

## **Resolution 1 - Amend the company's constitution**

To insert into our company's constitution the following new clause 40(f):

Member resolutions at general meeting

"The shareholders in general meeting may by ordinary resolution express an opinion, ask for information, or make a request, about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However, such a resolution must relate to an issue of material relevance to the company or the company's business as identified by the company, and cannot either advocate action which would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."

### **Supporting statement**

Shareholder participation in the affairs of a company is a part of healthy corporate governance. Despite this practice being common in many countries, filing shareholder resolutions at listed Australian company Annual General Meetings is uncommon due to procedural and legal barriers.<sup>1</sup>

Australian legislation and its interpretation in case law means that Australian shareholders are unable to directly propose an ordinary resolution. As a result, shareholders must propose multiple resolutions, the first being a 'special resolution' to amend the company's constitution to allow ordinary resolutions to be placed on the agenda at a company's annual meeting. This limits a key mechanism for investors to influence the direction of companies, particularly their management of ESG risks.<sup>2</sup> For comparison, shareholders filed 500 resolutions in the United States in 2024 and 14 at Amazon alone - more than all resolutions filed in Australia.<sup>3</sup>

Allowing ordinary resolutions from shareholders at annual meetings is in the long-term interests of the company, shareholders and stakeholders.

## **Resolution 2 - Risks from relying on gas**

Shareholders request that CSL identify and report to shareholders on material risks to the Company as a result of its dependency on gas in the face of threatened gas shortages and price rises in Australia as early as the middle of this decade.

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<sup>1</sup><https://acsi.org.au/wp-content/uploads/2020/02/Shareholder-resolutions-in-Australia.Oct17.pdf>

<sup>2</sup> <https://www.unpri.org/download?ac=18754>

<sup>3</sup> <https://corpgov.law.harvard.edu/2024/11/18/u-s-shareholder-proposals-a-decade-in-motion/>

## Supporting statement

To produce its products CSL uses high temperature steam for various purposes such as sanitization, the distillation of water for injection (WFI) and the fractionation (separation) of plasma.

CSL predominantly burns gas to generate steam in boilers and electricity in cogeneration units at its manufacturing facilities with legacy infrastructure, however it doesn't disclose the amount of gas it uses.<sup>4</sup> CSL has made progress to reduce gas use through onsite renewable energy generation, the electrification of plants and heat recovery from waste management processes.<sup>5</sup> However it still faces significant financial and operational risks as a result of reliance on gas.

Gas is a fuel characterised as volatile, uncertain and risky.<sup>6</sup> Sharp price increases are highly possible as the East Coast gas market in Australia is predicted to face a shortfall in supply by 2026 in states where CSL has numerous manufacturing facilities, exposing the company to gas price increases. These facilities include CSL Behring and Sequiris facilities in Melbourne, Victoria, its head office and regional distribution centres. This includes the only cell-based influenza vaccine manufacturing facility in the Southern Hemisphere that produces seasonal and pandemic influenza vaccines.

CSL has conducted preliminary assessments of implementing heat pumps to replace gas fired cogeneration systems and alternatives to distillation for production of WFI, however it has not made the results of these assessments publicly available.

The increased efficiency of alternative technologies, such as electro-boilers and Mechanical Vapour Recompression (MVR) means that CSL is able to more reliably cap business costs and recover upfront investments through efficiency savings.<sup>7</sup> CSL has shown this is possible with its all-electric manufacturing facility in Tullamarine.<sup>8</sup>

Without a public plan for transitioning away from gas use, the risks from relying on gas are also passed on to their shareholders. As Australia's largest vaccine producer it is vital that CSL operations are not disrupted, not just for shareholders but for the health and safety of community members all across Australia.

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<sup>4</sup> <https://www.csl.com/-/media/shared/documents/annual-report/csl-annual-report-2025.pdf>

<sup>5</sup> <https://www.csl.com/sustainability/healthier-environment/energy>

<sup>6</sup> Future Gas Strategy. Office of the Chief Economist. May 2024.

<sup>7</sup> Renewable Energy Options for Industrial Process Heat. Australian Renewable Energy Agency. November 2019 and Industrial Heat Pumps Key to Addressing Excess Gas Demand. Institute for Energy Economics and Financial Analysis. October 2024.

<sup>8</sup> <https://www.csl.com/we-are-csl/vita-original-stories/2023/a-milestone-for-an-australian-vaccine-facility>

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