

CSL Limited
45 Poplar Road Parkville
Victoria 3052 Australia

T +613 9389 1911
F +613 9389 1434
www.csl.com.au



21 December 2010

To: Company Announcements Office
Australian Securities Exchange

Pursuant to Listing Rule 12.9 (effective as of 1 January 2011) please find attached CSL Limited's Securities Dealing Policy for release to the market.

Sincerely

Edward Bailey
Company Secretary

Securities Dealing Policy

1. Introduction

1.1 Purpose and objectives

This document sets out the policy of CSL Limited (**CSL**) regarding CSL Group directors, officers and employees, and certain consultants and contractors, engaging in dealings in Securities (particularly CSL Securities) or in insider trading.

This Policy aims to ensure that all CSL People comply with the law at all times and that their dealings in the Securities and Inside Information of CSL and other entities with which CSL deals are above reproach. This Policy also aims to assist CSL in its disclosure and reporting requirements, while maintaining and promoting CSL's reputation.

This Policy summarises and prohibits insider trading, and also sets out CSL's additional requirements in relation to certain dealings in Securities.

1.2 Scope

This Policy applies generally to each CSL Group director, officer and employee, as well as each contractor and consultant to the CSL Group whose terms of engagement apply this Policy to them (referred to collectively as **CSL People** and individually as a **CSL Person** in this Policy).

Designated Persons have additional responsibilities, which are set out in this Policy.

Some aspects of this Policy also extend to or affect Close Associates of Designated Persons, such as family members or companies, trusts and other entities controlled by them.

1.3 Responsibility

Each CSL Person has an individual responsibility to ensure that they comply with both the law relating to insider trading and the other requirements of this Policy. This Policy is only a general guide in relation to complex legal provisions, and should not be taken as legal advice.

If you do not understand this Policy or have further questions, guidance can be obtained from the Company Secretary. However, that guidance will not affect your individual responsibility to comply with your obligations.

2. What is the law on insider trading?

2.1 Insider trading prohibition

CSL People must comply with the law at all times when they are in possession of Inside Information. In particular, CSL People must not engage in insider trading.

This means that a CSL Person who possesses Inside Information in relation to Securities (whether of CSL or any other entity) must not:

- apply for, acquire or dispose of those Securities, or agree to do so; or
- procure, encourage, incite or induce any other person (for example, a family member, friend, or family company or trust) to do any of the above things; or
- directly or indirectly communicate the Inside Information to any other person, if the CSL Person knows or ought reasonably to know that the other person may use the information to do any of the above things.

These restrictions apply to anything the CSL Person does on their own behalf, or on behalf of another person.

These restrictions also apply to another person doing things on the CSL Person's behalf. For example, if a family member acquires Securities for a CSL Person while the CSL Person is in possession of Inside Information in relation to those Securities, then the CSL Person may face insider trading liability.

Furthermore, these restrictions apply to all Securities, including without limitation shares, options, rights and Derivatives.

2.2 What is Inside Information?

Inside Information is information that is not generally available and that, if it were generally available, a reasonable person would expect to have a material effect on the price or value of relevant Securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of particular securities if (and only if) the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of the particular securities in question.

Examples of information that might be Inside Information include information relating to:

- CSL's financial performance;
- CSL considering a major acquisition or disposal of assets, or a takeover or merger;
- the threat of major litigation against CSL;

- the likely granting (or loss) of a major contract or government approval;
- a proposed dividend or change in dividend policy;
- a proposed new share issue or change to capital structure; or
- a significant change in senior management.

Information is 'generally available' if:

- (a) it consists of readily observable matter; or
- (b) it has been brought to the attention of investors by an ASX announcement and a reasonable period for its dissemination has elapsed since the announcement; or
- (c) it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

2.3 Not limited to CSL information

The prohibition in the Corporations Act against insider trading applies to Inside Information held by a CSL Person in respect of another company's Securities, as well as to Inside Information relating to the Securities of CSL.

2.4 Information however obtained

It does not matter how or where the director or employee obtains the information – it does not have to be obtained from CSL to constitute Inside Information.

2.5 Extra-territorial application

Under the Corporations Act, the prohibition against insider trading applies to acts within Australia and acts outside Australia that involve the Securities of companies that are Australian or do business in Australia. Hence, the law against insider trading applies to conduct relating to dealing in CSL Securities which occurs both outside Australia as well as within Australia.

2.6 Penalties

Insider trading is a criminal offence, attracting potential fines and imprisonment. Civil penalties and compensation may also be ordered against a person for engaging in insider trading.

In addition to the consequences applicable under law, CSL People who fail to adhere to the requirements of this Policy may face disciplinary action, including suspension or termination of employment with CSL and exclusion from participating in the CSL Group's employee equity plan.

2.7 Employee equity plans

As a result of an exception under the law, the insider trading prohibitions do not apply to:

- applications for; and
- acquisitions under those applications of,

CSL Securities by (or by a trustee for) a CSL Person under CSL employee equity plans.

This means that the insider trading prohibition will generally **not** apply to the acquisition by such a CSL Person of Securities (including the acquisition of shares in CSL upon exercise of options to subscribe for shares) under any CSL employee equity plan (such as the Performance Rights Plan or the Global Employee Share Plan).

However, this employee equity plan exception does not provide an exemption for other conduct which might otherwise be prohibited, such as:

- communicating Inside Information to another person; or
- subsequently disposing of the CSL Securities (for example, by selling CSL shares on-market) until the Inside Information has become generally available (eg released to the market).

3. CSL Policies on Securities Dealing

CSL People are required to adhere to the following policies in addition to their obligation to comply with the law in relation to insider trading (see Section 2 above).

3.1 Short-term or speculative dealing

CSL People are encouraged to be long-term holders of CSL Securities. No CSL Person may deal in CSL Securities for short-term gain.

3.2 Blackout periods

3.2.1 Operation of blackout periods

There are certain periods of the year during which CSL People should not deal in CSL Securities due to the proximity of those periods to the release of CSL's financial or trading results, and hence a heightened risk of actual or perceived insider trading. CSL People are restricted from trading in CSL Securities during those periods, called 'blackout periods', as set out below. The blackout periods differ according to the role and seniority of a particular CSL Person.

Note that even when a blackout period is not operating, CSL People may be prevented from dealing in CSL Securities by the insider trading laws. CSL People are responsible for complying with the law at all times.

Circumstance	Blackout period*	
	Designated Persons	Other CSL People
Release of Full Year Results to ASX	From end of relevant financial year until time of release	From 4 weeks before release** until time of release
Release of Half Year Results to ASX	From end of relevant half year until time of release	From 4 weeks before release** until time of release
Annual Meeting	General From 4 weeks before AGM** until AGM	From 4 weeks before AGM** until AGM

* All references to time are to Australian Eastern Standard time

** The relevant CSL People are responsible for ascertaining the scheduled time for release of the relevant results, so that they are aware when the 4 week period begins. CSL regularly publishes a schedule of release dates.

3.2.2 Exemption for subscription under CSL employee equity plans

The blackout periods do not apply to certain activities in relation to CSL's employee equity plans. See section 3.4 below for further details.

3.2.3 Other exemptions – exceptional circumstances

In exceptional circumstances CSL People may be given prior written clearance to dispose of (but not acquire) CSL Securities where they would otherwise be restricted by this Policy due to the application of a blackout period. Those circumstances are where the person:

- is in severe financial hardship or other exceptional circumstances apply; and
- is not actually in possession of Inside Information in relation to CSL Securities; and
- has consulted the Chairman (in the case of directors) or the Company Secretary of CSL (or, in the case of the Company Secretary, the Chairman or Chief Executive Officer of CSL) and the Company Secretary (or Chairman or Chief Executive Officer, as applicable) has given prior written approval to dispose of the CSL Securities.

The Company Secretary (or Chairman or Chief Executive Officer, as applicable) has sole discretion to decide whether or not the above circumstances are satisfied.

As a guide:

- severe financial hardship would not normally include a tax liability unless the person has no other means of satisfying the liability. A tax liability relating to securities received under an employee equity plan would also not normally constitute severe financial hardship or otherwise be considered exceptional circumstances;
- exceptional circumstances may include where the person is required by a court order, or otherwise by applicable law or regulatory requirement, to sell the relevant CSL Securities during a blackout period.

A CSL Person who wishes to seek prior written clearance under this section 3.2.3 must first make a written request to the Company Secretary (or Chairman or Chief Executive Officer, as applicable). The request should be in the form specified by CSL from time to time, and should set out the reasons why the applicant considers that clearance should be provided. Any requests and clearances may be provided by email. Any clearance will be valid for two business days from the date it is given, or such other period specified in it.

3.3 Blacklisted Securities

From time to time, CSL will be engaged in certain activities where Inside Information in relation to Securities of another entity may be made available to CSL People as a result of their role or position with the CSL Group. CSL wishes to minimise the risk that such CSL People, because of their position, might be perceived to be engaged in inappropriate dealings, and therefore CSL may blacklist certain Securities in relation to particular CSL People.

Where CSL notifies a CSL Person in writing that they are subject to a blacklist in relation to a particular Security, that person must not deal in the Security for the period of time specified in the notice, unless they first comply with the notification and approval procedure outlined in Section 4.2 below (as if that person were a Designated Person and the Security were a CSL Security).

A person notified of the application of a Security's blacklisted status must not discuss the fact that the Security is blacklisted with any person other than the Chairman or another director of CSL or the Chief Executive Officer, Chief Financial Officer or Company Secretary of CSL (or any other person approved by the Chairman or Chief Executive Officer from time to time), to the extent necessary for the resolution of any questions or issues.

3.4 Participation in CSL employee equity plans

Section 2.7 above summarises the application of the insider trading laws to the operation of CSL's employee equity plans. Section 3.5 discusses the application of the Policy to the use of Derivatives.

CSL People must comply with those laws, and with CSL's policy on use of Derivatives, in connection with their participation in CSL's employee equity plans.

The blackout periods in Section 3.2.1 above do not apply to certain activities in relation to CSL's employee equity plans. In particular, options to subscribe for new CSL shares that are granted under such a plan may be exercised by a CSL Person during a blackout period. However, any dealings with the resulting shares will be subject to the requirements of this Policy, including the restrictions that apply during blackout periods.

3.5 Derivatives over CSL Securities

As noted in Section 2.1 above, the insider trading provisions apply to trading in Derivatives, including price protection arrangements ("hedging"), in respect of CSL Securities. It is contrary to CSL policy for CSL People to use, or allow to be used, any such price protection arrangements in relation to any CSL Securities (such as shares, options or performance rights) in which they have an interest.

3.6 Margin Lending

Margin Lending poses special risks to the compliance of CSL People with this Policy and the law. As such, it is contrary to CSL policy for CSL People to enter into Margin Lending arrangements that involve CSL Securities.

3.7 Excluded Dealings

Without affecting the obligation of CSL Persons and their Close Associates to ensure that they comply at all times with insider trading laws, this Policy does not apply to the subscription for new CSL ordinary shares under:

- a CSL dividend reinvestment plan where the CSL Person or their Close Associate has made a standing instruction to reinvest dividends, if the CSL Person or their Close Associate only elects to participate in the dividend reinvestment plan, or changes their election, when they are not in possession of Inside Information in relation to CSL Securities; or
- an employee equity plan (see Sections 2.7 and 3.4)

provided (in each case) that any subsequent Dealing in those CSL shares is in accordance with this Policy.

4. Specific Requirements for Designated Persons

4.1 Designated Persons

Designated Persons under this Policy are subject to additional obligations.

The additional obligations of Designated Persons are set out below. It must always be remembered, however, that Designated Persons are responsible for complying with the law at all times, in particular the insider trading laws, as well as complying with this Policy.

4.2 Prior notification and approval procedure in relation to CSL Securities

A Designated Person must not deal in CSL Securities until written approval has been given by the Chairman (in the case of directors) or the Company Secretary (or, in the case of the Company Secretary, the Chairman or Chief Executive Officer), subject to certain limited exceptions set out below.

A Designated Person who wishes to deal in CSL Securities must first notify the Chairman (in the case of directors) or the Company Secretary of CSL (or, in the case of the Company Secretary, the Chairman or Chief Executive Officer) of that proposed dealing. Notice of the proposed dealing should be given by completing and submitting a notification and request in the form CSL may specify from time to time. Any notifications or approvals may be provided by email.

4.2.1 Exceptions

Designated Persons do not need to follow this formal notification and approval procedure where the proposed dealing involves the subscription for CSL Securities pursuant to a pro rata issue, or involves the application for CSL Securities under a CSL employee equity plan. Compliance with the other terms of this Policy is, however, still required.

4.2.2 Duration of approval

Any approval will be valid for two (2) business days from the date it is given, or such other period specified in it, meaning that the relevant dealing can only occur during that period (subject to the other requirements of this Policy).

4.3 Confirmation of dealings in CSL Securities by directors

CSL is required by law to disclose dealings in its Securities by directors within a prescribed period after they occur. Each director of CSL must notify the Company Secretary of CSL as soon as practicable after any dealing in CSL Securities occurs and, in any case, no more than two days afterwards in order to facilitate CSL's compliance with its disclosure and reporting obligations.

4.4 Dealings by Close Associates

This Policy extends to the Close Associates of a Designated Person in relation to CSL Securities, including immediate family members of the Designated Person and any trusts, companies and other entities that the Designated Person controls.

This means that each Designated Person must take all reasonable steps to ensure that their Close Associates comply with this Policy in relation to CSL

Securities. This includes taking all reasonable steps to ensure that their Close Associates do not engage in insider trading or short-term dealings in CSL Securities or deal in CSL Securities during an applicable blackout period, and that their Close Associates comply with the notification and approval procedure outlined in Section 4.2 above if that would be required for the dealing by the Designated Person in the CSL Securities.

5. Definitions

For the purposes of this Policy, the following terms have the meaning set out below:

ASX means the Australian Securities Exchange.

blackout period means periods during which no CSL Person may trade in CSL Securities as set out in Section 3.2 above.

Close Associate means, in relation to a Designated Person:

- (a) a family member of that Designated Person who may be expected to influence, or be influenced by, that Designated Person in his or her dealings with Securities (this may include that Designated Person's spouse, de facto partner and children who live at home, the children of that Designated Person's spouse or de facto partner who live at home, or dependants of that Designated Person or that Designated Person's spouse or de facto partner); and
- (b) a company, trust or other entity which is controlled by that Designated Person (whether alone or jointly with any other Close Associate).

CSL means CSL Limited (ABN 99 051 588 348).

CSL Group means CSL and its controlled entities.

CSL Person means each director, officer and employee of CSL or an entity in the CSL Group, and each contractor and consultant to CSL or an entity in the CSL Group whose terms of engagement apply this Policy to them, and CSL People has a corresponding meaning.

Corporations Act means the *Corporations Act 2001* of Australia.

Deal includes, in relation to Securities, an acquisition or disposal of the Securities, or the entry into a Derivative in relation to the Securities, or the grant, acceptance, acquisition, disposal or exercise of an option to acquire or dispose of the Securities, or the use of the Securities as security or the grant of any encumbrance over the Securities, or the engagement in any other transaction involving a beneficial interest or a change in beneficial ownership of the Securities, or the entry into any agreement to do any of the above things. This includes, without limitation, engaging in securities lending.

Derivatives has the meaning given in section 761D of the Corporations Act and includes options, forward contracts, swaps, futures, warrants, caps and collars.

Designated Person means:

- (a) each director of CSL;
- (b) the Company Secretary of CSL;
- (c) each member of the CSL Executive Management Group and the CSL Behring Executive Management Group and their respective direct reports;
- (d) any other CSL Person who is one of the CSL Group's key management personnel; and
- (e) any other CSL Person or CSL People designated by the Company Secretary of CSL from time to time in accordance with Section 4.1 above.

Inside Information means, in relation to any Securities, any information that is not generally available and that, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the relevant Securities, as discussed in Section 2.2 above. Information is 'generally available' if, amongst other things, it consists of readily observable matter or it has been brought to the attention of investors by an ASX announcement and a reasonable period for its dissemination has elapsed since the announcement. A reasonable person would be taken to expect information to have a material effect on the price or value of particular Securities if the information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of the particular Securities in question.

Margin Lending includes the borrowing of money against the value of CSL Securities, where the loan is secured by those CSL Securities.

Securities include shares, options, rights, debentures, interests in a managed investment scheme, Derivatives and other financial products covered by the insider trading provisions of the Corporations Act.

The Securities Dealing Policy was adopted by the Board on 14 December 2010.