

CSL Limited

Charter of the Innovation and Development Committee

1. Formation

The Board has resolved to establish an Innovation and Development Committee (the **IDC**) and has delegated to it the responsibilities set out in this Charter.

2. Primary Objectives

The primary objectives of the IDC are to assist the Directors of the Company to fulfil their obligations in regard to:

- (a) monitoring the strategic direction of the Company's technology, research and product development programs;
- (b) providing guidance on issues and priorities, additions to the research and development (**R&D**) pipeline, and significant development milestones; and
- (c) overseeing the management of risk associated with R&D projects.

3. Membership

- 3.1 The members of the IDC will be determined by the Board. The Board will seek to stagger the appointment and retirement/removal of members in a manner so as to maintain a degree of continuity whilst offering the opportunity to access different perspectives through the appointment of new members.
- 3.2 The IDC shall comprise at least three members, being at least two independent directors and the Managing Director.
- 3.3 The Board will appoint one member of the IDC to be Chairperson. The Chairperson must be an independent director. In the absence of the Chairperson, the remaining members present will elect one of their member, who must be an independent director, to chair the meeting.
- 3.4 All members of the IDC should have sufficient experience and training to be able to consider and contribute to the matters for which the IDC is responsible.
- 3.5 If a member of the IDC is unable to act due to absence, illness or any other cause, the Board, or in urgent circumstances the Chairperson of the Board, may appoint another non-executive director of the Company to serve as an alternative member of the IDC.
- 3.6 The Board Chairman or other director may attend any meeting of the IDC in an ex officio capacity.
- 3.7 The company's Chief Scientific Officer will be in attendance.

4. Secretarial and Meetings

- 4.1 The IDC will appoint a secretary who will act as the secretary of the IDC unless otherwise determined by the IDC.
- 4.2 The IDC will generally hold 4 regular meetings each year, and schedule other meetings as required.
- 4.3 The Chairperson will call a meeting if formally requested to do so by any member of the IDC, the Managing Director or the Board Chairman.
- 4.4 Any employee or other external professional advisor may attend IDC meetings if invited by the IDC.
- 4.5 The quorum for a meeting will be two members of the IDC.
- 4.6 The IDC Secretary will prepare minutes of all IDC Meetings, including the names of those present. A copy of the minutes as approved by the IDC Chairperson will be distributed to all members of the Board.
- 4.7 In cases where circumstances make it impractical to convene and hold a meeting, the IDC may pass resolutions by each member signing a Circular Resolution.

5. Authority

The IDC is authorised by the Board to:

- (i) Obtain any information it requires from any employee of the Company or any subsidiary of the Company;
- (ii) Obtain or retain any independent professional advice as it considers necessary; and
- (iii) Undertake or discharge responsibilities listed below.

6. Responsibilities

The IDC's central responsibility is to monitor the strategic direction of CSL's technology research and product development programmes, including:

- (a) management issues and priorities;
- (b) additions to the R&D pipeline;
- (c) significant development milestones;
- (d) key R&D investment decisions both internal and external;
- (e) management of risk associated with R&D projects, including the application of compliance systems and the internal control framework; and
- (f) to advise the Board on the principal issues arising that require consideration by the full Board.

7. Reporting to the Board

The Chairperson of the IDC will report the findings and recommendations of the IDC to the Board after each IDC meeting. These reports will contain all matters relevant to IDC responsibilities, including any recommendations for Board approval of appropriate R&D ventures or investments.

8. Review

This Charter will be reviewed by the IDC at three year intervals or at such shorter intervals as the IDC or Board determines.

This document represents the Charter of the IDC as adopted by the Board on 14 April 2015.