Economic, Environmental and Social Sustainability Report

Sirtex is a committed and active member of global medical, scientific, patient and research communities. Our goal is to create the foundations for a long-term, sustainable business which is respected, supported and welcomed wherever we operate.

Safety, health, the environment and community are vital to Sirtex. Incidents or accidents may have a negative impact on the patients we seek to help, our people, operations and the reputation or licences we need to operate.

This report details the Group’s exposure to material economic, environmental and social sustainability risks and how we manage these risks.

Economic sustainability

Economic sustainability is the ability of a listed entity to continue operating at an effective economic level over the long term.

A range of factors can influence the level of Sirtex’s sustainability.

- **Sovereign risk (reimbursement):**
  Loss of government reimbursement for patients in key countries where we sell SIR-Spheres microspheres would have an adverse effect on patient care and Company sales as many patients rely on government reimbursements for the treatment. Sirtex continues to support a range of clinical studies so that reimbursement decisions are made with the benefit of important treatment and effectiveness data.

- **Suspension or cancellation of regulatory licences:**
  The Group has been successful in gaining regulatory approval for SIR-Spheres microspheres in key global markets. They include US, Argentina, Brazil, Canada, the European Union, Israel and various Middle East and African markets, Australia, New Zealand, Singapore, Hong Kong, Taiwan, South Korea and various other Asian markets. Sirtex is working towards gaining regulatory approvals in Japan, China and other markets. Loss of these licences would have a severe impact on sales and failure to gain new licenses would inhibit future geographic growth.

- **Inability to keep up with growth and demand:**
  An inability to meet demand would have negative direct and indirect impacts on patient access, sales and reputation. The Group has invested heavily in globally targeted manufacturing plants and the associated business processes, infrastructure and human resources. Sirtex runs a globally integrated enterprise resource planning system to handle customer orders efficiently and ensure timely delivery of SIR-Spheres microspheres to the end customer.

- **Single product:**
  Sirtex's sole commercialised product is a targeted radioactive treatment for liver cancer called SIR-Spheres® Y-90 resin microspheres. While the Company has grown steadily year-on-year with SIR-Spheres microspheres, there is a risk that new competitors or technologies to treat liver cancers come into the market and challenge the Company's strong position. A key component of
Sirtex’s operating strategy is the continued development of its treatment offering to provide differentiating, value-adding features, and the generation of relevant medical data to help inform its customers. The Company is also engaged in clinical studies and R&D projects which are exploring opportunities that would build onto its capabilities and know-how.

- **Loss of key customers/suppliers:**
  Key customers and opinion leaders are critical to Sirtex’s reputation and sales. As a result, an important role of marketing and regional staff is to listen to customers and keep them and opinion leaders fully informed regarding treatment options and understanding. Maintaining relationships with suppliers is also critical to meeting manufacturing timeframes and delivery to those customers. As the Company grows, it has developed strong relationships with both the suppliers of raw materials and the necessary logistic support.

**Environmental sustainability**
Environmental sustainability is the ability of a listed entity to continue operating in a manner that does not compromise the health of the ecosystems in which it operates over the long term.

Sirtex has identified the following factors in this regard.

- **Contaminating land and water:**
  Sirtex manufactures a radioactive product. This carries the risk of contamination of land and water and the consequential effects on the environment. Sirtex has been extremely diligent in the design of its production facilities, the equipment used and controls put in place so as to mitigate risks and comply with all relevant safety standards.

- **Change in environmental legislation:**
  Sirtex operations are not subject to significant environmental regulation under the law of any of the jurisdictions it is operating in.

- **Green buildings and other clean initiatives:**
  Sirtex offices strive to be energy-efficient and environmental-friendly. Its global headquarters, situated in North Sydney, NSW is in a building awarded a 5 Star Green Star rating, a 5 Star NABERS Entergy Rating (Base Building) and a 3.5 NABERS Water rating. The building in which Sirtex’s European headquarters is housed has been awarded the gold certificate of the German society of sustainable building.

**Social sustainability**
Social sustainability is the ability of a listed entity to continue operating in a manner that meets accepted social norms and needs over the long term.

Considerations include:

- **Alleged bribery and corruption**
  As with any organisation, involvement in bribery and corruption by staff members is a risk. Such behaviour is not tolerated within Sirtex and is inconsistent with its values and culture. The
Company has adopted a rigorous Anti-Bribery, Anti-Corruption Policy, supported by a Code of Conduct for all levels of staff, including directors.

- Compliance with OH&S laws on

Having employees in 20 countries and extensive research, distribution and manufacturing operations, Sirtex is exposed to a range of potential occupational health and safety risks. In order to address these risks, the Company has appointed a dedicated Head of Global Compliance and Safety who reports directly to the CEO. His role is responsible for the implementation, improvement and management of policies and programs to understand, manage and minimise compliance, health, safety, environment and operational risk across the organisation. As part of the company’s Health, Safety and Environment Policy, an extensive audit program of Sirtex operations is in place to ensure compliance and OH&S performance measures are reported on a monthly basis to the Board.

All of the factors identified are included and considered annually in Sirtex’s risk management framework. In addition, manufacturing and supply issues are subject to extensive regulatory oversight. Sirtex also has a corporate code of conduct that covers bribery and corruption; the document is reviewed biennially and updated as necessary to ensure it remains relevant.

Sirtex is committed to being a responsible member of the international business community and recognises that its operational integrity and reputation are key to its success.