkable 27.8% increase. This growth was primarily driven by a significant expansion in non-current assets from $11,885M to $26,975M, likely reflecting strategic investments or acquisitions. Shareholders' equity grew from $14,577M in 2022 to $15,786M in 2023, maintaining a healthy capital structure. Current assets decreased from $16,461M to $9,259M, but current ratio remained strong at 200.9% versus 231.5% in 2022. Operating cash flow showed resilience, declining slightly from $2,629M in 2022 to $2,601M in 2023. |
| Profitability and earnings quality | Profitability metrics showed mixed but generally positive trends in 2024. Net profit increased from $2,244M in 2023 to $2,714M in 2024, representing 20.9% growth and demonstrating strong earnings momentum. Net profit margin improved from 16.87% to 18.34%, while ROE increased from 13.85% to 14.58% and ROA from 7.0% to 7.3%, indicating enhanced efficiency in generating returns. However, earnings quality faced some pressure from higher effective tax rates, rising from 15.74% in 2023 to 19.59% in 2024. The dividend payout ratio decreased from 48.36% to 43.93%, suggesting management's confidence in retaining earnings for growth while maintaining shareholder returns. | The company experienced earnings challenges in 2023 despite revenue growth. Net profit declined from $2,255M in 2022 to $2,244M in 2023, effectively flat performance. Net profit margin compressed significantly from 21.37% to 16.87%, indicating pressure on bottom-line profitability. This decline occurred despite strong revenue growth from $10,562M to $13,310M, suggesting cost inflation and operational challenges. The effective tax rate decreased favorably from 18.90% to 15.74%, providing some tax relief. ROE improved from historical levels while dividend payout ratio increased from 46.08% to 48.36%, demonstrating commitment to shareholder distributions despite earnings pressures. |
| Operational efficiency | Operational efficiency showed improvement in 2024 with operating margin recovering to 25.77% from 23.06% in 2023, though still below optimal levels. Operating income grew strongly from $3,069M to $3,812M, representing 24.2% growth and outpacing revenue growth of 11.2%. Operating expenses increased from $3,756M to $3,859M, but the controlled 2.7% growth rate demonstrated effective cost management. Asset turnover remained relatively stable at 40.0% versus 41.2%, indicating consistent asset utilization efficiency. The company demonstrated operational leverage with operating income growth significantly exceeding expense growth. | Operational efficiency faced significant headwinds in 2023 with operating margin declining from 27.72% in 2022 to 23.06% in 2023, representing substantial margin compression. Despite this, operating income grew from $2,927M to $3,069M due to strong revenue expansion. Operating expenses increased dramatically from $2,805M to $3,756M, a 33.9% surge that outpaced revenue growth, indicating operational scaling challenges or strategic investments. Asset turnover improved to 41.2%, suggesting better asset productivity. The margin compression reflected the company's growth investment phase and integration costs from expansion activities. |
| Financial risk identification and early warning | Financial risk profile remained manageable in 2024 with several positive indicators. Debt-to-equity ratio improved from 103.26% in 2023 to 95.98% in 2024, indicating reduced leverage and strengthened capital structure. Interest coverage ratio increased from 691.22% to 801.68%, demonstrating enhanced ability to service debt obligations. However, interest expenses continued rising from $444M to $476M, reflecting higher debt costs. Current ratio improved from 200.9% to 217.6%, but quick ratio improved from 75.6% to 91.9%, indicating enhanced liquidity with improved coverage of short-term liabilities. The negative net cash decrease of $8,786M in 2023 reversed to a positive $221M in 2024, suggesting improved cash management and reduced capital deployment pressure. | Financial risk indicators showed mixed signals in 2023. The debt-to-equity ratio increased from 94.48% in 2022 to 103.26% in 2023, indicating higher leverage that requires monitoring. Interest coverage ratio decreased significantly from 1,774.55% to 691.22%, though still maintaining comfortable coverage levels. Interest expenses nearly tripled from $165M to $444M, reflecting increased borrowing costs. Current ratio decreased from 231.5% to 200.9% but remained healthy. The company experienced significant cash outflows with net cash decreasing by $8,786M compared to an increase of $8,669M in 2022, primarily due to large investing activities totaling $11,843M, suggesting major capital deployment or acquisitions. |
| Future financial performance projection | The 2024 performance trajectory suggests positive momentum for future periods. Revenue growth moderated to 11.2% from the exceptional 26.0% in the prior year, indicating a more sustainable growth pattern. The recovery in operating margins to 25.77% and strong operating leverage demonstrated suggests potential for continued profitability improvements. Strong cash generation from operations at $2,764M provides adequate funding for growth investments and shareholder returns. The immunoglobulins segment's continued growth from $4,675M to $5,666M indicates a robust core business foundation. Geographic diversification with strong US market performance and expanding Rest of World revenues provides multiple growth avenues. However, potential headwinds include rising tax rates and continued interest expense pressures that may moderate net profit growth. | The 2023 results established a foundation for recovery despite profitability challenges. The substantial 26.0% revenue growth from $10,562M to $13,310M demonstrated strong market demand and execution capability. Major asset expansion from $28,346M to $36,234M suggested significant capacity building for future growth. The immunoglobulins business grew from $4,024M to $4,675M, indicating strength in the core therapeutic area. Geographic expansion showed promise with US revenues growing from $5,124M to $6,563M and Rest of World from $2,013M to $2,849M. However, margin pressures and substantial cash outflows for investments indicated a transition period requiring careful monitoring. Operating cash flow stability at $2,601M provided adequate liquidity for ongoing operations and strategic initiatives. |

**S3.3: Business Competitiveness**

| **Perspective** | **2024 Report** | **2023 Report** |
| --- | --- | --- |
| Business Model | CSL operates a global biopharmaceutical business model focused on the research, development, manufacture, marketing, and distribution of innovative medicines and vaccines. Its primary revenue streams are from the sale of plasma-derived therapies, recombinant medicines, vaccines (notably influenza), and specialty pharmaceuticals, with additional income from royalties, licenses, and pandemic facility reservation fees. Revenue is recognized mainly at the point of product transfer to customers. The business is organized into three main segments: CSL Behring (plasma and recombinant therapies), CSL Seqirus (vaccines), and CSL Vifor (iron deficiency and nephrology). | CSL’s business model centers on the research, development, manufacture, marketing, and distribution of biopharmaceutical products and vaccines. Revenue is primarily generated from product sales, with additional streams from royalties, licenses, and pandemic facility reservation fees. The business is structured into three segments: CSL Behring, CSL Seqirus, and CSL Vifor, each focusing on different therapeutic areas. |
| Market Position | CSL is a global leader in biotechnology, with strong positions in plasma-derived therapies (CSL Behring), influenza vaccines (CSL Seqirus), and iron deficiency/nephrology (CSL Vifor). CSL Behring is recognized for its leadership in immunoglobulins and is poised to expand its share in growing markets such as Haemophilia B and Hereditary Angioedema. CSL Seqirus is a leading provider of differentiated influenza vaccines and a key partner in pandemic preparedness, with more than 30 government agreements worldwide. CSL Vifor maintains a leadership position in the iron market and is expanding in nephrology, aiming to become the foremost partner in "blood health." The company faces competitive pressures but is well-positioned for sustainable, profitable growth due to its diversified portfolio, innovation, and global reach. | CSL is a global leader in biopharmaceuticals, with CSL Behring holding a leading position in immunoglobulins and plasma-derived therapies, and CSL Seqirus being one of the top influenza vaccine providers worldwide. CSL Vifor has a strong and growing presence in nephrology and iron deficiency. The company is recognized for its innovation, broad product portfolio, and global operations, and is considered a leader or major challenger in its key markets. |

**Section 4: Risk Factors**

**S4.1: Risk Factors**

| **Perspective** | **2024 Report** | **2023 Report** |
| --- | --- | --- |
| Market Risks | CSL faces significant market risks from a rapidly evolving competitive landscape, including disruptive technologies (e.g., gene and cell therapies), and changing demand for plasma and adjacent therapies. The company regularly reviews its product pipeline and market demand to remain competitive. | CSL is exposed to market risks such as competition from new technologies (e.g., gene and cell therapies), and shifts in demand for plasma and adjacent therapies. The company addresses these risks through strategic product pipeline reviews, and innovation. |
| Operational Risks | Operational risks include supply chain disruptions, capacity constraints, product quality and patient safety, cybersecurity threats, and talent management. The company also addresses cybersecurity and data privacy risks through proactive monitoring, controls, and employee training. | Operational risks encompass supply chain reliability, product quality and patient safety, cybersecurity threats, and talent management. Cybersecurity and data privacy are managed through monitoring, controls, and employee education. |
| Financial Risks | Financial risks include foreign exchange risk, interest rate risk, credit risk, funding and liquidity risk, and capital management risk. CSL mitigates these through natural hedging, fixed rate arrangements, credit ratings checks, maintaining strong cash flows, and prudent capital structure. | Financial risks comprise foreign exchange risk, interest rate risk, credit risk, funding and liquidity risk, and capital management risk. CSL manages these via natural hedging, fixed rate borrowings, credit ratings checks, strong cash flows, and prudent capital management through borrowings and treasury lock arrangements, and prudent capital structure. |
| Compliance Risks | Compliance risks include adherence to laws, regulations, tax transparency, and continuous disclosure obligations. CSL maintains a structured Enterprise Risk Management Framework to ensure that risks are identified, evaluated, monitored and managed. | Compliance risks involve compliance with laws, regulations, industry codes, and anti-bribery and anti-corruption policies. CSL uses Enterprise Risk Management Framework to ensure that risks are identified, evaluated, monitored and managed. |

**Section 5: Corporate Governance**

**S5.1: Board Composition**

| **Name** | **Position** | **Total Income** |
| --- | --- | --- |
| Dr Paul McKenzie | Chief Executive Officer and Managing Director (Executive Director) | US$8,183,842 (2024: includes base salary, bonuses, share-based payments, etc.) |
| Ms Joy Linton | Chief Financial Officer (Executive KMP) | US$3,730,261 (2024: includes base salary, bonuses, share-based payments, etc.) |
| Mr Andrew Schmeltz | EVP CSL Behring (Executive KMP) | US$4,070,766 (2024: includes base salary, bonuses, share-based payments, etc.) |

**S5.2: Internal Controls**

| **Perspective** | **2024 Report** | **2023 Report** |
| --- | --- | --- |
| Risk assessment procedures | CSL has adopted a detailed and structured Enterprise Risk Management Framework (ERMF) to ensure risks are identified, evaluated, monitored, and managed. The ERMF sets out risk management processes, internal compliance and monitoring requirements, governance processes and structures, including roles and responsibilities for different management levels, and a matrix for risk impact and likelihood. | CSL has adopted and follows a detailed and structured Enterprise Risk Management Framework (ERMF) to ensure that risks are identified, evaluated, monitored and managed. The ERMF sets out risk management processes, internal compliance and monitoring requirements, governance processes and structures including roles and responsibilities for different levels of management, the matrix of risk impact and likelihood for assessing risk, and risk management reporting requirements. |
| Control activities | The Board is responsible for overseeing the risk management, financial reporting, and compliance framework. Internal control systems are in place to ensure financial statements comply with applicable laws and to prevent fraud and improper conduct. The company has cybersecurity policies, standards, and practices, and all employees undertake training on the Code of Responsible Business Practice. | The Board is responsible for overseeing the risk management, compliance system, and internal control framework. Internal control systems are in place to ensure financial statements comply with applicable laws and to prevent fraud and improper conduct. The company has cybersecurity policies, standards, and practices, and all employees undertake training on the Code of Responsible Business Practice. |
| Monitoring mechanisms | The Board, Audit & Risk Management Committee (ARMC) provide oversight. The ARMC assists the Board in governance of financial reporting, risk identification, management, and compliance, and oversees ESG performance. The Board, via the ARMC, periodically receives information on material breaches of the Anti-Bribery and Anti-Corruption Policy, and CSL’s Chief Information Security Officer provides quarterly reports to the ARMC. | The Board, Audit & Risk Management Committee (ARMC) provide oversight. The ARMC assists the Board in governance of financial reporting, risk identification, management, and compliance, and oversees ESG performance. The Board, via the ARMC, periodically receives information on material breaches of the Anti-Bribery and Anti-Corruption Policy, and CSL’s Chief Information Security Officer provides quarterly reports to the ARMC. |
| Identified material weaknesses or deficiencies | No material weaknesses or deficiencies in internal control are reported. The climate program’s independent review found overall controls and effectiveness to be good, with only two low-priority findings for management’s consideration. | No material weaknesses or deficiencies in internal control are reported. The climate program’s independent review found overall controls and effectiveness to be good, with only two low-priority findings for management’s consideration. |
| Effectiveness | The internal control framework is considered effective. No material accounting impacts or changes to judgements or other required disclosures have resulted from risk assessments. | The internal control framework is considered effective. No material accounting impacts or changes to judgements or other required disclosures have resulted from risk assessments. The independent review of the climate program rated controls and effectiveness as good. |

**Section 6: Future Outlook**

**S6.1: Strategic Direction**

| Perspective | 2024 Report | 2023 Report |
| --- | --- | --- |
| Mergers and Acquisitions | N/A | N/A |
| New Technologies | CSL is investing in next-generation technologies including sa-mRNA vaccines (KOSTAIVE approved in Japan), gene therapies (HEMGENIX for haemophilia B), and digital transformation with advanced manufacturing technology. | CSL is developing next-generation mRNA technology through partnership with Arcturus Therapeutics, launched HEMGENIX gene therapy for haemophilia B, and is investing in digital transformation to enhance R&D productivity and manufacturing processes. |
| Organisational Restructuring | N/A | CSL has restructured into three focused businesses (CSL Behring, CSL Seqirus, CSL Vifor) supported by global enabling functions and a global R&D organization. The company is combining nephrology and transplant therapeutic areas and implementing patient blood management initiatives across business units. |

**S6.2: Challenges and Uncertainties**

| **Perspective Column** | **2024 Report** | **2023 Report** |
| --- | --- | --- |
| Economic challenges such as inflation, recession risks, and shifting consumer behavior that could impact revenue and profitability. | The report acknowledges macroeconomic pressures, including inflation and affordability concerns, which may lead governments and payers to emphasize affordable pricing and equitable patient access. These factors could adversely affect CSL’s ability to execute its strategy, deliver sustainable growth, and uphold its corporate reputation. | The report highlights macroeconomic pressures on governments and payers that may impair access, growth, and new market entries. It recognizes that failure to maintain an economic and reliable supply of therapies or to adopt responsible pricing could adversely affect CSL’s ability to execute its strategy, deliver sustainable growth, and uphold its corporate reputation. |
| Competitive pressures from both established industry players and new, disruptive market entrants that the company faces. | The report identifies the changing competitive landscape, particularly from new technologies and disruptive therapies such as gene and cell therapies. These developments may alter the economics, demand, and characteristics of CSL’s plasma and adjacent therapies, and affect its platforms and capabilities. | The report notes that an impediment to delivering on innovation and sustainable growth strategies is the changing competitive landscape for new technologies and disruptive therapies, such as gene and cell therapies. This risk may alter the economics and demand for CSL’s plasma and adjacent therapies, and affect its platforms and capabilities. |

**S6.3: Innovation and Development Plans**

| **Perspective** | **2024 Report** | **2023 Report** |
| --- | --- | --- |
| R&D investments, with a focus on advancing technology, improving products, and creating new solutions to cater to market trends | Invested US$1.4b in R&D; advancing strategic platforms to address market shifts and competitive risk. Priorities include increasing Ig yields via data analytics/operational excellence, progressing mAbs (garadacimab), and gene therapy. | Invested US$1.2b in R&D across its 3 different businesses and in advanced programs like garadacimab and CSL112. |
| New product launches, emphasizing the company’s commitment to continuously introducing differentiated products | CSL continues to launch new and differentiated products across its therapeutic areas, including immunology, haematology, nephrology, and vaccines. Notable launches include HEMGENIX and KOSTAIVE. The company is also expanding its influenza vaccine portfolio and advancing new products such FILSPARI. | CSL has launched several new and differentiated products, including HEMGENIX, new indications and registrations for HIZENTRA, BERINERT, IDELVION, AFSTYLA, FERINJECT, and INJECTAFER. |