



FOCUSED ON PROTECTION

**Corporate Social Responsibility  
& Sustainability Report  
2018**

# Chairman's Review

We have been working to meet the rising expectations and requirements for transparent Corporate Social Responsibility and Sustainability reporting.



Ansell has always had a commitment to safety and sustainability in its business. In recent years we have been working to codify how we improve our practices and meet the rising expectations and requirements for transparent CSR and Sustainability reporting. In FY18, we have taken two key steps along this journey:

Firstly, we have focused the detailed governance processes for CSR and Sustainability in the remit of the CSR and Risk Committee (formerly the Risk Committee);

Secondly, we have made the decision to begin issuing a stand-alone CSR and Sustainability Report annually to give these important issues the attention and transparency they deserve. Our Annual Corporate Report will draw from and reference this document, and integrate the issues into our broader business strategy.

A handwritten signature in black ink that reads "Glenn Barnes".

Glenn L L Barnes  
Chairman

*'In recent years we have been working to codify how we improve our practices and meet the rising expectations and requirements for transparent CSR and Sustainability reporting.'*



# Chief Executive Officer's Review

Ansell is committed to leading the PPE industry in responsible human rights, community, environmental, and governance practices.



Over the past several years Ansell has transformed the way in which it envisions sustainability, taking important steps to safeguard the well-being of its employees and customers, the health of our planet, and the ethical way in which we operate our business.

One of Ansell's core competitive strengths is its understanding of workplace risks to personal safety, and timely actions to manage and control such risks. In the same way, Ansell is using innovative strategies to build a diverse and inclusive workforce, enhance our safety culture, and minimise the environmental impact of our global footprint.

We know that companies that are well governed and efficiently manage their environmental and social impact are more successful and sustainable over the long term.

We are making progress on Ansell's sustainability journey and setting goals to better focus our efforts.

Magnus Nicolin Managing Director and Chief Executive Officer

*'We are using innovative strategies to build a diverse and inclusive workforce, enhance our safety culture, and minimise the environmental impact of our global footprint.'*



## Introduction

In FY16, Ansell conducted a materiality mapping study to determine the sustainability issues most important to Ansell stakeholders and those having the greatest influence on business success. The study resulted in the following key areas of focus: Climate and Resource Efficiency, Philanthropy, Business Ethics, Disaster Preparedness and Response, Labour Practices, Talent Development

and Recruitment, Stakeholder Engagement, and Health and Safety.

These focus areas are aligned to 10 of the United Nation's 17 Sustainable Development Goals. You can view the United Nation's Sustainable Development Goals website here: <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>



- Health & Safety
- Philanthropy



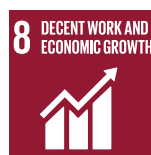
- Talent Development & Recruitment



- Climate & Resource Efficiency
- Philanthropy



- Climate & Resource Efficiency



- Business Ethics
- Labour Practices
- Talent Development & Recruitment



- Labour Practices
- Talent Development & Recruitment



- Climate & Resource Efficiency
- Disaster Preparedness & Response



- Climate & Resource Efficiency



- Business Ethics



- Stakeholder Engagement

## Ansell CSR Steering Committee

**Debbie Lynch** PhD  
Chief Human Resources Officer  
United States of America

**Jon Au**  
Sr Director  
Internal Audit  
Australia

**Christine Burke**  
Manager Global  
Internal  
Communications  
& Sustainability  
United States  
of America

**Anoma De Silva**  
Director, HR APAC  
Sri Lanka

**Aaron Gustkey** CSP  
Director EHS  
& Risk Management  
United States  
of America

**SiekMeng Khor**  
Sr. Director QARA  
HGBU  
Malaysia

**Gerald Koh**  
VP Engineering & Mfr.  
Technology Global  
Operations  
Malaysia

**Satish Kumaran PhD**  
Sr Director Global  
EH&S and Risk  
Management  
Malaysia

**Mark Nicholls**  
SVP & Chief  
Commercial Officer  
Americas  
United States  
of America

**Tom Paoella**  
Director External  
Communications  
United States  
of America

**Philippe H Rommel**  
Vice President  
Deputy General  
Counsel & Global  
Compliance Officer  
Belgium

**Artha Salgado**  
Sr Manager EH&S  
& Risk Management  
APAC  
Sri Lanka

**Catherine Stribley**  
Company Secretary  
Australia

**Didier Vincent**  
VP Regional Sales  
HGBU EMEA  
France





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## Human Rights Goals

### Workplace Safety

Sustain the lowest accident rates in the industry, with continued year over year reduction in lost time injuries (LTIs) and medical treatment injuries (MTIs).



**Sri Lanka:** Safety training is an ongoing initiative for engineers at Ansell's plant in Sri Lanka.

### Gender Diversity

Achieve 30% women at Director level and above and 40% at Manager through Associate Director and 50% women at Board level by end of FY20.



**Belgium:** In Brussels, marketing teams from across the global business units celebrate the conclusion of a training conference.

### Employee Engagement

Ensure that Ansell employee engagement scores approach best in class levels globally by the end of 2025.



**Vietnam:** Employees celebrate the opening of a new canteen at Ansell Vietnam.

### Suppliers

Partner with top ten global suppliers to become 100% compliant in the completion of standardised CSR audits.



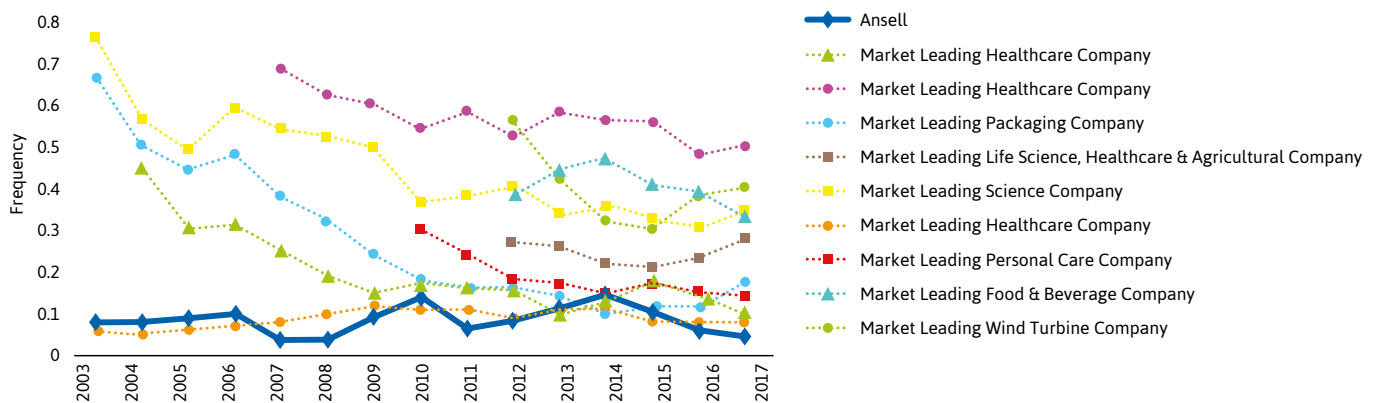
**Global:** Ansell is engaging with its supply chain to procure products and services in ways that are socially responsible.

# Human Rights – Safety

## Health & Safety

At Ansell, the focus continuously turns to Ansell workers at its manufacturing sites, warehouses and offices. Mitigating risk, enhancing well-being, and ensuring consistently safe operations for people – the Company's most important resource – form the foundation of the Company's commitment to worker protection in an 'Ansell protected' world.

### Lost Time Injuries (LTIs)



A comparison of Ansell safety performance against that of comparable market-leading global manufacturers drawn from publicly-available website data through 2017 illustrates Ansell's best in class safety level in Lost Time Injuries (LTIs), and excellent safety performance in Medical Treatment Injuries (MTIs). The Company's safety track record reflects the strong emphasis on safety products, culture and expertise at Ansell. Frequency equals number of incidents/per 100 employees/per year.

## High-Risk Safety Self-Assessment Surveys

Continuous improvement is vital to maintain safety performance at world class levels, and so, beginning in FY16 Ansell launched high-risk safety surveys at all Company sites: manufacturing plants, warehouses and office locations. Action plans are developed for any non-compliance issues identified through this process, including worker training to enhance safety awareness, and teach proper procedures to our operators.

High-risk safety surveys conducted to date include:

- Working at Heights
- Electrical Safety
- Powered Industrial Truck Safety
- Eye & Face Protection
- Contractor Safety
- Hazardous Substances
- Lockout/Tag-out & Safeguarding of Machinery



During Safety Week, shippers and receivers at Ansell's Cowansville, Canada warehouse completed Forklift Safety training.

# Human Rights – Safety continued



'Safety – that's just how we do things around here.' Safety is top of mind at all Ansell locations, like the Company's newest, state-of-the-art warehouse in Reno, Nevada, USA.

Employees participated in safety training covering more than 20 topics throughout FY18. This training was provided by the Company's own Environment Health & Safety leadership, external experts as well as online through Ansell University. Training for employees and contractors remains virtually continuous at Ansell manufacturing sites. EHS-related courses are among the most frequently accessed online trainings at Ansell.

Monthly dashboards track leading risk indicators at all Ansell locations, including reports such as near misses, EHS and property protection audits, crisis management and recovery improvement activities, behavior-based safety, and more.

A Global EHS & Risk Management Summit was held in Bangkok in October 2017, which was attended by representatives from each Ansell manufacturing team. Participants shared best practices, challenges, and opportunities for all EHS coordinators at Ansell.

Safety and Environment Week and National Safety Week were celebrated at Ansell manufacturing sites in FY18. Employees participated in awareness building, health checks, competitions, and even events geared to educate employees' children about safety risks.

## Safety Awareness Campaign

At Ansell, we encourage that meetings from the Board level to the shop floor begin with a Safety Moment, an opportunity to share a simple but potentially life-saving lesson and remind employees of the Company's core mission – providing innovative hand-and-body safety solutions.

The '3 Questions' safety awareness program was launched at all Ansell locations in FY18 to promote worker awareness and build a culture of safety. Translated into local languages, the posters remind workers to think before acting.

### Pause for Safety Before You Act

- What am I about to do?
- What can go wrong?
- How can I do it safely?

## 5-Point Safety Charter

The 5-Point Safety Charter reinforces the minimisation of hazards and the prevention of injuries as a core responsibility and performance objective for all Ansell managers. Appropriate training to manage safety and on-going safety awareness is also included in the charter, which can be viewed here: <http://sc-cdn-prod.azureedge.net/-/media/Corporate/MainWebsite/About/Corporate/Corporate-Responsibility/Safety-Charter-signed-by-MN.pdf?la=en&modified=20180516052728>

The Charter requires every Lost Time Injury to be reported immediately to the CEO by the site manager. Serious accidents and near misses will be reported to senior management.

## Disaster Preparedness and Prevention

Like other global businesses, Ansell experienced climate impact in FY18, including flooding, drought, and forest fire in areas where the Company operates.

Emergency evacuation drills were held at Ansell locations. Firefighting/emergency response training took place globally, including Belgium, Brazil, China, Japan, Korea, Lithuania, Malaysia, Mexico, Portugal, Sri Lanka, Thailand, United States,

and Vietnam. Crisis management and recovery workshops were conducted by a third-party expert in Vietnam and China. Major risks and mitigation strategies related to material business risks are found in Ansell's Annual Report under the Operating and Financial Review section.

## Communicating Risk Management Incidents

In FY18, all management teams at Ansell manufacturing sites received training to standardise the procedure for communicating environment, health, safety and risk management incidents. The purpose of standardised incident reporting within Ansell is to ensure that senior management is quickly informed of any serious incidents or events.



## Travel Alert System

Safety First, a risk management mobile app enabling employees to travel with a greater sense of confidence, was launched in FY17. Provided by an industry-leading travel risk management company, Safety First continues to provide Ansell employees worldwide with security and weather alerts, world health updates, and travel information, both at home and abroad.

*Safety First, a risk management mobile app enabling employees to travel with a greater sense of confidence, was launched in FY17.*

## Hand Safety Report Published in Partnership with NSCA Foundation

In March 2018, Ansell published a second edition of a Hand Safety Report in partnership with the National Safety Council of Australia (NSCA), which benchmarked hand safety performance and improvement trends in safety practices within Australia and New Zealand.

Sixty per cent of respondents cited the main reason for not using hand protection or for using the wrong hand protection is that it can interfere with comfort and ability to perform.

Ansell is proud to partner on this landmark study to better understand and benchmark hand safety performance and improvement trends.

The full report is available for download at [www.ppe.ansell.com.au](http://www.ppe.ansell.com.au)



## Recognition and Awards

Ansell Lat Krabang was honoured with a Green Star Environmental and Governance Award presented by the Industrial Estate Authority of Thailand. This award recognises companies in the Industrial Estate that demonstrate good governance and represent excellent performance and transparency in their environmental management system as well as strong commitment to community engagement activities within their communities.

Ansell Lanka was recognised with a Merit Award from the 2018 International Safety Awards presented by the British Safety Council. The award recognises and celebrates organisations from around the world which have shown a dedication to keeping their workers and workplaces healthy and safe during the 2017 calendar year. Ansell scored 55 points out of a possible 60 to qualify for the recognition.

*Ansell is proud to partner on this landmark study to better understand and benchmark hand safety performance and improvement trends.*

'Safety – that's just how we do things around here.' Safety is top of mind at all Ansell locations, like the Company's newest, state-of-the-art warehouse in Reno, Nevada, USA.



# Human Rights



## Ansell Guardian® – Keeping Workers Safe Worldwide

Ansell Guardian is a proprietary service which focuses on Safety to improve business performance. Ansell Guardian methodology helps the Company's global customers – and Ansell's own operations teams – to select the right personal protective equipment solution to improve safety, productivity and cost performance.

With 40 years of experience, Ansell Guardian operates in more than 55 countries and has conducted over 15,000 industrial assessments worldwide. Since July 2014, Ansell Guardian recommendations have resulted in injury reductions on an average of 65 per cent, in addition to significant cost savings by customers.

In order to provide game-changing safety solutions, Ansell Guardian uses its expertise to analyse, benchmark,

implement and improve PPE-related operations and performance, helping workers to stay safer and still get the job done well. To accomplish these safety improvements, Ansell has pioneered the most advanced and proprietary technology and analytics in the industry.

## Ansell Guardian Chemical Solution

Ansell Guardian Chemical Solution evaluates the resistance of glove and suit materials to specific chemicals drawn from a database of over 2,500 chemicals. Customers receive a personalised assessment with expected permeation breakthrough times.

Since 2014, in addition to comprehensive Ansell Guardian industrial assessments, we have completed over 20,000 chemical evaluations and assisted customers to select a comprehensive range of gloves

and suits to cover worker's protection needs across different industries and applications.

## Ansell Guardian Partnerships

Ansell Guardian partners with industrial and medical organisations to address the challenges in today's PPE environment and deliver measurable safety and business improvements.

### • Safety & Compliance

Personalised risk management solutions (industrial and chemical) and data driven recommendations result in increased safety and compliance.

### • Productivity

Best practice recommendations optimise PPE dispensing, improve output and eliminate waste.

### • Cost

Business performance improvement/ implementation across seven cost drivers that measure financial progress.

## Best Practice Recommendations for Safety Impact

By focusing on the most relevant of the key areas, Ansell can deliver best practices recommendations with greatest impact for our customers. Ansell Guardian solutions may be implemented within a single application or manufacturing plant, and for local or global application.



## Ansell Guardian Success Case Study – ADC/Schlumberger

In a joint venture between Arabian Drilling Company (ADC) and Schlumberger with a large requirement for impact hand protection, Ansell engaged with the project's Environment, Health & Safety management to undertake an assessment of an onshore drilling rig. This initial assessment led to three additional assessments over three months.

The objectives of the assessments were to standardise hand protection by application, control PPE expenses, and increase employee satisfaction.

A 50 per cent injury reduction result was achieved, the number of glove styles and vendors was reduced, and ADC/Schlumberger reduced costs by \$115K in the first 12 months. Four Ansell gloves were selected for workers on the projects: HyFlex® 11-840, ActivArm® 97-120, Workguard® 43-216 and AlphaTec® 58-535.

*With 40 years of experience, Ansell Guardian operates in more than 55 countries and has conducted over 15,000 industrial assessments worldwide. Since July 2014, Ansell Guardian recommendations have resulted on injury reductions on an average of 65 per cent, in addition to significant cost savings by customers.*



At its core, Ansell is a safety company. At the heart of everything Ansell does is the need to keep safe its 12,000 global employees, its customers and the communities in which it operates. Ansell celebrates diversity and inclusion and strives to lead transformational change from within.

## Our People and Human Rights

In keeping with a fundamental respect for workers and professionals, Ansell is committed to operating in accordance with all applicable laws and in accordance with the Universal Declaration of Human Rights (UDHR). The Company also follows the United Nations Guiding Principles on Business and Human Rights (the Guiding Principles) and applicable International Labour Organisation (ILO) labour standards.

Following the adoption of the Ansell Human Rights Statement in FY16, Ansell conducted a Human Rights Impact Assessment in FY17 at manufacturing sites in Malaysia, Mexico and Sri Lanka, along with third-party partner BSR, a global non-profit organisation that works with its members to build a just and sustainable world. A key finding of the Human Rights Impact Assessment focused on production workers labouring excessive hours, with limited rest days.

In response, Ansell Human Resources staff audited employee time and attendance at each of its manufacturing sites. Ansell's production management at 11 manufacturing sites completed comprehensive training on Ethical Trading Initiative (ETI) Base Code, an internationally-recognised code of labour practice founded on the conventions of the ILO, an online tracking system went live in June 2017, and compliance to the standard is improving.

## Transforming Culture

Ansell has worked consistently on improving its culture based on global employee surveys given once every two years, positive actions and investments over the last six years.

As the Corporate Social Responsibility (CSR) platform at Ansell has evolved, a Labour Standard Management System has been introduced to monitor our progress.

Overtime hours, absenteeism and training for workers at manufacturing sites are closely monitored, with monthly reports from the sites shared with the Chief Human Resources Officer and the Operations Leadership Team. Summary reports are provided to the Executive Leadership Team and to the Board.

In addition to adopting a Human Rights Statement in FY16, Ansell updated and standardised five Human Rights policies in FY17. These policies encompass all Ansell employees as well as suppliers and contractors in the Company's supply chain.

These policies are available online at [www.ansell.com/en/About/Corporate-Responsibility/About.aspx](http://www.ansell.com/en/About/Corporate-Responsibility/About.aspx) as well as on the employee Intranet:

- Corporate Social Responsibility Policy
- Labour Standard Management Policy
- Modern Slavery Statement
- Conflict Minerals Policy
- 5-Point Safety Charter

# Human Rights continued

## Human Rights Day

During the week of 10 December 2017, Ansell focused on building awareness of the principles of the Universal Declaration of Human Rights among all employees, following the theme, 'Stand up for Human Rights'.

This message was translated into 15 languages to support non-English speaking employees in Brazil, China, Indonesia, Korea, Lithuania, Malaysia, Mexico, Myanmar, Portugal, Sri Lanka, Thailand, and Vietnam.



Observing Human Rights Day around the Ansell world: above, two employees in Biyagama, Sri Lanka; below left, a group of employees in Melaka, Malaysia, and below right, Board Chairman Glenn LL Barnes and CEO Magnus Nicolin distributed apples to employees in Xiamen, China.

## Conflict Minerals Policy

In FY18, in furtherance of its responsible Environmental, Social and Governance (ESG) practices, Ansell adopted a conflict minerals policy. Conflict minerals are defined as those that originated in the Democratic Republic of Congo or its surrounding countries (Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda and Uganda).

In 2010 the United States Congress passed Section 1502 of the Dodd-Frank Act which requires US publicly-held companies to assess and document the source and usage of conflict minerals. Although Ansell is not formally subject to this requirement, not being a US listed company, we nevertheless recognise the importance of ensuring a supply chain free of conflict minerals.

The conflict minerals policy can be viewed here: <http://sc-cdn-prod.azureedge.net/-/media/Corporate/MainWebsite/About/Corporate/Corporate-Governance/Conflict-Minerals-Policy-6,-d,-27,-d-,2018-FINAL.pdf?la=en-US&modified=00010101000000>

## Ansell Code of Conduct

The global Code of Conduct is Ansell's core policy, serving as a guide to ethical behavior and business conduct for all employees. The Ansell Code of Conduct is available online in 14 languages at <http://www.ansell.com/en/About/Corporate-Responsibility/Code-of-Conduct.aspx> as well as on the employee Intranet.

Ansell invests resources in creating global employee awareness of its global Code of Conduct. As part of its Code of Conduct, Ansell maintains an independent, confidential mechanism whereby an employee or other stakeholder can raise – without fear of retribution – instances

*In observance of Human Rights Day, apples were shared with employees worldwide. In China, apples represent safety and peace, two important protections Ansell provides for its employees. Ansell employees across the globe participated in International Women's Day activities.*

of potential or suspected breach of ethics, including on an anonymous basis. This includes processes designed to investigate concerns raised by whistleblowers and implement disciplinary action where appropriate. Ansell encourages a pro-disclosure culture supported by a robust internal reporting mechanism.

Any Ansell employee, customer or supplier can report a concern confidentially online at <https://ansell.alertline.com>, or by calling a toll-free country-specific number posted at individual Ansell locations.

## Employee Representation

Ansell is committed to respecting the right of freedom of association as well as collective bargaining in all its businesses. The Company complies with respective country laws, labour relations legislations, and International Labour Organisation (ILO) conventions. Seventy-two per cent of Ansell total production worker population is represented by a union or independent worker council.

All matters relating to wages, benefits, grievances and health and safety issues take place through effective management and worker dialogue. Seventy per cent of the production workforce is covered by a collective bargaining agreement. The Company has an established process where all workers can give feedback through worker surveys and a confidential hotline.

Worker councils represent 72 per cent of Ansell production workers. These worker-selected delegates facilitate dialogue between workers and management, as well as ensure a flow of communication that aims to improve worker safety and productivity.



## Supplier Accountability

Ansell expects the same level of commitment to human rights from its suppliers. Suppliers are expected to comply with all applicable country laws and regulations in the manufacture and distribution of its products, and in providing their services to the Company.

The Supplier Code of Conduct can be found online at [www.ansell.com](http://www.ansell.com): <http://sc-cdn-prod.azureedge.net/-/media/Corporate/MainWebsite/About/Corporate/Corporate-Governance/Supplier-Code-of-Conduct-Final-10-06-17.pdf?la=en&modified=20171012081503>

Ansell and its manufacturing sites are members of Sedex, a global, collaborative platform for managing ethical supply chain data. In FY16, Ansell began working with Sedex on a process to mitigate risk within its own manufacturing sites. In FY17, Ansell extended the practice to its supply chain, using the Sedex Self-Assessment Questionnaire and Risk Assessment tool to identify potential risk.

Currently all Ansell manufacturing sites are learning the Sedex Members Ethical Trade Audit (SMETA) 4-pillar labour standard system and the key steps in planning, executing and documenting a SMETA audit against these four auditing pillars:

- Labour Standards
- Health & Safety
- Environment
- Business Ethics

Ansell manufacturing sites are also conducting an internal Pre-Assessment Program against each SMETA audit standard to identify areas for improvement in FY19.

Also in FY19, Sedex SMETA audits will be conducted at Ansell manufacturing sites, which will be actioned by an independent audit company.

## Human Capital Management

The Ansell CSR & Risk Committee and the Human Resources Committee, each chaired by a member of the Board of Directors, have oversight and provide guidance to management.

Employees are central to the Company's business success, and Ansell focuses significant resources on workforce acquisition, management and optimisation company-wide.

People risk updates are provided to the Executive Leadership Team and the Board regularly to provide oversight on the actions and results of the CSR Steering Committee. Ansell utilises its Human Resources Information System (HRIS) to create dashboards that monitor headcount, turnover, gender diversity, and employee movement on a real-time basis. This technology enables the Company to be more proactive in understanding human capital issues and act on a timely basis.

Ansell Brazil launched a monthly program to focus on each of the eight Ansell values and to recognise those values in action in their co-workers.



## Recruitment, Talent Development and Retention

Ansell continues to build a strong global foundation anchored on the Company's Core Values and Leadership Competencies.

Ansell continues to put its employees first, providing support to meet today's global challenges, and to develop employees to their fullest potential.

Ansell has made significant improvement in learning and development, performance management and enabling infrastructure. All senior leaders played more visible roles in FY18.



### Launched Global eCareer Site

- A single source for acquiring talent for all Ansell professional positions, globally.
- Available to external candidates via new Ansell.com Career pages.
- Integrates with priority job boards globally such as LinkedIn and JobStreet.
- Available to Ansell employees to apply for openings and facilitate career progression.
- Available to Ansell employees to refer opportunities to potential candidates.
- Responds to career feedback from the 2017 Employee Engagement Survey, "I know what career opportunities are available to me".
- Since November 2017, 409 jobs have been posted, 10,518 applications received, and 243 candidates hired.
- With eCareer, Ansell continues to manage cost per hire and create more opportunities for Ansell employees.

### Global Manager Development Program

- Ansell continues to deliver its flagship Leadership Development Program.
- In FY17, sessions were delivered in Belgium, Sri Lanka, and Malaysia.
- Approximately 75% of Ansell people managers have participated in the program.
- Over 70% of leaders report a noticeable improvement in their report's managerial skills after participating in the GMD program.

### Global Supervisor Program

- This program focuses on developing supervisors at Ansell manufacturing sites and is a blend of facilitated training and on-the-job coaching.
- After completing the pilot program in India in 2016, Ansell delivered the Supervisor program in Thailand, Sri Lanka and Malaysia.
- The program is localised and delivered in local language by a local facilitator.
- Over 80% of participants are immediately applying what they learned in the program.
- In FY19, preparation has begun to deliver the program in Vietnam and China.

### Ansell360

- Over 100 Ansell people managers have participated in the Ansell360 feedback process.
- With Ansell360, people managers receive development feedback from their manager, peers and direct reports for each of the Company's seven leadership competencies.
- Development actions for people managers are identified based on the results of the Ansell360.

# Ansell

Demonstrating the Ansell Values of

**Integrity**      **Passion**  
**Trustworthiness**      **Agility**  
**Creativity**      **Teamwork**  
**Involvement**      **Excellence**

through an innovative and engaging culture where our leaders are

#### People Oriented

Bringing out the best in others to work collaboratively in a global environment

#### Candid & Transparent

Speaking openly with respect for all

#### Decisive

Taking action with good judgement

#### Global & Long-term Oriented

Creating a compelling future and destination

#### Growth Focused

Innovating to be faster, better, smarter

#### Proactive

Initiating and driving change

#### Risk Tolerant

Taking calculated risks for disruptive change

*The eight Ansell Values were adopted in 2010 based on a forward effort involving more than 100 key leaders across Ansell.*



## Ansell University

- Ansell University offers both off-the-shelf eLearning as well as 'Ansell-specific' eLearning.
- Ansell-specific eLearning includes content developed internally, such as product training, Ansell process training, and other assets such as videos. Employees can access 300 Ansell-specific trainings; last year employees completed 7,000 courses with the top courses being quality training and recognition training.

- For 'off-the-shelf' eLearning, Ansell employees completed over 5,000 courses with the top courses focusing on safety, project management and understanding financial statements; 92% of participants reported that they are applying what they learned.
- One key 'off-the-shelf' offering through Ansell University is unconscious bias training, 'Making Invisible Influencers Visible'; this training is currently being deployed to all people managers to help mitigate risks of unconscious biases in making decisions about colleagues.

## Employee Engagement

Following the 2015 global Employee Engagement and Culture Survey, programs to build new capabilities and nurture employee engagement were launched throughout Ansell. These programs included employee recognition training, supervisory training for plant supervisors, and Ansell360, a 360-feedback tool for people managers. Additionally, the Company's first global onboarding program was rolled out for all professional employees.



The 2017 global Employee Engagement and Culture Survey saw a statistically significant 2 per cent increase in employee engagement, distancing us even further beyond the benchmark for global manufacturing companies. Based on the survey findings, Ansell expanded the onboarding program to its manufacturing facilities, expanded training and management programs, and implemented eCareer, which increases employee visibility to internal career opportunities.

Still, there are several areas for improvement, especially in career opportunity, senior leadership and recognition. As Ansell prepares for its fifth employee survey, which will take place in March 2019, the Company remains committed to developing these key areas of focus and leading the PPE industry by putting people first.





Above: Satoshi-san, Yoshitaka-san and Yukiko-san form the Tiger Team at Ansell Japan. These employees were recognised with an EMEA-APAC Regional Excellence Award for the introduction of a new sales approach in their market that led to several wins.

## Recognition by Development

- This half-day program continues to be rolled-out to all people managers, helping them understand what is meant by recognition.
- Utilises stretch development goals as well as traditional recognition methods to acknowledge the efforts of colleagues and direct reports.

## Corporate Athlete

- In partnership with Johnson & Johnson's Human Performance Institute, Ansell has certified several employees to facilitate in Corporate Athlete programs.
- These programs help participants transform the way they approach energy management to achieve sustained high performance and build resilience to change.
- Last year, over 150 employees across China, Malaysia, Belgium, Canada, and the United States participated in Corporate Athlete training.

## Whil Mindfulness App

- In 2017, Ansell launched Whil's Mindfulness app, a completely digital solution.
- Mindfulness is the ability to be in the moment, focused, calm and stress free – enabling employees to meet ever-increasing demands and become more productive and effective under pressure without sacrificing health and happiness.
- To date, over 100 employees have opted to use the app, with the number one training offering focusing on 'Relax and Stress Less'.
- This is one of a series of actions in response to Employee Engagement Survey feedback where 40% of professional colleagues indicate that 'My work-related stress is [not] manageable for me'.

*Mindfulness is the ability to be in the moment, focused, calm and stress free – enabling employees to meet ever-increasing demands and become more productive and effective under pressure without sacrificing health and happiness.*

## Recruitment and Retention

In FY18, the online global career site was re-launched. You can view the site here: [www.ansell.com/en-US/Careers.aspx](http://www.ansell.com/en-US/Careers.aspx). This completely refreshed site now features an invitation to follow Ansell on LinkedIn and other social media platforms, information about professional development, programs tied to diversity and inclusion, and incorporates the global eCareer platform.

Also in FY18, the Employee Onboarding Program was expanded to manufacturing facilities to strengthen new employee integration to Ansell and build employee retention.

All manufacturing sites provide employee engagement activities, including monthly social events, sporting contests, gifts and receptions for new mothers, scholarship competitions for employee children, wellness programs, and ergonomic exercises.

Turnover status is the topic of a monthly review with each local management team. Workers leaving Ansell are asked to participate in an exit interview, and this feedback is used for corrective action. Employee referral programs reward employees who introduce a friend or colleague to Ansell who is then hired, helping to maintain a pipeline of potential new talent.

## Employee Turnover Data FY18

|                       |              | FY17 (%)    | FY18 (%)    |
|-----------------------|--------------|-------------|-------------|
| Turnover              | Male staff   | 23.0        | <b>17.8</b> |
| Turnover              | Female staff | 22.4        | <b>20.1</b> |
| <b>Total Turnover</b> |              | <b>22.7</b> | <b>19.1</b> |

Total turnover reflects a weighted average based on the number of male and female employees at Ansell.



Human Resources' retention and development strategies at Ansell were recognised in both Sri Lanka and Malaysia in FY18. Above, employees participated in award ceremonies in Sri Lanka (top and bottom left) and Malaysia (top right). Malaysian Best Employer awards, bottom right.

## Ansell Malaysia and Sri Lanka Recognised with Best Employer Brand Awards

In FY18, two of the largest Ansell manufacturing sites were recognised for the effective use of marketing communications to attract, retain and develop talent, and for their retention policies.

Key criteria for the recognition include implementing a Human Resources strategy that combines vision with action; aligning the Human Resources strategy with the business, and cultivating competencies to enable the organisation to be future-ready.

The awards were presented by the World HRD Congress and endorsed by the Asian Confederation of Businesses.

## Diversity and Inclusion

Ansell strives to create a workplace that embraces diversity and inclusiveness at every level of the organisation. Diversity is more than just a policy; it's a fundamental part of the Company's global culture. Ansell values the different ideas and perspectives of all employees and this inclusive culture at Ansell contributes to the creation of innovative protection solutions.

In FY16, the Board of Directors endorsed a goal to create greater gender equality in the Ansell workforce, and especially within the Company's leadership ranks. As part of this drive, the Board established gender diversity goals to be achieved by FY2020.

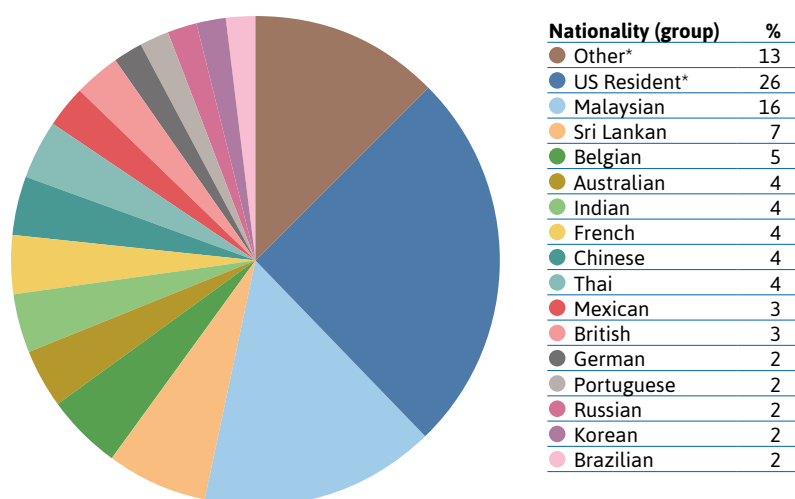
Ansell continues to work toward achieving these goals. Over the past 20 months, the percentage of women at manager level and above increased by three per cent.

Leaders at Ansell are continuing to drive strategies to improve gender diversity. The Ansell Executive Leadership Team has made a commitment to ensure a diverse slate of candidates and interviewers for all open positions. This year, a mentorship program for women, which was introduced by the Women's Leadership Forum in FY17, attracted 75 female managers seeking mentorship, and 75 mentors. During talent reviews, a special focus is given to female leaders and their development. Managers and above at Ansell participate in training to help them recognise unconscious biases and take steps to mitigate these biases so they can make more objective and fact-based decisions.

In FY19, Ansell will introduce Gender Dynamics training for managers. From a gender and leadership perspective, the programme focuses on identifying behavioural patterns and unconscious biases, which sometimes are powerful yet invisible barriers to women's advancement. Focus will also be on the diversity and gender dynamics of groups, with the purpose of teaching the participants to navigate in their organisations, thus enhancing their business influence.

During the year, Ansell made great progress on developing a stronger and more diverse global workforce and management team, with greater representation of professional staff drawn from local communities in the 41 emerging markets in which Ansell now operates. Diversity and global mindedness are key to the 855 employees at the manager and above levels at Ansell. Drawn from more than 40 nationalities, these leaders are helping to foster a wide range of talents, perspectives and ideas that result in mutual respect, collaboration and innovation.

### Cultural Diversity at Ansell – Manager Level and Above



\* **Other nationality (less than 2% each):** Belarusian, Bulgarian, Canadian, Colombian, Croatian, Czech, Danish, Dutch, Egyptian, Filipino, Indonesian, Irish, Italian, Japanese, Lebanese, Lithuanian, Norwegian, Peruvian, Polish, Romanian, Singaporean, South African, Spanish, Swedish, Swiss, Tunisian, Turkish, Ukrainian, Vietnamese.

\* **US Resident:** Country of origin data of US resident population not currently available.

*This year, a mentorship program for women, which was introduced by the Women's Leadership Forum in FY17, attracted 75 female managers seeking mentorship, and 75 mentors. During talent reviews, a special focus is given to female leaders and their development.*

### Creating Better Gender Balance

| Women in Leadership     |                                          | FY17 | FY18 |
|-------------------------|------------------------------------------|------|------|
| Percentages at Ansell   |                                          | (%)  | (%)  |
| Non-Executive Directors | Board of Directors                       | 29.0 | 38   |
| Executive Leadership    | Director level and above                 | 19.9 | 22   |
| Management              | Manager level through Associate Director | 32.4 | 34   |



## WOMEN'S LEADERSHIP FORUM

### Women's Leadership Forum

*"Companies in the top quartile for gender diversity in executive teams were more likely to outperform on profitability and value creation."*

McKinsey Diversity Matters Database, March 2018

In its first three years, the Women's Leadership Forum (WLF) at Ansell has been focused on awareness building and women's readiness for advancement.

Now this cross-functional, geographically diverse group of men and women has a new mission to support, monitor, report, and drive progress on the Company's gender diversity goals on a global platform. With three regional groups and a global steering committee, today the WLF is acting as an agent of change, partnering with leaders to drive global diversity goals at Ansell, ultimately delivering sustainable growth and shareholder value.

### International Women's Day

Women and men around the Ansell world united under the theme #PressforProgress on International Women's Day, March 8, to think, act and be gender inclusive.

This year, aligned with Ansell's goals to support and develop women within the Company and hosted by global and regional members of the Women's Leadership Forum, Ansell expanded its observance of International Women's Day (IWD) to every hub location, office, manufacturing plant and warehouse within the Ansell world. Remote employees also participated, receiving the IWD bracelet and poster and connecting by video conference to talks and presentations.

Each member of the Executive Leadership Team (ELT) and Associate ELT led or participated in an event tied into International Women's Day, wherever they may have found themselves in the Ansell world.

Ansell has been recognised as a Best Practice Competition winner by the International Women's Day organising body from more than 100 entries. In the category Private Sector: Leadership and Progress, Ansell was acknowledged for its success in creating global engagement and conversation across its operations during a very inclusive and genuinely exciting day as Ansell employees celebrated the contributions of female employees and highlighted their potential.

A brief highlights video can be viewed here:  
[www.youtube.com/watch?v=nPizh5oCSrg&feature=youtu.be](https://www.youtube.com/watch?v=nPizh5oCSrg&feature=youtu.be)



Employees are joined by Anoja Weerasinghe (center), an international award-winning Sri Lankan actress, playwright and yoga guru, who was a special guest speaker on International Women's Day at Ansell Textiles Lanka.





Employees at all Ansell locations as well as those who work remotely had an opportunity to participate in International Women's Day.

- |             |              |
|-------------|--------------|
| 1. Thailand | 4. Lithuania |
| 2. China    | 5. Malaysia  |
| 3. Poland   | 6. Russia    |



Ansell is committed to helping people in need around the globe achieve safety, well-being and peace of mind. By partnering with non-profit organisations, the Company is working towards a sustainable future, and when disaster or disease strike, Ansell steps in to lend a hand.

## Corporate Philanthropy

In FY18, Ansell provided a charitable donation to a slate of non-profit organisations aligned with its four CSR pillars: Human Rights, Community, Environment and Governance. By contributing to these organisations, Ansell is supporting positive change in countries around the world that are home to its employees and stakeholders.

- AusHEAL
- Ansell Bio-Link Reforestation Project
- Direct Relief
- Enactus
- Fred Hollows Foundation
- Healthcare Businesswomen's Association
- Operation Smile
- Thirst Project
- World Childhood Foundation

## Community Goals

### Volunteerism



Engage employees to help others by having 100% of locations participate in community service activities by end of FY2021.

### Philanthropy



Global donations and community investments aligned to Ansell strategy and values.

### Ansell Bio-Link

As part of the Ansell Bio-Link program aimed at restoring degraded rainforest in Sri Lanka and reaping carbon insetting benefits, 100 students in the Environmental Pioneer Brigade from Neluwa National School and the Thawalama Vidyaraja National School participated in an awareness building day and tree planting session in March 2018.

A team from Ansell Lanka, joined by a Senior Lecturer from Sabaragamuwa University of Sri Lanka, engaged in a lively and interactive discussion with the students on the diversity of the environment, the impact of climate change, the importance of rainforest conservation and what can be done to minimise the impact of climate change.



One hundred students in the Environmental Pioneer Brigade from Neluwa National School and the Thawalama Vidyaraja National School, in Sri Lanka, participated in an awareness building day and tree planting session in March 2018.





## Direct Relief

In the right hands, a pair of gloves can change lives. In FY18, Ansell donated gloves to Direct Relief, its long-time charitable partner, that were used to help people in need around the world, including:

- Anguilla
- Armenia
- British Virgin Islands
- Cambodia
- Dominica
- Ecuador
- Ghana
- Guatemala
- Haiti
- Honduras
- India
- Malawi
- Nepal
- Russia
- Sierra Leone
- Syria
- Turks and Caicos Islands
- United States

Ansell is proud to support Direct Relief's mission to improve the health and lives of people affected by poverty or emergency situations by mobilising and providing essential medical resources needed for their care.

Through its partnership with Operation Smile, Ansell also donated exam gloves to medical missions taking place in India and Russia.



Tan How Shoong – Director, Supply Chain (far left) with the winning team from the University of Nottingham Malaysia. Other Supply Chain employees from Ansell who volunteered as judges for the semi-final rounds were Chiew Bee Yong - Senior Manager, Global Procurement and Chen Ya Phay – Manager, APAC Global Logistics, not pictured.



## Enactus

In April 2018, Ansell participated in the HSBC Malaysia Business Case Competition 2018 organised by Enactus, a global organisation working to create a sustainable world while developing the next generation of entrepreneurial leaders and social innovators.

Three Ansell employees from Global Supply Chain based in Cyberjaya, Malaysia served as judges for the semi-final and final rounds. Twenty-four Malaysian universities participated in the competition, and the winning team will participate in the Enactus World Cup in the United States in October 2018. Ansell is proud to support Enactus and to engage with these exceptional students entering the job market.



### Thirst

In FY18, Ansell was proud to help bring the We Water Experience to 10,000 students in schools throughout the regions of Chengdu, Beijing and Chongqing in China.

The We Water Experience provided by Thirst, a non-profit organisation dedicated to global water awareness, educates 10-18 year-old students to be responsible water citizens, managing their own water use and the use of those around them. It also grows consumer demand for waterwise products, promoting and developing the use of water-efficient technology, systems and products, and encourages students to share their actions with friends and family.



## Environment Goals

### GHG Emissions



25% intensity reduction of Scope 1 (direct) and Scope 2 (Indirect) emissions, in tonnes of CO<sub>2</sub> – equivalent/\$M production value, below FY16 baseline by end of FY25.

### Energy



Continuous improvement on energy reduction and efficiency.

### Water



15% intensity reduction in water usage, measured in m<sup>3</sup>/ \$M production value, below the FY16 baseline by end of FY25.

### Waste



Baseline and goal to be established in FY19.

Ansell is working to improve its environmental performance even as the business continues to grow, and has set ambitious environmental goals. As a leader in its industry, Ansell recognises the obligation to operate more efficiently, conserving resources and communities through strategic environmental management.

### Environmental Goals

In collaboration with BSR and other stakeholders, Ansell has set clear environmental goals to advance its sustainability vision. This effort requires commitment and work over time. To do so, Ansell has identified high impact areas that contribute to the Company's environmental footprint, and conducted analysis to establish achievable multi-year goals, positioning Ansell as a leader in environmental stewardship among its peers.

### Environmental Management

*Start Clean – Run Clean – Leave Clean* is the standard that defines environmental management at Ansell.

Ansell is a world-class manufacturer, operating manufacturing sites throughout Asia, the Americas and Europe, with an extensive third-party supply chain.

Ansell manages its environmental impact with responsible policies and systems in place to mitigate risk and improve operations, specifically in the

areas of water management, energy efficiency and waste management. Potential non-compliance issues are reported monthly to senior operations management who are responsible for mitigating and remediating inappropriate actions. The Ansell Board and its CSR & Risk Committee continuously monitor the key risks of the Company's operations worldwide.

Ansell installs energy meters on new manufacturing equipment, ensuring that these machines operate efficiently. Performance is displayed at each site to engage employees and drive improvement.

Ansell has expanded its online energy monitoring program in FY18 to its Biyagama and Seeduwa manufacturing sites in Sri Lanka and in Vietnam. Online energy monitoring replaces manual tracking while monitoring and measuring energy consumption by machine, by process area, and by energy type.

For the second year, Ansell disclosed its activities to CDP's Climate Change and Water questionnaires. By doing so, Ansell aims to remain transparent about the climate impacts and mitigation efforts within our operations.

### Energy Manager Certification

In May 2018, 21 energy coordinators from across Ansell manufacturing sites completed a five-day certification program led by trainers from the Association of Energy Engineers. The curriculum included relevant areas of energy conservation, including electrical, thermal, pneumatic, control systems and finance.

These employees are now better prepared to develop and implement cost-effective energy solutions and enhance energy performance at Ansell manufacturing sites.

*Ansell installs energy meters on new manufacturing equipment, ensuring that these machines operate efficiently. Performance is displayed at each site to engage employees and drive improvement.*

## GHG Strategy and Validation

Climate change is a critical global challenge. Ansell is working to mitigate greenhouse gas emissions (GHG) through technology and innovation.

Ansell obtained third-party certification of its GHG inventory in FY17 by Control Union International, an independent, IFIA accredited inspection group compliant with the requirements of ISO 14064-3: 2006 and ISO 14064-1: 2006.

## ISO 14001 Certification

Over the past three years, all Ansell manufacturing sites holding ISO14001:2004 status completed mandated transition to ISO14001:2015. The Xiamen site in China was acquired without ISO certification but is currently working to qualify for ISO14001:2015 certification.

All Ansell facilities strive to meet local and country regulations and requirements.

*Ansell is working to mitigate greenhouse gas emissions through technology and innovation.*



## Renewable Energy Expands in Sri Lanka

Glove production in Sri Lanka requires numerous applications that involve heat, which is created with oil-fueled generators, which significantly contribute to Ansell's GHG emissions. Renewable energy presents a unique opportunity for Ansell to mitigate our high GHG emissions and improve our energy sources. In FY18, Ansell installed its newest bio-mass hot water generator in Sri Lanka, with a capacity of 12.5 MW.

This new, state-of-the-art bio-mass boiler joins two existing bio-mass boilers at Ansell Lanka, reducing total CO<sub>2</sub> emissions at the Ansell Lanka site by 39,000 tCO<sub>2</sub>e per year.

Bio-mass boilers provide clean and renewable energy, and green-thinking companies like Ansell chose to invest in bio-mass boilers to mitigate the impact of manufacturing by reducing GHG as an offset of fossil fuels used in its heating processes. Ansell bio-mass boilers are fuelled by wood chips. Ash from the process is collected and returned to the earth as fertiliser and used in the manufacture of bricks and paving stones.



*Ansell chose to invest in bio-mass boilers to mitigate the impact of manufacturing by reducing GHG as an offset of fossil fuels used in its heating processes.*

Ansell Lanka's newest bio-mass hot water heater has been operational since January 2018.

### **Ansell Bio-Link Reforestation Project**

In FY17, Ansell announced a landmark program in conjunction with the Carbon Consulting Company and the Sustainable Future Group to restore degraded rainforest in Sri Lanka while reaping a carbon insetting benefit. CDP states that up to a third of effective carbon mitigation globally is achievable through directly addressing the loss of trees. Ansell's reforestation project is a way to expand our climate mitigation efforts beyond our operations.

The Ansell Bio-Link Project is a multi-year commitment to form a biodiversity corridor linking two large rainforests – Haycock and Danawala – within the Hiniduma Bio-Link, and will become Sri Lanka's first ISO 14064-2 validated and certified carbon insetting project. The project will also create revenue for local farmers who will maintain the indigenous trees and sell their produce.

In Q1 FY18, the first 2,000 trees were distributed, tagged and planted, and an awareness program was supported by Ansell for students in the Environmental

Pioneer Brigade from the Neluwa National School and the Thawalama National School. Going forward, 1,000 trees will be planted annually, for the next five years. The Ansell Bio-Link demonstrates the Company's commitment to environmental and social responsibility and aligns its operational objectives to include the protection of local and endemic biodiversity in Sri Lanka.

*The Ansell Bio-Link Project is a multi-year commitment to form a biodiversity corridor linking two large rainforests – Haycock and Danawala – within the Hiniduma Bio-Link, and will become Sri Lanka's first ISO 14064-2 validated and certified carbon insetting project.*

In March 2018, a team from Ansell spent a day with 100 students from the Neluwa National and Thawalama schools. These students, members of the Environmental Pioneer Brigade, participated in a lively and interactive educational session. The day concluded with a tree planting by students and the team from Ansell.





## Climate Risk

Ansell has undertaken a high-level climate risk assessment project across its manufacturing and distribution facilities, to lay the groundwork for a more climate-resilient strategy. Working with BSR, this country-level analysis will enable Ansell to better understand and manage the climate risks it faces, ultimately influencing financial impact to Ansell.

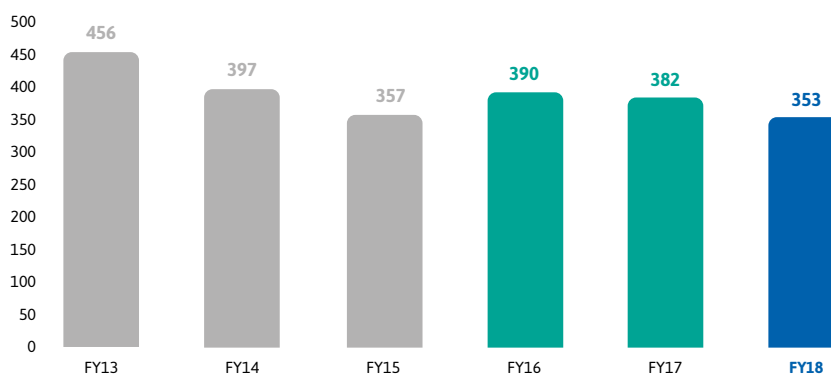
## Resource Efficiency

These charts review the Company's use of key resources. Beginning in FY17, the calculation of CO<sub>2</sub> emissions was reconfigured for FY16 and FY17. It is based on ISO 14064-1 standards which provide for qualification and reporting of greenhouse gas emissions and removals.

The trend charts are without Sexual Wellness from FY13–FY18 to reflect the SW divestiture. Also, the charts differ from previous reports as the production values are normalised for FX to remove FX fluctuation.

Ansell revised its GHG accounting methodology to align with ISO 14064, which has resulted in a great number of inputs being included in the CO<sub>2</sub> emission calculations. This has caused a reported increase for the FY16 base year, despite an overall decline in total emissions.

### GHG emission per production value, SW adjusted (tCO<sub>2</sub>e/million \$)

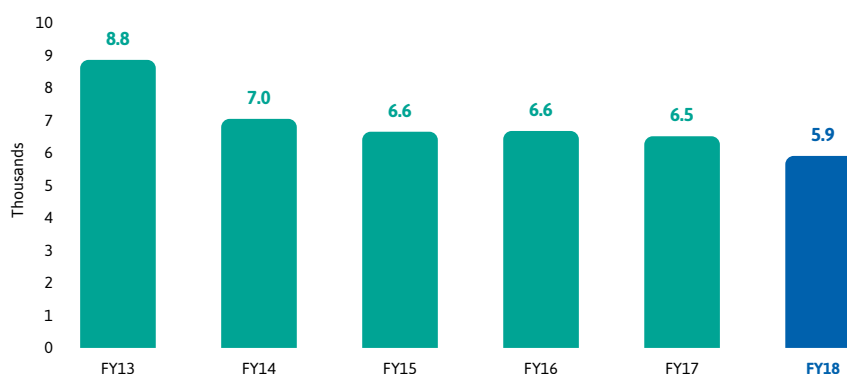


#### GHG emissions commentary

The trend charts are without Sexual Wellness from FY13–FY18 to reflect the SW divestiture. Also, the chart differs from previous reports as the production values are normalised for FX to remove FX fluctuation.

FY17 to FY18 shows an improvement of 8% and 23% improvement from FY13. The continual improvement were driven by installation of Ansell's 4th Biomass boiler in Sri Lanka, and other energy efficiency initiatives. FY16 onwards, GHG calculation is based on ISO 14064-1 standards.

### Energy consumption per production value, SW adjusted (mmbtu/million \$)

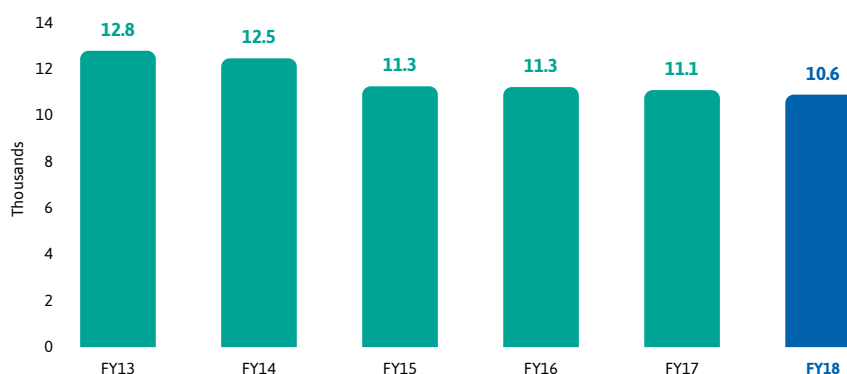


#### Energy use commentary

The trend charts are without Sexual Wellness from FY13–FY18 to reflect the SW divestiture. Also, the chart differs from previous reports as the production values are normalised for FX to remove FX fluctuation.

The energy consumption metrics continue to improve by 8.4% from FY17 to FY18. The improvement was driven by energy initiatives through recovering heat from both boiler exhaust and effluent, and higher production efficiency.

### Water consumption per production value, SW adjusted (m<sup>3</sup>/million \$)



#### Water use commentary

The trend charts are without Sexual Wellness from FY13–FY18 to reflect the SW divestiture. Also, the chart differs from previous reports as the production values are normalised for FX to remove FX fluctuation.

Water use has been steadily improving over the years, and FY17 to FY18 represent another 4.7% improvement.

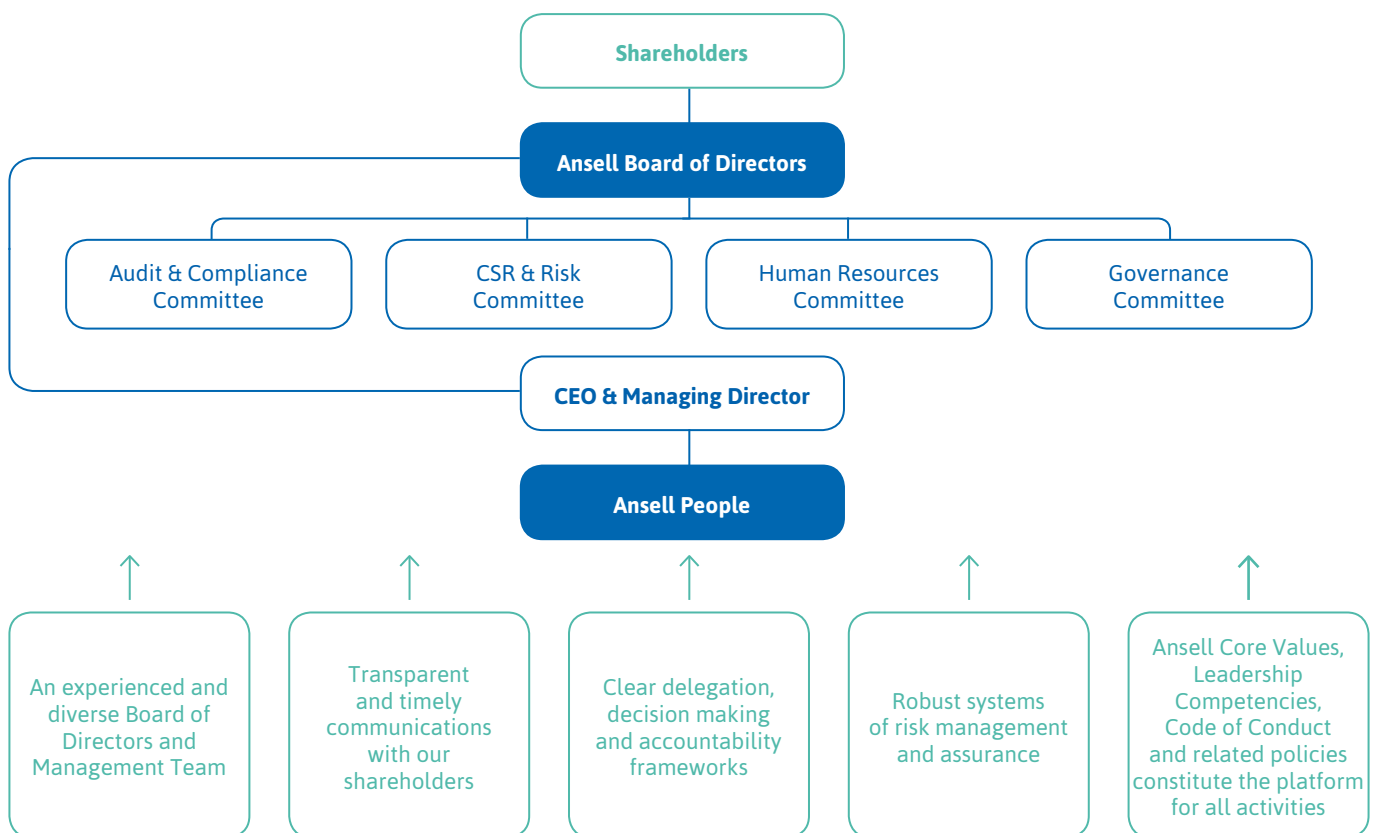
Ansell has taken measures to improve water-use efficiency by investing in water recycling and process optimisation to use less water.

We will continue to proactively engage with key stakeholders to understand and respond to issues that are important to our employees, customers, investors, distributors, suppliers, regulators, CSR rating agencies and advocacy groups.

Ansell is committed to effective corporate governance. By putting in place the right governance framework, the Board and management have set a culture of integrity, transparency and accountability that permeates throughout the Company.

Ansell works to embrace the spirit of the ASX Corporate Governance Council's Corporate Governance Principles & Recommendations (ASX Principles). Ansell currently complies with each of the recommendations and is also actively reviewing the implications and application of the latest draft 4th edition of the ASX Principles recently released by the ASX – a number of which cause us concern as to their appropriateness. Further details are set out in Ansell's Corporate Governance Statement, which is available on the Ansell website at [www.ansell.com](http://www.ansell.com).

## Our Governance Framework



## Role of the Board

The Board's role is to represent the Company's shareholders, taking into consideration the interests and wants of the broad range of Ansell's stakeholders. The Board leads and oversees the management of the Company and is accountable to shareholders for creating and delivering shareholder value.

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations. The Board also has four standing committees that assist it in discharging its responsibilities:

- Audit & Compliance Committee
- CSR & Risk Committee
- Human Resources Committee
- Governance Committee

Each Committee operates under a specific charter and provides advice to the Board on specific matters within the Committee's remit. The Board also

delegates specific functions to ad hoc committees of Directors on an 'as needs' basis. Ansell's Board and Committee Charters can be found on the Ansell website at [www.ansell.com](http://www.ansell.com).

Specific responsibilities for the day-to-day management and administration of the Company are delegated by the Board to the Managing Director and Chief Executive Officer (CEO), assisted by the Executive Leadership Team (ELT). Ansell's Delegation of Authority Policy sets out the powers that are reserved to the Board and those that are delegated to the CEO.

## Board Composition and Processes

Ansell is committed to ensuring an appropriate mix of skills, expertise, experience and diversity (including gender diversity) on the Board and its committees so that the Board can effectively discharge its corporate governance and oversight responsibilities.

The Board annually reviews the performance of the Board and each committee, as well as individual directors and the Chairman, and requires all directors (except the CEO) to submit themselves for re-election at least once every three years. The Board will endorse a retiring director for re-election only where his or her performance over the preceding year meets or exceeds the Board's expectations. It is a general policy that non-executive directors should not serve for a consecutive period exceeding 15 years, and the Chairman should not serve in that role for more than 10 years.

An external review of the Board is also completed every three years.

To support the Board's succession plan announced in FY17, the Board obtained shareholder approval at the 2017 Annual General Meeting (AGM) to increase the number of directors to nine, allowing for the appointment in 2017 of both Mrs Christina Stercken and Mr William Reilly to the Board. With the retirement of Mr Ronald Bell at this year's AGM, the Board will return to eight directors, a number that the Board considers optimal. There will therefore be capacity for one additional director following the 2018 Annual General Meeting.

As also announced, the Chairman, Mr Glenn Barnes, intends to retire from the Board at the 2019 AGM, with Deputy Chairman, Mr John Bevan, his successor. The Board has commenced an international search for a new non-executive director to replace Mr Barnes.

With the commitment of Ansell's CEO to remain in his role until the end of the 2021 financial year, the Board continues the process of challenging and assessing the pool of internal CEO contenders to allow the identification of the best candidate.

The Board sets clear targets for gender representation as part of Ansell's broader commitment to diversity and inclusion. Ansell has committed to have women constituting circa 50% of its Board by 2020 and beyond, acknowledging that this may fluctuate from time to time due to the effect of changes on a small group size. With the appointment of Mrs Christina

Stercken, women currently make up 38% of the Board (non-executive directors). Upon Mr Ronald Bell's retirement at the 2018 AGM, this will increase to 43%.

Refer to the Human Rights section of this report for further information on diversity within the Company.

## Risk Management

Ansell has a comprehensive risk management framework. The Board is responsible for the oversight of the Company's risk management system, risk appetite and risk tolerance levels of the Company by monitoring and advising on the management of all material business risks, including but not limited to strategic, operational, reputational, ethical, environmental, legislative and regulatory and market-related risks.

## Shareholder Engagement

Ansell is committed to positive and meaningful stakeholder engagement. Ansell knows that it builds greater trust with stakeholders when the Company is transparent and accountable.

Ansell's engagement occurs through a number of channels, including ASX disclosures, Annual General Meeting, Annual Report, the Ansell website and social media and interactions with large investor groups, proxy analysts and regulators.

The Chairman and Deputy Chairman meet proxy advisors and shareholders twice per year to discuss proposed developments and results. In October 2017, Ansell hosted its first Capital Markets Day (CMD) in Sydney, Australia. The forum provided attendees with greater appreciation of Ansell's business fundamentals, strategic direction and growth plans. Ansell was recognised by the Australian Investor Relations Association (AIRA) for holding one of the best Investor Days by an Australasian company in 2017.

To connect with key stakeholders in Europe and the Americas, a smaller Ansell team subsequently presented at a condensed Capital Markets Day event in London and Toronto during November 2017.

## Corporate Responsibility

Ansell's Core Values, the Code of Conduct and related policies constitute the platform for all activities, serving as a guide to ethical principles and business conduct at Ansell.

### • Code of Conduct

The Code of Conduct is Ansell's core policy, serving as a guide to ethical behavior and business conduct for all employees. It sets out what it means to work at Ansell and the standards expected of all employees.

### • Human Rights Statement

As a responsible corporate citizen, Ansell operates in accordance with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. This statement has been published to reflect Ansell's commitment to compliance with human rights requirements and expectations.

### • Modern Slavery Act Statement

This statement has been published to demonstrate compliance with the UK legislation known as the *Modern Slavery Act 2015* (Act) in FY18.

Modern Slavery laws are soon to come into effect in Australia. Ansell is actively reviewing the progress of the legislation to ensure and demonstrate compliance with the requirements of those laws once they are in force in Australia.

Ansell provides focus-specific compliance training each year. In FY18, Ansell launched global online anti-trust training for all email-enabled employees, as well as providing targeted internet security training and sexual harassment training.

Magnus Nicolin presenting at Ansell's 2017 Capital Markets day in Sydney.



# Ansell

[ansell.com](https://ansell.com)

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