

**Ansell**



**SUSTAINABILITY  
REPORT**

**2022**

**We are passionate about protecting people, setting ourselves ambitious goals to transform our company, to protect sustainably both employees and the environment we live in.**

**Thinking of people and planet first.**

**Ansell Protects™**



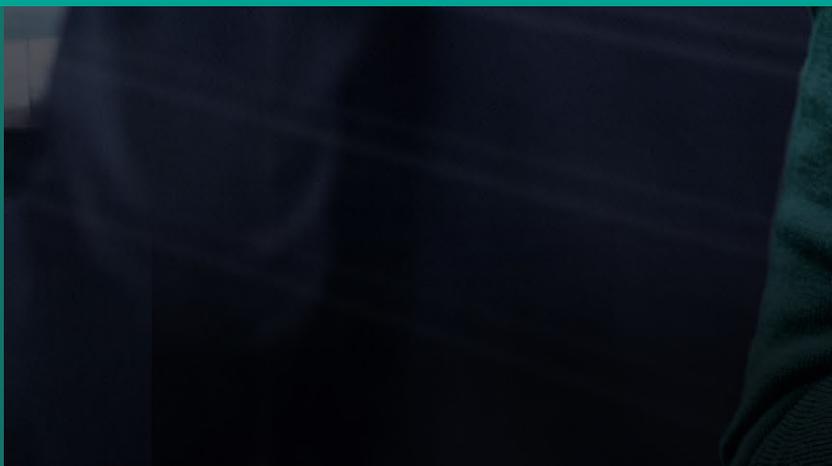
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### **Acknowledgement of country**

We acknowledge and respect the traditional lands and cultures of First Nations peoples in Australia and globally. We pay our respects to Elders past and present and recognise First Nations peoples' longstanding and ongoing spiritual connections to land, sea, community and Country. Appreciation and respect for the rights and cultural heritage of First Nations peoples is essential to the advancement of our societies and our common humanity.





# STATEMENT FROM THE CEO

**“We have declared sustainability as the foundation of a new purpose fully integrated into our business strategy at Ansell: Thinking of People and Planet First.”**

**Neil Salmon**

Managing Director and Chief Executive Officer

Behind Neil is our fifth and newest biomass powered High Pressure Hot Water Generator, installed at our Thailand plant.



For nearly 130 years, Ansell has been protecting people and the planet and our ambitions are stronger today than ever. We offer unrivaled personal protection, conduct industry-leading safety assessments, and provide data-driven expertise to improve safety on a global scale. But our mission stretches beyond this, and we set ourselves ambitious goals to break new ground. One of these areas is sustainability. Our 2022 Sustainability Report details FY22 accomplishments and our intensified goals for FY23 and beyond. We also report on the challenges we've encountered as we strive to ensure the safety of our environment and the safety of the people with whom we share this planet.

In FY22, we embarked upon a broad range of exciting new priorities aligned with environmental, social, and corporate governance. Because of the foundational activities and capital investments committed in these areas in previous years, we are making encouraging progress, as highlighted in this sustainability report, and solidifying our industry-leading position in tackling the challenges of developing a sustainable supply chain. EcoVadis recently recognised our efforts with a silver rating. And, for the first time in our history, we have declared sustainability as the foundation of a new purpose fully integrated into our business strategy at Ansell: Thinking of People and Planet First.

Among our planet-focused actions over the past year, Ansell completed important analyses to reduce our environmental impact and mitigate climate risks. These assessments provided critical data enabling Ansell to make informed decisions on the climate action strategy covered in this report, in which we are committing to science-based reduction targets for Scope 1 & 2 emissions, to achieve Net Zero in line with the ambition of the Paris Agreement to limit global warming to 1.5°. Although we felt we met the science-based criteria for making a net zero commitment, including Scope 3 emissions, we have opted not to do this at this stage as we believe we need to do more work to ensure we have substance to the partnerships across the industry necessary to deliver Scope 3 reductions. This work will take time, and we are optimistic about significant progress in FY23.

Ansell's long-term decarbonisation strategy encompasses our end-to-end value chain and focuses on shifting to renewable energy sources, product and business model innovation, and reduced reliance on synthetic raw materials. We will align

our actions with RE100, EP100 and the Renewable Thermal Collaborative initiatives for a low-carbon future. In addition, we will engage with the International Union for Conservation of Nature to assess the impact on biodiversity and natural capital, including our dependencies on its ecosystem services. Finally, we seek to develop plans for improving and mitigating negative footprints. In FY22, Ansell joined CDP's Supply Chain Program as a Lead Member, the first from Oceania. This Supply Chain Program is an important platform to engage our suppliers on credible environmental data reporting and encourage them to reduce their environmental footprint.

In addition, we replaced our water intensity reduction targets with new Water Stewardship commitments. Whilst we are proud to have achieved our targets in Year One of our sustainable packaging program and completed third-party certification of five plants as Zero Waste to Landfill, we were not as successful in meeting our greenhouse gas (GHG) emissions and water withdrawals intensity target. Introducing and commercialising innovative technologies is not always straightforward, but I have confidence that our teams will find the way forward. Based on recognised scientific standards and methodologies, we have worked diligently to understand how our products impact the environment, from cradle to grave. We are applying that knowledge to reduce the impact of our existing product range and embedding these learnings in developing new products, often working closely with partners and suppliers. As a result, we were proud to launch two new products with environmental credentials in FY22: our first compostable glove, MICROFLEX® 31-103, and the HyFlex® 11-842 glove made with a 90% recycled nylon liner.

Ansell's mission is synonymous with safety, which goes for our people as much as our customers. This year we continued to strengthen the role of non-EHS specialists and senior manufacturing managers in creating world-leading safety practices across our sites. As a result of our overall safety strategy, in FY22, we report a medical treatment injury (MTI) rate of 0.161, the lowest MTI in ten years. COVID-19 safety remained a priority as we encouraged employees to become vaccinated, and to support this priority, we made vaccines accessible to all Ansell manufacturing employees. As a result, 94% of Ansell's manufacturing workforce have received two COVID-19 vaccinations, and 56% have received a booster vaccination.

In addition to health and safety, we remain committed to eradicating modern slavery and the exploitation of vulnerable worker populations.

As Ansell was among the early adopters of recruitment fee remediation (in 2019), this year we engaged independent consultant, ELEVATE, to review our recruitment fee remediation program. The review identified that while our initial approach to remediation demonstrated best practices at the time, the financial amounts remediated to some migrant workers are now considered lower than the average reported. As a result, we have provided additional reimbursement to these affected workers to align with current best practice.

This year we also focused on our grievances mechanisms. We have trialled new technologies to enable workers to raise grievances and access useful information in their native languages relating to ethical recruitment and our labour standards and policies. Together with our new Global Grievance Policy, we have started to introduce the Suara Kami Hotline at our plants, which is managed externally by the Responsible Glove Alliance. Ansell has a 'no retaliation' policy to reassure our employees that there are no adverse consequences for reporting concerns in good faith.

We are committed to eradicating the use of forced labour within our third-party supply chain and on pages 28 and 29 we give details of important progress against this objective. Over the past few years, we have implemented numerous measures to identify, curtail, and prevent forced labour within our global third-party supply chain, our most recent measures include:

- Establishment of an executive-level Labour Rights Committee to review, test and challenge Ansell's labour rights and modern slavery management.
- Engagement of an independent consultant to assess the risk of modern slavery across our own operations and over 900 of our critical tier-1 suppliers. The results of this assessment directly informed our new Supplier Management Framework, which sets our updated approach to identify, assess, and address labour rights risks across our supply chain.

While we continue to be proactive in addressing forced labour within Ansell's supply chain and the Malaysian glove industry at large, we recognise that forced labour is unfortunately a profoundly complex issue. The recent deeply troubling allegations made by former workers at one of Ansell's suppliers bring into sharp relief the importance of achieving the substantial industry-wide change we are targeting.

In line with human rights experts, including commentary from the United Nations on Guiding Principle 19, Ansell does not automatically cancel supplier contracts upon the identification (or allegation) of forced labour. Instead, we choose to provide the supplier with the opportunity to demonstrate a commitment to improve working conditions through meaningful action, and to help workers maintain an income.

We know that meaningful change requires collaboration across the international community, industry partners, governments, and non-government organisations, and we are committed to

being part of this solution. It's for this reason that Ansell is proud to be a founding member of the Responsible Glove Alliance (RGA) – a cross-industry collaboration aimed at driving transformational change on labour rights, and both prevent and remediate forced labour in the Malaysian glove industry. The RGA will enable recruitment transformation, collective influence, and the application of due diligence with advanced standards, tools and programs aligned to the UN Guiding Principles on Business and Human Rights.

As Ansell continues to carry out these vital efforts, I extend my gratitude and appreciation to our valued customers and partners, who share our dedication to worker safety and respect for all human rights. For nearly 130 years, Ansell has been protecting people and our ambitions today are stronger than ever.

Over the past year, we completed a move beyond a primary concentration on gender diversity to a broader diversity, equity and inclusion (DE+I) focus. We then implemented a regional network approach with employee-led DE+I networks in all regions.

As I have travelled across the Ansell world this past year, I am continuously impressed by our team members' rapid development of expertise in the complex field of sustainability. We have found success by thinking through the fundamental issues of how we need to evolve our business and our technology towards a more sustainable future and bringing in experts to support the process. We are committed to real change with demonstrated benefits to the environment. For example, our Net Zero commitment for Scope 1 & 2 relies to only a minimal degree on offsetting and instead, we are committed to the more complex path of actual reduction in emissions produced. In addition, we have decided not to launch products with dubious claims of biodegradability where, according to our analysis in real-world conditions, these products are more often than not harmful vs beneficial to the environment. Instead, we are working to ensure that any targets we set and claims we make are aligned with leading international standards such as SBTi Corporate Net Zero Standard, EN 13432, ISO14040 & ISO14044. It's impressive what we have achieved in a relatively short period.

It is no small matter that as part of this journey, we are integrating our 14,000+ employees into a culture of sustainability. Using the latest science, innovative thinking, thought leadership and customer insight, we will also require collaboration with our external stakeholders, from customers, suppliers and investors, to make the complex and often difficult changes necessary to turn our sustainability commitment into a reality in which we can all take pride. Our Ansell employees are central to our ability to do business in a more sustainable way and I want to thank all our employees for contributing to creating a safer and better-protected world.



**Neil Salmon**  
Managing Director and Chief Executive Officer

# PERFORMANCE SNAPSHOT

**LOWEST  
MTI\* IN  
10 YEARS**  
0.161

\* Medical treatment injury

**Y-O-Y  
DECREASE  
IN LTI\***  
TO 0.051

\* Lost time injury



  
**94%**  
OF MANUFACTURING  
EMPLOYEES HAVE  
RECEIVED TWO COVID-19  
VACCINATIONS

**56%**  
RECEIVED A BOOSTER  
VACCINATION

**CLOSED**  
**87%**  
OF FY22 SMETA NON-CONFORMANCES  
AT OUR MANUFACTURING PLANTS  
(AS OF 31 AUGUST 2022)



MICROFLEX® 31-103 COMPOSTABLE SINGLE-USE  
GLOVE MADE WITH  
**RENEWABLE BIO-BASED POLYMER,  
PACKED IN COMPOSTABLE  
POLYBAGS<sup>1</sup>**

HYFLEX® 11-842  
MULTI-PURPOSE GLOVE  
WITH LINERS MADE FROM  
**90% RECYCLED  
NYLON YARN**  
DELIVERED IN PLASTIC-FREE  
PACKAGING WITH  
**71% REDUCTION IN  
GHG EMISSIONS<sup>2</sup>**



**200+**  
ACTIONS TAKEN TO DRIVE  
IMPROVEMENT FROM THE EMPLOYEE  
ENGAGEMENT SURVEY



**BROADENING FROM GENDER TO A  
MORE COMPREHENSIVE  
FOCUS ON DIVERSITY  
AND CREATING A MORE INCLUSIVE CULTURE**

**IMPLEMENTED  
REGIONAL  
NETWORK  
APPROACH  
WITH  
EMPLOYEE-  
LED DE+I\***  
Groups

\* Diversity, Equity  
and Inclusion

**DONATED  
EXAMINATION AND  
SURGICAL GLOVES TO  
OPERATION  
SMILE**



1. Achieving +90% biodegradation within 180 days in industrial composting facilities and is certified compostable by TUV Austria, meeting EN13432 standards.  
2. Ansell's Life Cycle Assessment (LCA), scenario analysis.



OUR SCOPE 1 & 2 AMBITION FOR 2040 IS  
**NET ZERO**

**45%**  
RENEWABLES IN  
OUR ENERGY MIX

**CDP**  
SUPPLY CHAIN  
MEMBER

**FIRST LEAD  
MEMBER  
FROM  
OCEANIA**

TO JOIN THE CDP  
SUPPLY CHAIN  
PROGRAM

**SILVER**  
2022  
**ecovadis**  
Sustainability  
Rating

**ECOVADIS SILVER  
MEDAL**

A STAMP OF EXCELLENCE IN  
SUSTAINABILITY

ANSELL WAS AWARDED A SILVER  
MEDAL BY ECOVADIS BASED ON  
REPORTING DATA FOR FY21,  
PLACING IT IN

**TOP 25% OF ALL  
COMPANIES  
ASSESSED AND THE  
TOP 6%**

OF MANUFACTURERS WITHIN OUR  
APPLICABLE INDUSTRY<sup>3</sup>

**ACHIEVED FULL  
ALIGNMENT WITH THE  
RECOMMENDATIONS  
OF THE TCFD**

ANSELL JOINED LEADING GLOBAL  
PLAYERS IN THE RUBBER GLOVE  
INDUSTRY AS A

**FOUNDING MEMBER  
OF THE RESPONSIBLE  
GLOVE ALLIANCE**



GHG EMISSIONS INTENSITY  
**INCREASED BY 4%**  
DUE TO BIOMASS  
SUPPLY CHAIN AND  
TECHNOLOGY DISRUPTION

 EMPLOYEES IN POLAND PROVIDED  
**VOLUNTEER ASSISTANCE**  
TO UKRAINE REFUGEES ARRIVING IN POLAND

**INCREASE  
IN WATER  
WITHDRAWALS  
INTENSITY**  
DUE TO PROCESS  
CHANGES

**PROVIDING  
FINANCIAL  
ASSISTANCE AND  
OTHER SUPPORT**  
TO ENSURE SRI LANKAN  
EMPLOYEES CAN OBTAIN FOOD,  
MEDICINE AND ESSENTIAL ITEMS  
DURING THE ECONOMIC CRISIS

  
**96%**  
OF WASTE GENERATED\*  
DIVERTED FROM  
LANDFILLS

\* From our manufacturing plants

3. EcoVadis classified Ansell in "other manufacturing n.e.c. (nowhere else classified)" industry.

# ABOUT ANSELL

Ansell is a global company employing more than 14,000 people in over 55 countries. Ansell Limited is legally domiciled in Melbourne, Australia and is listed on the Australian Securities Exchange (ASX: ANN). Ansell has four corporate headquarters: Melbourne, Australia; Brussels, Belgium; New Jersey, United States; and Cyberjaya, Malaysia.

We operate 14 manufacturing facilities with the largest located in Malaysia, Sri Lanka and Thailand and smaller plants located in Brazil, China, Lithuania, Portugal and Vietnam. On 7 October 2021, we announced an \$80m investment over the next three years in a new greenfield manufacturing site in Tamil Nadu, India.

In August 2022, we announced our decision to cease our Russian commercial and manufacturing operations.

Our factories produce an extensive range of products including mechanical gloves, chemical gloves, chemical protective clothing, single use gloves, surgical gloves and life sciences gloves.

We also work with third parties for the supply of selected finished goods, predominately exam and single use gloves.



## Healthcare Global Business Unit (HGBU)

The Healthcare GBU manufactures and markets innovative solutions for a wide range of customers, including hospitals, surgical centres, dental surgeries, veterinary clinics, first responders, manufacturers, auto repair shops, chemical plants, laboratories and life science & pharmaceutical companies.

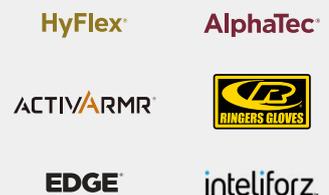
The portfolio includes surgical gloves, single use and examination gloves, clean and sterile gloves and garments, and consumables. It also includes single use gloves used by industrial workers in manufacturing, auto repair, chemical, food processing and other industries.

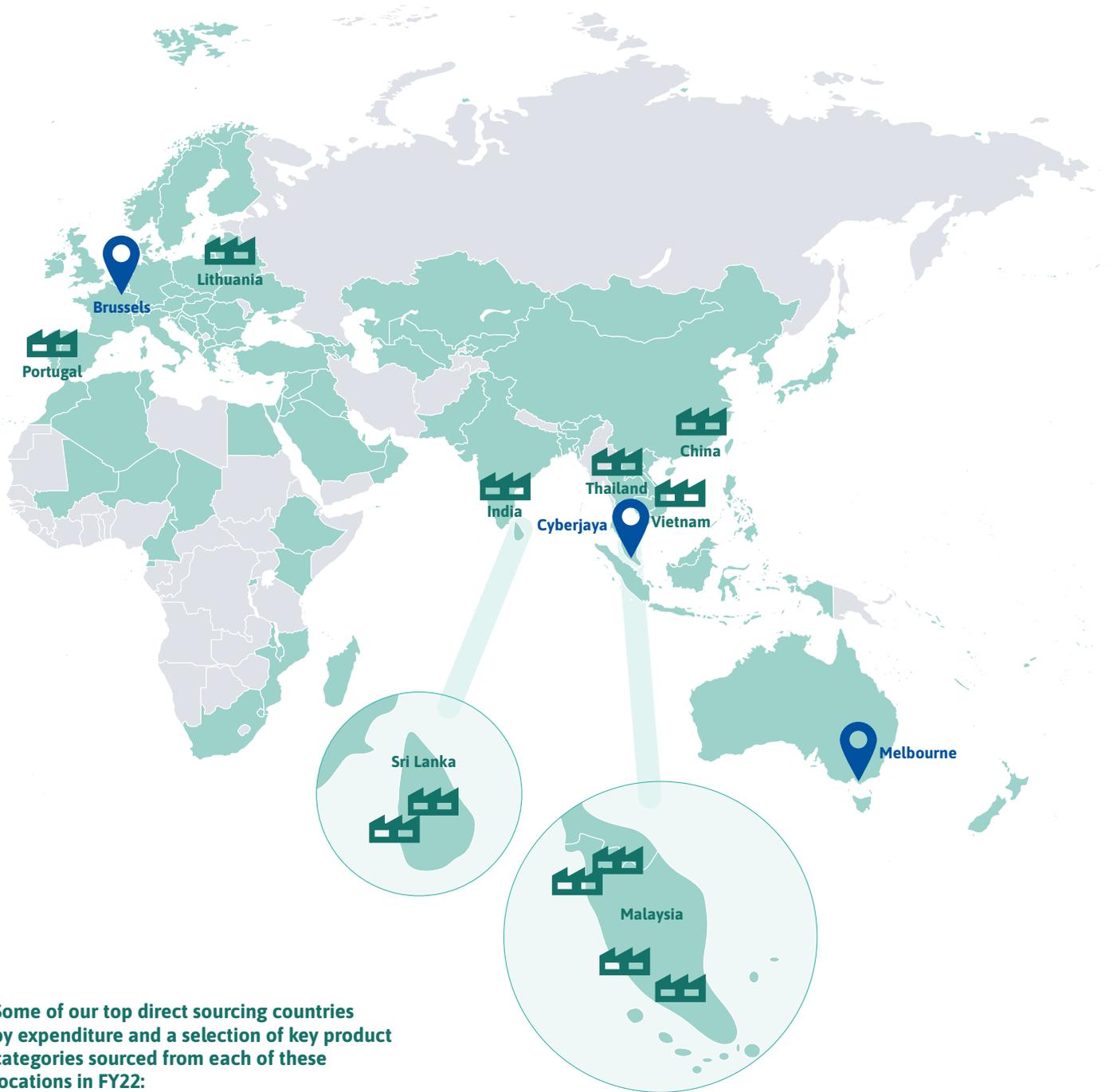


## Industrial Global Business Unit (IGBU)

The Industrial GBU manufactures and markets high-performance hand and chemical protective clothing solutions for a wide range of industrial applications.

Ansell protects workers in industries including automotive, chemical, metal fabrication, machinery and equipment, food, construction, mining, oil & gas, utilities, logistics and first responders.





**Some of our top direct sourcing countries by expenditure and a selection of key product categories sourced from each of these locations in FY22:**

**China**

Healthcare supplies  
Textiles  
Synthetic latex  
Packaging  
Equipment, machinery and spare parts  
Support services  
Chemicals  
Services, logistics and shipping

**India**

Healthcare supplies  
Textiles  
Services, logistics and shipping

**Indonesia**

Healthcare supplies  
Synthetic latex  
Chemicals

**Japan**

Chemicals  
Synthetic latex  
Equipment, machinery and spare parts  
Services, logistics and shipping

**Malaysia**

Healthcare supplies  
Equipment, machinery and spare parts  
Synthetic latex  
Packaging  
Forest products  
Chemicals  
Utilities  
Services, logistics and shipping

**Netherlands**

Textiles

**Pakistan**

Textiles

**Singapore**

Synthetic latex  
Packaging  
Chemicals  
Finished goods  
Equipment, machinery and spare parts  
Services, logistics and shipping

**South Korea**

Finished goods  
Textiles  
Synthetic latex  
Equipment, machinery and spare parts

**Sri Lanka**

Textiles  
Support services  
Forest products  
Packaging  
Equipment, machinery and spare parts  
Services, logistics and shipping

**Thailand**

Forest products  
Packaging  
Capex for plant expansion  
Utilities  
Equipment, machinery and spare parts  
Services, logistics and shipping

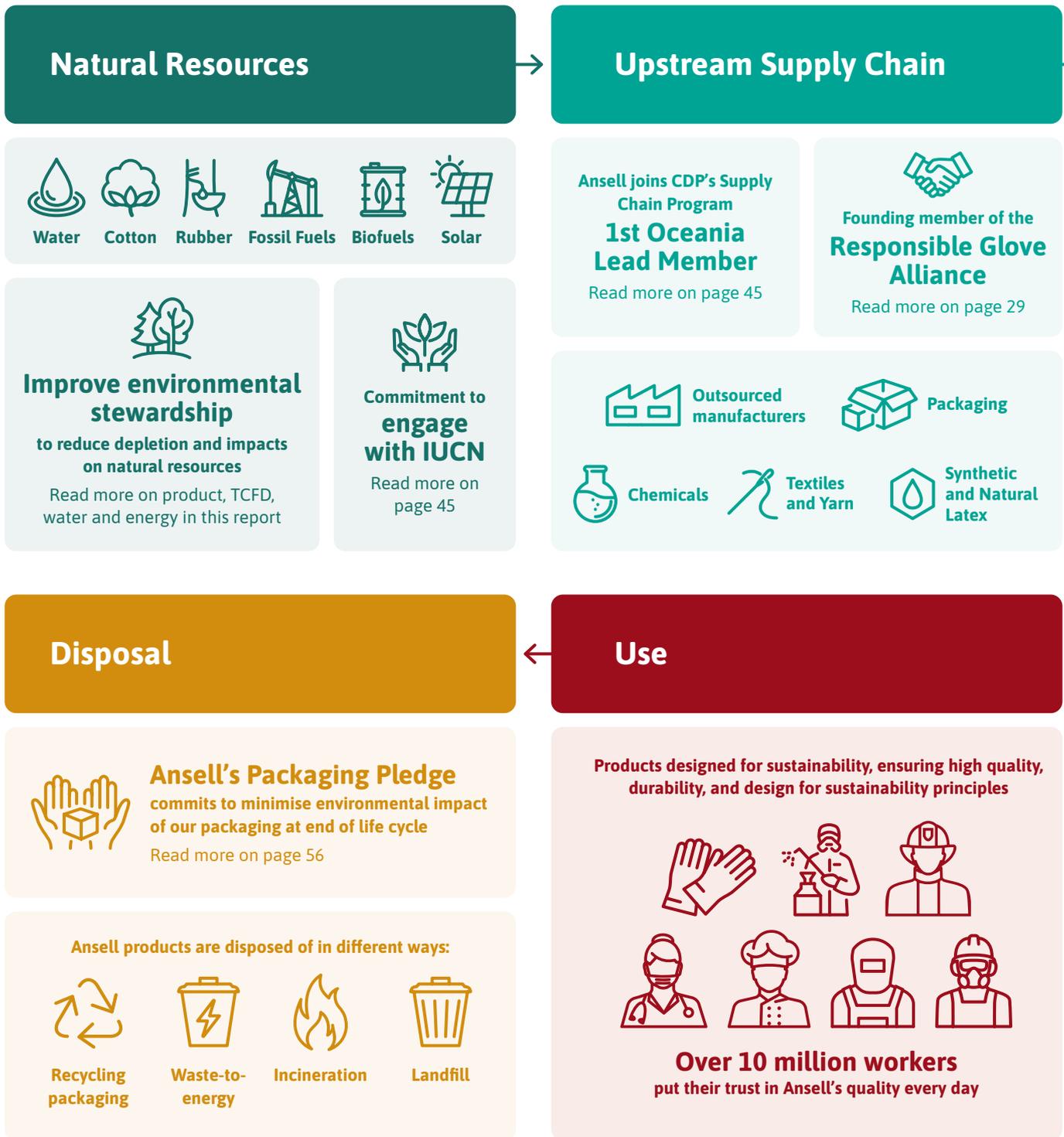
**United States**

Textiles  
Chemicals  
Equipment, machinery and spare parts  
Services, logistics and shipping

**Vietnam**

Chemicals  
Packaging  
Services, logistics and shipping

# OUR VALUE CHAIN



Ansell also endorses or is a signatory to:

Task Force for Climate-related Financial Disclosures (TCFD)

Workplace Gender Equality Agency Gender Equity Pledge

UN Guiding Principles on Business and Human Rights

**“Every Ansell employee enacts our passion for protection of People and Planet”**

## Product Development



Establish a pipeline of products and packaging which are **designed for sustainability**

Read more on page 55



**2 new products** with sustainability value propositions in FY22

Read more on page 57

## Manufacturing



**14** plants



**10,000+** manufacturing employees



**10** countries

**Renewed water stewardship targets**

Read more on page 51

**96%**

of waste from our manufacturing plants diverted from landfill

Read more on page 52

**Accelerate climate action**

New science-based reduction targets for Net Zero Scope 1 & 2 by 2040

Read more on page 43

**0.161 MTI & 0.051 LTI**

Best in class safety performance

Read more on page 19

## Downstream Supply Chain



Logistics & Warehousing



End users



Distributors

Ansell has a broader ambition to **reduce end-to-end value chain emissions**

Read more on page 45

## Marketing and Sales



Awarded **silver medal** by EcoVadis

EcoVadis is the world's largest and trusted independent provider of sustainability ratings. Scorecards can be shared with customers and used as part of tender submissions.

Learn more on our website

International Labour Organisation  
Core Conventions

Renewable Thermal Collaborative  
and USAID's Corporate Clean  
Energy Alliance

Responsible Glove Alliance

# FOCUS AREAS AND MATERIAL TOPICS

Our environmental, social and governance (ESG) performance is as critical to us as delivering high quality products to our customers. To hone our focus and monitor our performance across these metrics, we have identified the topics that are most material to Ansell. These also reflect the issues that matter most to our business, stakeholders and communities; and where we have the most potential to minimise harm and contribute to sustainable development. More details of our material matters are on page 63 of this report.

Execution of our sustainability programs and strategies are driven through focus areas of our work streams, informed by our material matters. These work streams are described on page 15 of this report.

<b>People</b>	<ul style="list-style-type: none"> <li>Employee health and safety</li> <li>Labour rights</li> <li>Recruitment and engagement</li> <li>Diversity and inclusion</li> <li>Community engagement and investment</li> </ul>
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<b>Planet</b>	<ul style="list-style-type: none"> <li>Energy and emissions</li> <li>Climate risk</li> <li>Water</li> <li>Operational efficiency and waste minimalisation</li> </ul>
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<b>Product</b>	Innovation and product stewardship
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**Focus areas and workstreams are underpinned by:**  
 Governance and business ethics  
 Stakeholder engagement and sustainability communications



## The Sustainable Development Goals

Ansell supports the role of business in working alongside governments and civil society to achieve the United Nations Sustainable Development Goals (SDGs). In FY20 we evaluated our actual and potential negative and positive impacts on the SDGs, and identified six that Ansell is best positioned to make a meaningful impact on (see our 2020 Sustainability Report, page 9 for more detail on our SDG mapping process).

Recognising the increasing urgency of global emissions reduction, we have since expanded our focus to include SDG 13, Climate Action, to reinforce our commitment to reducing GHG emissions in our operations and supply chain. Our seven priority SDGs are shown below, cross-referenced to relevant sections of this report.

3 GOOD HEALTH AND WELL-BEING



Ansell provides hand and body protection solutions to millions of workers and healthcare professionals globally.

Innovation drives our business forward and we are focused on developing products that perform better and continue to keep users safe.

Our employees' health and wellbeing, at our offices and manufacturing facilities, is equally a priority for us.

See About Ansell, page 6

See Employee health and safety, page 19

8 DECENT WORK AND ECONOMIC GROWTH



Ansell makes a significant contribution to employment and economic growth, and promotes decent work.

See Labour rights, page 22

See Recruitment and engagement, page 31

10 REDUCED INEQUALITIES



As a global employer, Ansell can help to address inequality.

See Labour rights, page 22

See Diversity and inclusion, page 35

See Community engagement and investment, page 38

6 CLEAN WATER AND SANITATION



Ansell's manufacturing processes and raw materials are water intensive. We continue to reduce our water intensity through efficiency improvements, rainwater storage and water recycling.

See Water, page 51

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Product stewardship is an increasing area of focus for Ansell. In FY22 we focused on reducing the carbon footprint of our products and completed Life Cycle Assessments to understand our products' baseline impacts.

See Innovation and product stewardship, page 55

See Operational efficiency and waste minimalisation, page 52

7 AFFORDABLE AND CLEAN ENERGY



Ansell has a role to play in energy efficiency and renewables. As part of our decarbonisation strategy, Ansell will reduce our reliance on fossil fuels and shift to renewable energy.

See Energy and emissions, page 43

See Climate risk, page 46

13 CLIMATE ACTION



Ansell supports the Paris Agreement. Beyond our efforts to decarbonise our operations, we will partner and collaborate to advocate for climate action.

See Energy and emissions, page 43

See Climate risk, page 46

# OUR STAKEHOLDERS

Fostering strong relationships with our key stakeholders and business partners is key to Ansell's ongoing success and is reflected in our core values of involvement and trustworthiness. We engage with our stakeholders on a broad range of topics, spanning our value chain and business activities, from product design and sourcing to manufacturing, use and end of life. Our engagement is founded on transparent and open communication.

Every year, our stakeholders' interest in our sustainability performance grows as they seek to stay informed and understand how our values align with theirs. We enthusiastically pursue opportunities for deeper engagement that allow us to support each other's sustainability goals. We communicate with stakeholders through a variety of channels, according to their needs and interests, as outlined below.

Stakeholder group	Key areas of interest	How we engaged in FY22
<b>Customers (B2B)</b>	Business conduct Business continuity/reliability of supply Environmental impact and compliance Labour rights Pricing Innovation and product stewardship Responsible supply chain	Customer service interaction Direct engagement Marketing Plant visits Sales and contract negotiations Trade shows Webinars Website
<b>End users</b>	Business continuity/reliability of supply Environmental impact and compliance Labour rights Pricing Innovation and product stewardship Responsible supply chain	AnsellGUARDIAN™ Contact through distributors Customer service interaction Customer site visits Marketing Webinars Websites
<b>Employees and contractors</b>	Health and safety Labour rights Diversity and inclusion Employee engagement Financial performance Community engagement and investment Climate risk Environmental impact and compliance	Company-wide communication Conferences and events Engagement surveys Innovation Awards Intranet Town halls Training Volunteer and community programs
<b>Investors</b>	Financial performance Climate risk and TCFD Environmental impact and compliance Diversity and inclusion Health and safety Labour rights	Annual General Meetings ASX disclosures Capital market days Chairman's circuit Direct engagement Investor presentations Sustainability road shows Written letters and communications
<b>Local communities</b>	Community engagement and investment Environmental impact and compliance	Education and healthcare support Local events Philanthropic activities Sponsoring Volunteer programs
<b>NGOs</b>	Labour rights Responsible supply chain	Direct engagement Donations/disaster relief support Partnerships Sustainability Report
<b>Regulators</b>	Business conduct Environmental impact and compliance Health and safety Labour rights	Annual Report Sustainability Report Direct engagement Participation in business and industry associations
<b>Suppliers</b>	Business conduct Business continuity Labour rights Product specifications and quality expectations Responsible supply chains	Audits (including third-party audits) Direct engagement with management Participation in business and industry associations Supplier agreements Supplier Code of Conduct CDP Supply Chain Program Supplier Management Framework



## Our Scope 1 & 2 Ambition for 2040 is Zero



For some time we have been laying the groundwork for change – to build a more sustainable future. We have developed a far-reaching decarbonisation strategy to achieve Net Zero within our operations by 2040, in line with the ambition of the Paris Agreement.

Ansell will focus on long-term decarbonisation efforts within its own operations, prior to exploring investing in credible and high-quality off-sets to address any limited residual emissions (less than 10%).

Scope 3 represents the greatest emissions impact and the complexities in these categories will require ongoing efforts to bring in direct value chain data and integration of life cycle assessment data. This will take time and we are optimistic for significant progress in FY23.

*“With these new targets and commitments, Ansell is pledging to continue leading our industry in advancing the sustainable development agenda. We will see greater and more integrated collaborations within the Company and across our supply chain as we accelerate existing approaches, including formalising environmental stewardship engagement, partnering for policy advocacy, and innovating for product stewardship and we invite our stakeholders to join us on this journey. Ansell will continue to think about people and the planet first.”*

— Neil Salmon, Managing Director and Chief Executive Officer

**Our decarbonisation strategy has three primary focus areas:**



**Transitioning from fossil fuels to renewable energies**



**Innovation in manufacturing processes, products and circularity**



**Collaboration through value chain partnerships and policy advocacy**



**Discover more at [ansell.com/id/en/about-us/sustainability](https://ansell.com/id/en/about-us/sustainability)**

# GOVERNANCE AND BUSINESS ETHICS

Ansell is focused on serving its shareholders' and stakeholders' long-term interests, and maintaining trust in our brand. Our Corporate Governance Framework enshrines Ansell's culture of integrity, accountability and transparency. It is guided by our values, risk management framework and Code of Conduct, as well as the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations.

Our Board of Directors (Board) is responsible for the oversight and review of Ansell's management, administration and overall governance and our independent Non-Executive Directors bring diverse skills and experience to the Board. For more information on our approach to governance or further details regarding our Board composition and skills, see our 2022 Corporate Governance Statement.

## Empowering Ansell people

This year, we launched our first-ever eLearning module on sustainability. The sustainability eLearning program is launched alongside new projects and initiatives, with the objective to equip our people with accurate and up-to-date knowledge of Ansell's efforts as well as to provide education on the broader topic. As at 30 June 2022, 957 employees completed the first eLearning on Modern Slavery and Labour Rights. Employees can access the eLearning module at any time.

## To strengthen our Board's skillset on sustainability, we engaged external consultants in FY22 to run a capacity building session on governance of environmental and social topics including climate risk.

All email-enabled Ansell employees and Directors are required to undertake Global Code of Conduct compliance training programs every two years to keep abreast of relevant legal and industry developments and ethical practices, and employees are required to complete topic-specific compliance training during other years. In FY22, we provided Global Navigating Conflict of Interest training to our 3000+ professional-level employees, and Culture of Ethical Decision-Making Training to over 200 managers at various manufacturing locations. In addition, we provided an in-person refresher course on our Global Code of Conduct to 4,095 production employees. From FY23, we will provide an online version for all email-enabled Ansell employees and directors.

Failure to comply with our Global Code of Conduct, including its provisions relating to fair employment and human rights, may lead to disciplinary action, up to termination, consistent with local law. Violations by an individual may also subject Ansell and/or its officers to civil and/or criminal liability. Employees can seek compliance advice by contacting the Compliance Function or relevant Ansell departments. All concerns can be reported to our newly updated and independently managed Compliance Hotline, which is available online and by phone in local languages. Individuals who report their concerns in good faith are protected by Ansell's 'no retaliation' policy.

In addition to the Global Code of Conduct, Ansell's sustainability governance is supported by a set of comprehensive policies which outline management approach. These policies can be found in the appendix on page 69 and at [www.ansell.com/au/en/about-us/sustainability/governance](http://www.ansell.com/au/en/about-us/sustainability/governance).



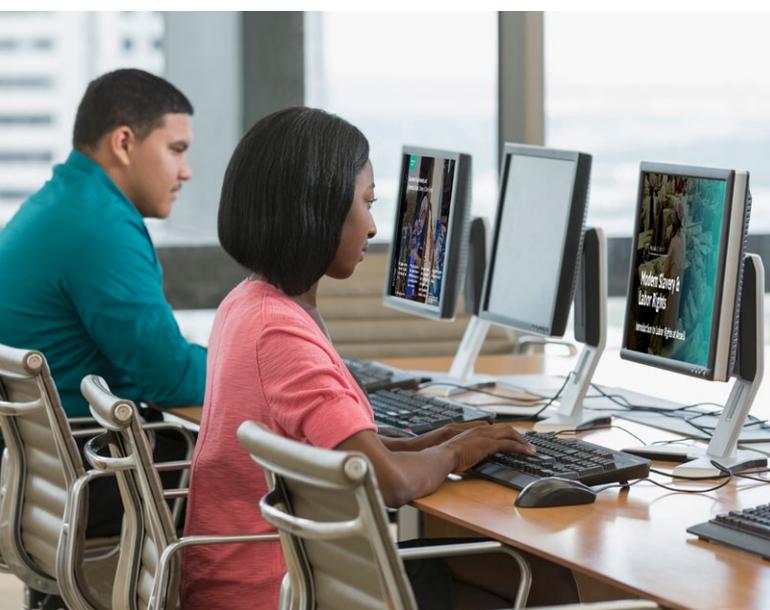
**OVER 200**  
MANAGERS TRAINED  
ON CULTURE  
OF ETHICAL  
DECISION-MAKING



**OVER 4,000**  
PRODUCTION EMPLOYEES  
RECEIVED REFRESHER  
COURSE ON GLOBAL  
CODE OF CONDUCT

## Ansell Code of Conduct

Ansell strives to achieve the highest legal, moral and ethical standards throughout our business. This ambition, together with our eight core values, is embedded in our Global Code of Conduct, which is an anchoring point for our culture. Each Ansell employee and Board member is expected to understand and adhere to the Global Code of Conduct, which sets out expectations on issues including corruption and bribery, human rights, conflicts of interest and social accountability.



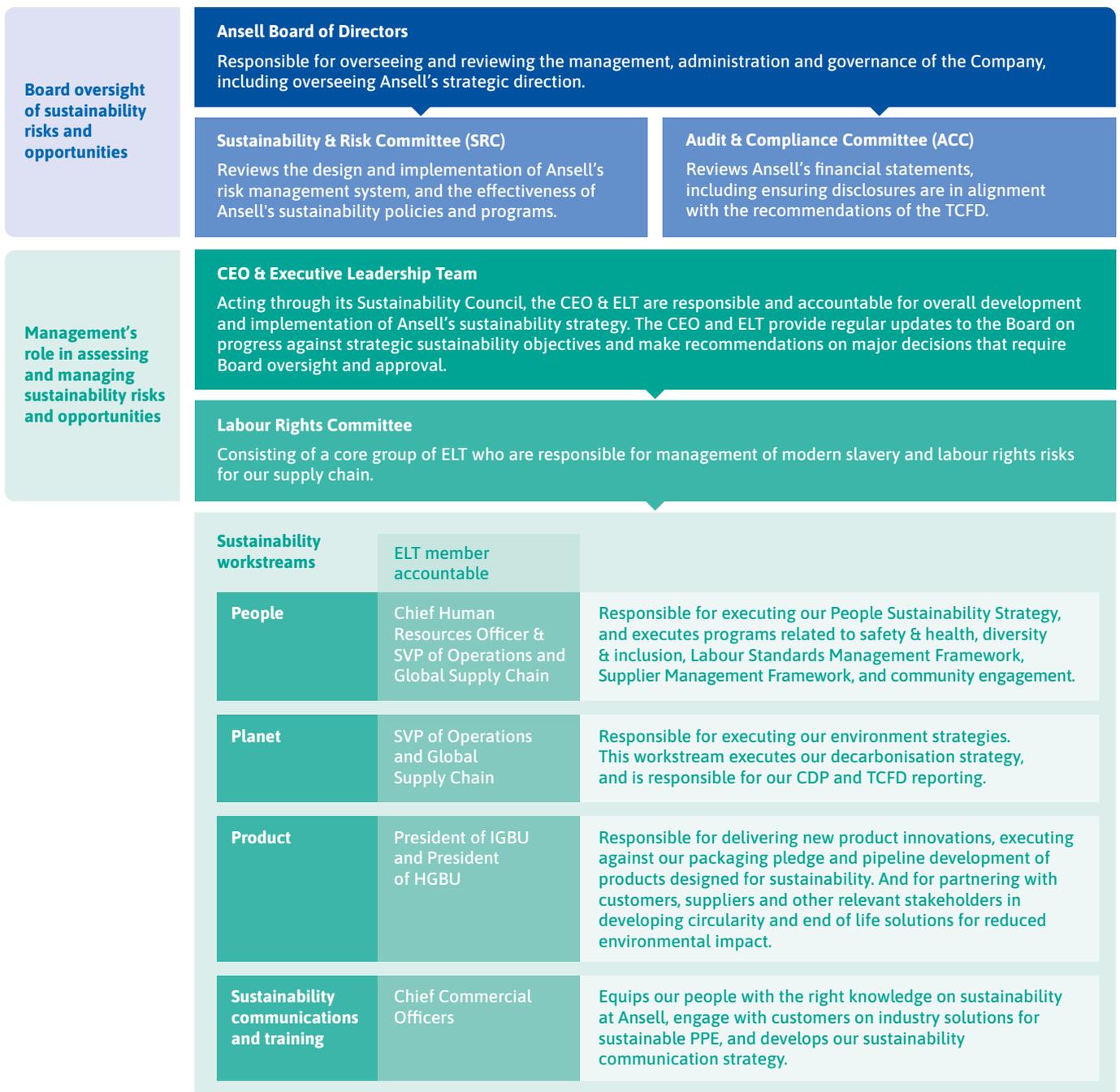
## How sustainability is governed

Sustainability is central to how we operate at Ansell, and this is reflected in our governance structure. Board-level and executive committees oversee our approach to sustainability, and ensure a cohesive and robust governance framework. We have also put in place measures to align incentives for sustainability outcomes throughout Ansell.

The Board and its committees are supported by the CEO & Executive Leadership Team (ELT). Progress updates and performance on sustainability strategies and projects are reported periodically to the CEO & ELT. The CEO & ELT are responsible for developing and implementing the company’s overall sustainability strategy, with oversight and final decision-making responsibility exercised by the Board.

We have four formalised workstreams which reflect our sustainability focus areas. Each workstream is sponsored by an ELT member and assigned to designated project leads. The project leads and ELT are supported by the General Counsel who coordinates the strategic management and prioritisation of the organisation’s activities and initiatives.

The project leads for each workstream foster collaboration at a mid-management level and lead dedicated teams across projects. As sustainability continues to be integrated into our business decisions, these teams collaborate to reflect the interdependencies between sustainability issues and their solutions.



## Key decisions by the Board on Sustainability

This year, the Board reviewed proposals related to sustainability and made the following decisions:

- Established Ansell's Net Zero emissions targets
- Approved Ansell's renewed water stewardship targets
- Approved next year's budget and future programs under people strategy
- Approved further capital investment in sustainability investment projects

## Risk management

Long-term stakeholder value creation requires an effective and robust approach to risk management. Our Risk Management Framework enables us to identify, evaluate, manage and report on risks, including non-financial risks relating to ESG issues. Our Risk Appetite Statement defines the amount of risk we are willing to accept to pursue our strategic objectives.

Our risk management practices include:

- A comprehensive risk control program that includes property protection and health, safety and environmental audits using underwriters, self-audits, and engineering and professional advisers
- Processes to identify the business risks (both financial and non-financial) applicable to each area of Ansell's activities and the maintenance of a specific framework that prioritises risks according to likelihood and consequence, and monitors the mitigation of those risks
- Regular data collection and reporting from relevant business units to the ACC or SRC, as appropriate, and the Board.

Our management teams are responsible for the identification and management of risk, the implementation of policies and procedures, and the reporting of risks to our ACC and SRC. The Committees actively monitor financial and non-financial risks and support the board to set Ansell's risk appetite. Further details of Ansell's Risk Management Framework are available in our Corporate Governance Statement.

## Remuneration-linked Sustainability KPIs for CEO and ELT members

For FY22, we established a single common measure of our performance against our sustainability commitments, 'the ESG metric'. This metric was broken down further into different elements and each ELT member was responsible for a particular element.

At the end of the year, the ELT was collectively assessed on the achievement of the overall plan.

The ESG metric included:

- Develop a road map to net zero (including communications)
- Achieve FY22 intensity targets for water and GHG and Zero Waste to Landfill goals
- Achieve FY22 audit plan for inhouse and supplier CSR audits
- R&D pipeline on products with improved sustainability
- Launch of products with meaningful sustainability benefits
- Achieve annual projects and commitments under Packaging Pledge
- Develop sustainability training
- Implement at least one pilot end of life alternative to landfill
- Develop sustainable offices plan

For FY23, each ELT member will be responsible for a specific sustainability metric.



## Responsible Glove Alliance

Ansell joined leading global players in the rubber glove industry as a founding member of the Responsible Glove Alliance

In March 2022, the Responsible Glove Alliance (RGA) was launched, with seven founding members, including Ansell, and the support of the Responsible Business Alliance. The collaboration aims to drive transformational change on labour rights, and both prevent and remediate forced labour in the Malaysian glove industry.

The RGA will enable recruitment transformation, collective influence, and the application of due diligence with advanced standards, tools and programs aligned to the UN Guiding Principles on Business and Human Rights. Suppliers of RGA

commit to a set of membership criteria, including: audit programs, remediation of forced labour conditions, third-party due diligence, providing access to remedy, commitment to voluntary and non-excessive overtime, transparency and reporting. In the first part of the year RGA established the inaugural steering committee and defined working groups that will lead the activities of the RGA.



Discover more at [responsibleglove.org](https://responsibleglove.org)

# PEOPLE



Contribution to the UN SDGs



## LOWEST MTI IN TEN YEARS OF 0.161

\* Medical treatment injury

### Y-O-Y REDUCTION IN LTI\* TO 0.051

\* Lost time injury

### 87%

OF FY22 SMETA NCS CLOSED AT ANSELL PLANTS

### 200+ ACTIONS

WERE TAKEN TO DRIVE IMPROVEMENT FROM THE EMPLOYEE SURVEY

ANSELL JOINED LEADING GLOBAL PLAYERS IN THE RUBBER GLOVE INDUSTRY AS A **FOUNDING MEMBER OF THE RESPONSIBLE GLOVE ALLIANCE**

DONATIONS AND SAFETY PROTECTION TO **SUPPORT PEOPLE AROUND THE WORLD**

# EMPLOYEE HEALTH AND SAFETY

Ansell's brand is synonymous with safety, which applies to our people as much as our customers. Our safety culture is founded on our passion for protection. We constantly uphold our core responsibility and accountability to ensure we send all our employees, contractors, and visitors back home safely every day, everywhere.

## Ansell's Safety Strategy

Ansell is guided by our 5-Point Safety Charter and an EHS framework that includes global standards for High-Risk Tasks (HRTs) and Core Operating Procedures, covering all employees, contractors and visitors. Our health and safety management system is unique to Ansell and developed in line with US Occupational Safety and Health Administration (OSHA) and Australian regulatory requirements.

In FY20, we commenced our road map to drive maturity and leadership in our safety culture towards world class safety practices of an interdependent approach. Execution focused on three priority areas of Leadership, Engagement and System.

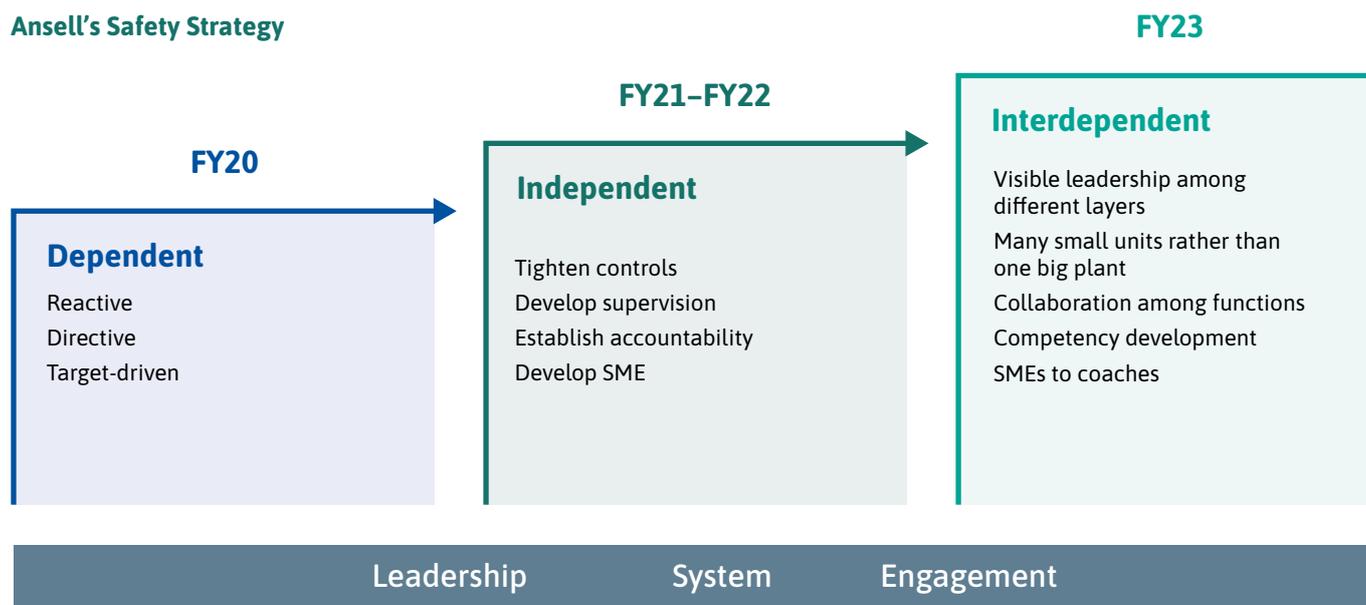
**We constantly uphold our core responsibility and accountability to ensure we send all our employees, contractors, and visitors back home safely every day, everywhere.**

## Leadership

To support our goal we have increased the accountability and visibility of our leadership to form checks and balances on our current system, and foster knowledge sharing across our plants. Senior management now formally sponsor HRTs at plants. This includes monitoring performance, undertaking corrective and preventive actions for leading indicators (near misses, unsafe acts, and unsafe conditions), and implementing lessons learnt, including incidents at other plants (where relevant). All plants have access and visibility to the corrective actions of incidents taken place at other plants through the global EHS dashboard. Operational Leadership Team (OLT) review the implementation status of corrective actions every month during Risk Management Executive meetings.

Furthermore, this year we started a monthly forum for plant EHS leads to promote knowledge sharing between plants, followed by quarterly meetings with plant leads, EHS teams, Head of Global EHS and regional heads of operations.

## Ansell's Safety Strategy



# EMPLOYEE HEALTH AND SAFETY CONTINUED

## Engagement

We designed competency matrixes to upskill non-EHS specialists to become Subject Matter Experts and established competency requirements for each line and functional area at plants. This year we integrated Incident Cause Analysis Method (ICAM) into our incident investigation methodology after plant leads completed training on ICAM for comprehensive causation and analysis to identify root-cause of incidents.

We also observed a year-on-year increase in reporting of leading indicators as a result of the increased awareness, empowerment, and accountability. Against our engagement target of '70% of workforce at Ansell to report at least one improvement idea', we received a total of 10,511 submissions, equivalent to 67% of employees providing at least one improvement idea. This is a 46% increase in employee engagement from last year.

### Improvements in chlorine management

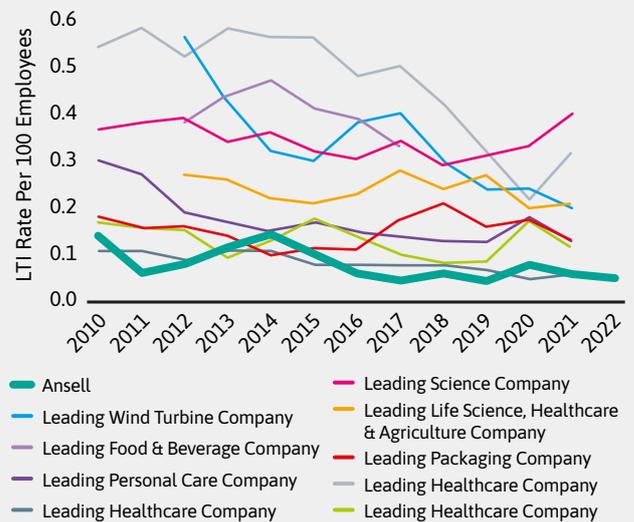
Using the incident cross-sharing platforms, we quickly identified instances of minute leaks related to chlorine at more than one plant. In isolation, these incidents are considered minor, but in identifying the trend we investigated chlorine management across our sites. We also established a committee consisting of engineering, EHS and site management to perform a gap assessment on storage and process safety. Based on the outcomes of the assessment, we standardised the process safety based Chlorine Management Standard and committed to spend US\$1m updating our chlorine storage facilities. We provided training to our employees and the committee meets regularly to ensure commitments remain on-track.

## Systems

After establishing our HRT and Core Operating Procedures in FY21, this year we performed internal assessments. We further enhanced the robustness of our assessments and corrective & preventive action process by introducing a process to rectify findings of internal assessments. For the first time, we trained plant EHS leads to conduct the assessments with the Global EHS team. The assessment tests the effectiveness of standards implemented at plants by types of HRTs and process elements. We set a minimum score of 75% for all plants, to indicate they are meeting Ansell standards. Four plants achieved more than 85%, which indicates world class performance. The average score across all plants was 73%. In FY23, we will focus on an intense program at plants that scored lower than 75%.

## Our performance

### Lost Time Injury (LTI)



A comparison of Ansell LTI performance against that of comparable market-leading global manufacturers drawn from publicly available website data through 2022. More details on our performance and methodology are on page 60 of this report. Note data as of June 2022.

Our medical treatment injury (MTI) rate this year was 0.161, our best performance in 10 years. Our LTI rate continues to meet our target of 10% Y-O-Y reduction. Our improved performance was driven largely by our refreshed strategy. We also undertook a risk-based approach to identify manufacturing plants with relatively high injury rates and increased challenges. We improved the enforcement of our stringent safety protocols at these sites by focusing on selected HRTs with the greatest risk exposure. These plants underwent an intensified program to improve processes, train, and complete an internal assessment within a short time frame. At the plants, the results are visible as leadership involvement and accountability are clear, on-site initiatives such as 'Gemba Walks' are conducted regularly, and employees are well-informed on roles and responsibilities.

### Safety in COVID-19

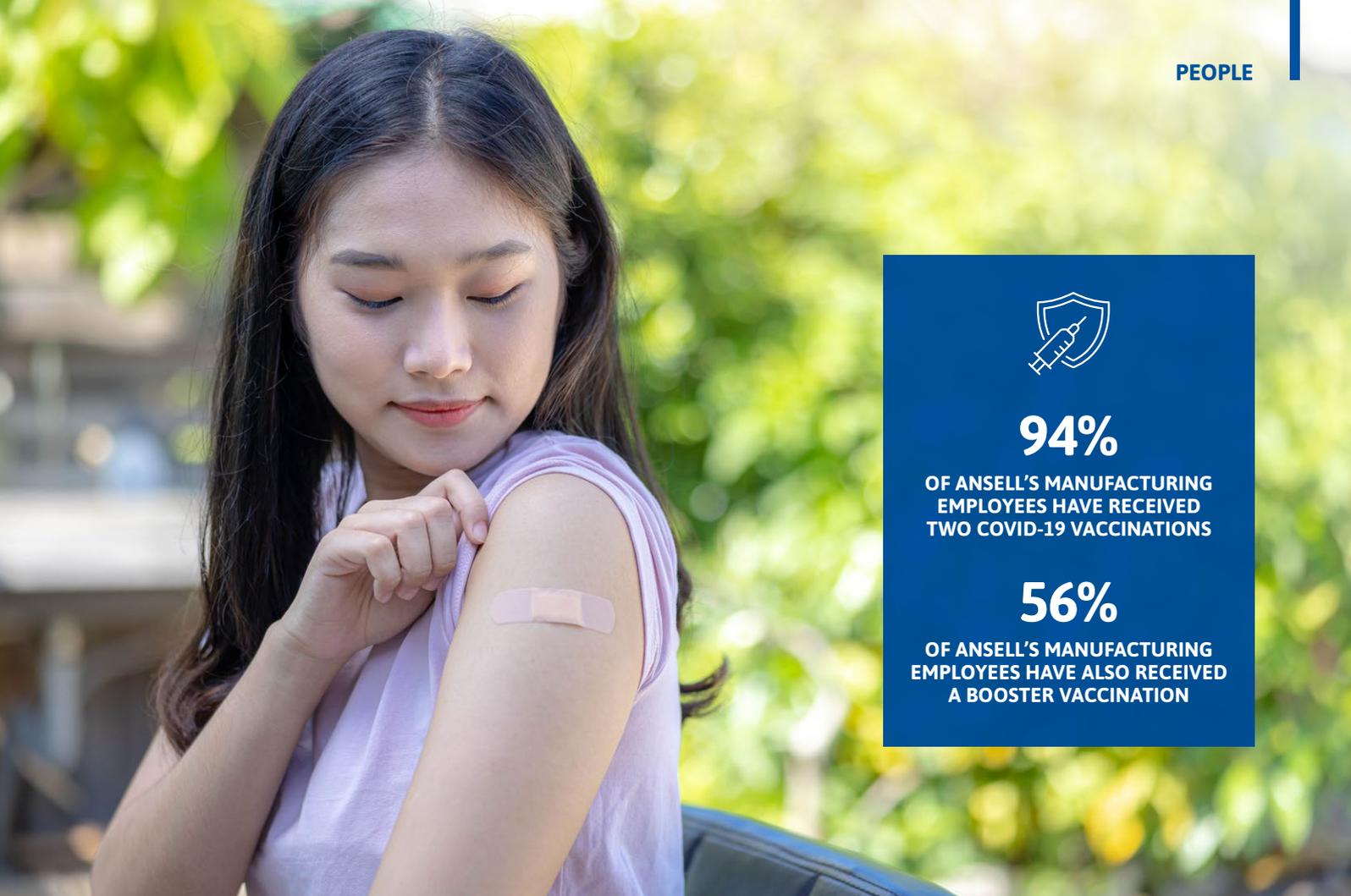
Every Ansell plant adheres to a four-point safety plan and 'Cluster Buster' strategy for COVID-19 safety measures. We tested 100% of our manufacturing plants through randomised voluntary testing of employees, and from May 2022 we revised our testing protocol to weekly risk-based testing as countries entered the endemic phase.

**67%**  
OF EMPLOYEES GIVING FEEDBACK, WITH A TOTAL OF 10,511 IMPROVEMENT OPPORTUNITIES

**4**  
PLANTS ACHIEVED MORE THAN 85% HRT ASSESSMENT SCORE

**LOWEST MTI\* IN 10 YEARS**  
OF 0.161  
\* Medical treatment injury

**Y-O-Y DECREASE IN LTI\***  
TO 0.051  
\* Lost time injury



# 94%

OF ANSELL'S MANUFACTURING  
EMPLOYEES HAVE RECEIVED  
TWO COVID-19 VACCINATIONS

# 56%

OF ANSELL'S MANUFACTURING  
EMPLOYEES HAVE ALSO RECEIVED  
A BOOSTER VACCINATION

### Educating customers on COVID-19 safety and protection

In efforts to support our customers, Ansell published online materials and held webinars related to COVID-19 protection. We produced a COVID-19 Workplace Protection Guide synthesising Ansell's resources, tips and best practices into a single tool to help industrial workplaces reopen and navigate the challenges of our new reality. We also held a COVID-19 protection webinar series from healthcare specialists on reopening guidelines and recommendations for elective surgery, dental practices, laboratory services and emergency medical services.

During the beginning of FY22 our plants in Malaysia, China and Vietnam were temporarily shut down by requests of local government authorities in line with peaks of community transmission, primarily attributable to new variants. During this period, affected employees were treated at hospitals, interim care facilities and home care. We continued to support employees' health needs and encouraged employees to keep us informed. We reopened the plants at a limited capacity and continued our strict COVID-19 protocols. Surveillance testing under 'Cluster Buster' and vaccination were the crux of our safety protocols during FY22. Making vaccines accessible to all Ansell manufacturing employees worldwide was a key priority.

### Employee wellness

Holistic wellbeing for employees promoted mental and physical wellbeing of our employees. We offered subsidies to annual health programs, medical consultations, and group exercise events after working hours. HR also hosted regular webinars on leading a healthy lifestyle and mental health awareness. Read more on page 33.

### Looking ahead

We continue to drive HRT management and transform safety culture to achieve world class status in safety. Once the roll-out of the Ansell Production System (APS) is completed, it will provide greater visibility to safety performance by production line and be a new way of engaging with the shop floor at each plant. Furthermore, senior management's role will be passed on to the plant supervisors as part of the APS roll-out.

We had planned to launch a mobile app and kiosk version of our SOTERIA safety software in FY22. However, this was delayed due to technical issues with the software. SOTERIA is online hazard reporting app. Employees on the floor can take and upload photos of hazards, incidents and near misses onto the system. The project is now scheduled for launch in Q1 FY23 for mobile app, and Q2 FY23 for kiosk. This will facilitate much needed ground-level engagement. ICAM training is planned for operational managers in FY23 to further improve the quality of our investigations.

# LABOUR RIGHTS

The industry Ansell operates in and the location of many of our internal operations and third-party supply chain expose us to higher risks of labour exploitation. Ansell is committed to respecting human rights and identifying, remediating and preventing modern slavery. These are complex, systemic issues, and as a market leader, Ansell is acting to promote decent work across our internal operations, third-party supply chain and the wider industry. We have established frameworks and governance structures to uphold a culture based on trust, respect and open dialogue and to promote positive and transparent employer-worker relations.

## Our commitment

Ansell is committed to respecting and protecting the rights of workers in our internal operations and third-party supply chain in accordance with the Universal Declaration of Human Rights. Ansell aligns with the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Core Conventions. Our commitment to respecting human rights extends to our third-party supply chain, and we require our suppliers and contractors to abide by our standards. Our commitment is enshrined in our Global Code of Conduct, Labour Standards Policy and Supplier Code of Conduct.

## Governance and accountability

Ansell takes a risk-based approach to monitoring and mitigating modern slavery risks across our internal operations and third-party supply chain. Board-level and executive committees oversee our approach to sustainability. Refer to pages 15–16 for more detail on Ansell’s governance of sustainability. Regarding labour rights, the Board’s Sustainability & Risk Committee and the CEO and Executive Leadership Team regularly review reporting on labour rights issues. The below diagram illustrates management’s role in assessing and managing labour rights risks:

### CEO & Executive Leadership Team

Implementation and management of labour rights standards is the responsibility of our Chief Human Resources Officer (for Ansell internal operations) and our Senior Vice President (SVP) of Operations and Global Supply Chain (for Ansell internal operations and third-party supply chain). The CEO and wider Executive Leadership Team (ELT) are accountable for overall implementation of Ansell’s sustainability strategy.

### Labour Rights Committee

The Labour Rights Committee (LRC) is responsible for managing modern slavery and labour rights risks in our third-party supply chain, including reviewing, testing and challenging labour rights and modern slavery management, and providing recommendations to the ELT and CEO. The LRC is comprised of select ELT members, including our Chief Human Resources Officer, SVP of Operations and Global Supply Chain, SVP General Counsel and Heads of our Global Business Units. Meetings began formally in FY22 and occurred monthly from January 2022. The LRC reports to the CEO and ELT on a regular basis.

### Supplier Management Framework (SMF) Working Group

The SMF Working Group oversees the implementation of the SMF. The SVP of Operations & Supply Chain chairs the SMF, which consists of cross-functional team members from Global Sourcing, Quality Assurance, HR and Group Sustainability. The working group meets monthly to discuss the implementation progress of the SMF and the monitoring and management of our third-party supply chain.

### People Workstream

For internal operations, plant General Managers (GMs), with support from plant Human Resources (HR) are accountable for implementing our labour rights standards, policies and procedures. The Global Corporate Social Responsibility (CSR) HR team support and oversee the program. For third-party supply chain, our Global Procurement team is responsible for implementing labour rights standards, policies and procedures in our third-party supply chain, overseen by the Supplier Management Framework Working Group.

Processes and frameworks which underpin modern slavery and labour rights risk management

Labour Standards Management System

Supply Chain Due Diligence

Supplier Management Framework

## Managing labour rights in our internal operations

### Labour Standards Management Framework

Our Labour Standards Management Framework (LSMF) aims to standardise, codify and unify the management of labour rights risks across our manufacturing plants, providing a single source document to ensure all plants adopt a consistent approach.

This year we shifted accountability for labour rights performance from HR to plant General Managers, to drive more understanding, ownership and accountability at the local level. Plants are supported by regional and plant HR, including the Global Human Resources (HR) Corporate Social Responsibility (CSR) lead.

To support this change, we conducted training for over 100 operations leaders, including plant managers at our Asian plants, on ILO Indicators of Forced Labour and the management of labour rights. In addition, Quarterly Compliance Meetings, chaired by the SVP of Operations and with Supply Chain and with plant General Managers, senior management and Global HR CSR, have been expanded to include a discussion on internal labour rights performance, audit findings, close-out rates and corrective actions, to ensure full compliance with Ansell's labour standards.

### Migrant workers

At our plants in Malaysia and Thailand, we hire both local and migrant workers. The majority of our local workers are employed directly by Ansell, as we intend to maintain a long-term and engaged workforce. Our migrant workers are employed via vetted labour agents who have a signed contract with Ansell to uphold ethical recruitment standards. Our Ethical Recruitment Program is a three-stage gate process designed to protect migrant workers and to prevent unethical demands of recruitment-related fees from agents in the workers' home countries, which can happen before departure and upon arrival at Ansell plants. All stages are conducted in the worker's native language, with a translator present.

**Stage 1:** Interview and orientation performed in the workers' home country by Ansell HR to discuss job descriptions and Ansell's labour standards and policies, including Ansell's Zero Recruitment Fee Policy.

**Stage 2:** An interview is conducted on arrival at Ansell's plants to ensure the recruitment process adhered to Ansell's policies and standards.

**Stage 3:** A follow up interview is conducted three to six months into employment as a form of check in (new in FY22).

At relevant stages we document the workers' declaration on recruitment fees status in our Zero Recruitment Fee declaration form.

The hiring practices of labour agents are reviewed during third-party SMETA audits at the plants. This year, Global HR CSR conducted a pre-assessment prior to these audits, to ensure that labour agents implement appropriate due diligence measures in line with Ansell standards. As part of the pre-assessment, we conducted interviews and performed a desktop review of employment contracts and labour practices. Where we identified labour agents who were violating our Zero Recruitment Fee Policy, we required the agents to reimburse the workers immediately and then terminated our engagement with these agents.

### Piloting the Responsible Business Alliance's Responsible Recruitment program

One of our labour agents is participating in a pilot audit program to align with the Responsible Business Alliance's Responsible Recruitment Program. In future we intend to preference labour agents that are compliant with this program, as Ansell works towards partnering with agents who have completed programs in ethical recruitment that are recognised and certified by external bodies.

### Review of migrant worker recruitment fee remediation program

Ansell has a Zero Recruitment Fee Policy, based on a commitment to pay all recruitment costs incurred by migrant workers. In 2019 Ansell was one of the first organisations in our industry to reimburse migrant workers in Malaysia who had paid recruitment fees to agents in their home countries. Since Ansell's remediation, many organisations have followed our lead integrating learnings from NGOs and other stakeholders. Full details of our remediation process can be found in our 2020 Modern Slavery Statement.

To ensure we continue to meet leading practice, in FY22 we commissioned ELEVATE, an industry-leading sustainability and supply chain consultancy, to review our remediation program. The remediation review evaluated all recruitment-related costs. In addition, ELEVATE compared reimbursed amounts against industry benchmark, followed by in-depth interviews with workers who were included in the reimbursement program. The review identified that while our initial approach to remediation was aligned with best practices at the time, the amounts remediated to migrant workers at our Malaysian plants from Myanmar and Indonesia were lower than the average reported by workers from the Malaysian medical product sector as per ELEVATE's more recent benchmarks.

Ansell has provided reimbursement on the difference to these workers via lump sum payments from July 2022, with letters provided to employees in their native language explaining the additional payment. Following this, ELEVATE will conduct an external third-party verification that the payment is complete.

# LABOUR RIGHTS CONTINUED

## Worker unions and councils

Freedom of association and collective bargaining enable workers to voice their concerns and organise and participate in decisions that impact their employment. We see this as fundamental to maintaining healthy industrial relations and meaningful social dialogue, and it is of particular importance in countries with vulnerable worker populations.

Our Labour Standards Policy outlines our approach to facilitating worker unions and councils through plant-specific Freedom of Association and Collective Bargaining Policies, including in countries with limited regulation. National laws, the plant's location, and the ILO core conventions guide each policy. Onboarding and annual training are used to communicate plant-specific policies and procedures to workers.

Worker councils and worker committees are established where workers choose not to join unions. Human Resources work with employees to structure and organise collective bargaining agreements. Workers can also provide feedback through our available grievance channels and by contacting HR (read more on our grievance channels on page 25). We currently have worker councils, worker committees or unions at 10 plants. At the remaining Asian plant, a worker committee will be established in FY23.

## Monitoring labour rights in our internal operations

We monitor labour rights compliance in our internal operations through external audits and internal assessments.

Third-party audits are conducted according to the Sedex Members Ethical Trade Audit (SMETA) four-pillar audit framework, which covers Labour, Health and Safety, Environment and Business Ethics, and is based on the Ethical Trading Initiative (ETI) Base



Code and ILO Indicators of Forced Labour. This year, we adopted a risk-based approach to our third-party SMETA audit schedule. We moved to a two-year audit rotation, but where prior audits have identified key risks or if the plant is a new addition to our portfolio, more frequent audits will be conducted. In between our SMETA audits, the Global HR CSR team conduct internal assessments (conducted with reference to the SMETA framework) and internal audit teams perform audits.

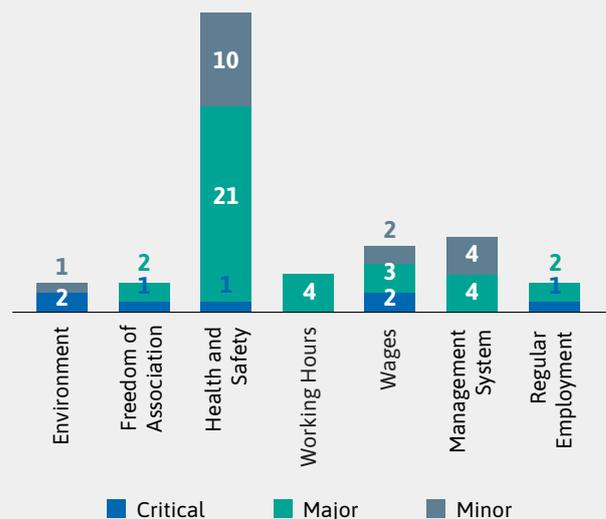
## FY22 performance

In FY22, seven plants underwent third-party SMETA audits. As of 31 August 2022, 87% of total reported non-conformances (NCs) had been closed, and remaining NCs with an 'open' status were primarily due to reporting cut-off dates as follow-up audits to close out non-conformances typically occur three to six months after the original audit.

The SMETA category 'Health and Safety' equates to the highest number of NCs at Ansell plants. These NCs primarily relate to instances of lapses in general and fire safety inspection and testing. NCs are quickly corrected, and verification of corrective actions is obtained during follow-up audits. To date, approximately 88% of the FY22 Health and Safety NCs are reported as closed.

Where NCs occur, we seek to remedy the specific instance, identify the root cause, and strengthen our overall management approach. This year we have included group-wide programs and initiatives such as internal assessments and increased accountability and visibility at the senior management level.

Number of non-conformances (NCs) by category and grading in FY22



In FY22, seven plants underwent SMETA 4-Pillar third-party audits.

### Grievance mechanisms and remediation

Ansell is committed to involving stakeholders in the grievance process and remediating where appropriate. We encourage employees to speak up whenever they have a complaint or concern about unjust, unfair or disrespectful treatment, harassment, or a health and safety issue in the workplace. We have a ‘no retaliation’ policy to reassure employees that there will be no adverse consequences for reporting concerns in good faith.

In FY22, we established our Global Grievance Policy covering Ansell employees and contractors worldwide. The policy aligns the grievance channels available across the business, including the plant HR functions and the compliance hotline operated by an independent third party, which operates 24/7 in each of Ansell’s community languages. In addition, to support employees to feel safe to report, we ran focus groups in our manufacturing plants and developed action plans to reinforce making grievances without fear of retaliation. HR teams also attended training on the new policy covering escalation, investigation and resolution procedures.

### Managing labour rights in our third-party supply chain

Ansell consistently communicates to suppliers our expectation that they have adequate and effective systems in place to ensure the highest standards of health and safety for all workers, to prevent human rights abuses, and to remediate any abuses identified, including in their supply chains. Our Supplier Code of Conduct outlines Ansell’s strict standards on protecting human and labour rights.

We regularly engage with our suppliers, share leading practices and support them with training. In addition, Ansell requires its suppliers to transparently and openly communicate their performance on labour rights and regularly monitors labour rights in our suppliers’ sites through globally recognised audit methodologies.

#### Case study: Trialling grievance mechanisms in our internal operations

In FY21, we introduced two new mobile application grievance mechanisms: WeShare and Just Good Work. There have been implementation issues with the third-party app ‘Just Good Work’, mainly due to a lack of visibility at the plant level and limited written communication skills of workers, which have hindered its success. The ‘WeShare’ app (developed by Ansell) will continue to be used in the Ansell Shah Alam (Nitritex) plant as we continue to evaluate the app’s benefits and maturity before extending it to other plants in the future.

As part of the updated Global Grievance Policy we have begun to introduce a new localised grievance hotline for workers in Malaysia, China and Brazil, with further roll-outs in FY23. The Suara Kami Hotline, operated through the Responsible Glove Alliance, will be an externally managed line that feeds into the Ansell business, with complaints stored on a centralised database that will be examined for trends to inform proactive mitigation strategies.



## LABOUR RIGHTS CONTINUED

### Supplier Management Framework

Ansell's Supplier Management Framework (SMF) was established to drive meaningful change in our third-party supply chain. Its objective is to undertake a risk-based approach and assign appropriate measures and activities to target risks.

Under the SMF, we prioritise suppliers into different waves based on industry, location of sourcing, criticality to the business, inherent modern slavery risks, and spend and branding as indicators of leverage. The SMF is being implemented in three waves, with roll-out to the highest priority suppliers first. Implementing in waves also enables us to smoothly onboard suppliers to the program and to apply learnings from one wave to the next. By implementing the SMF, we will expand our due diligence program, increasing our existing activities to cover a more significant proportion of our supplier population. We have also designed additional activities and programs to target risks in particular sectors and locations of our third-party supply chain.

We commenced the SMF with suppliers in Wave 1: 1.A Suppliers of finished goods and cotton products from higher risk countries; and 1.B Recruitment agents, branded packaging, inputs including natural rubber latex, biomass and support services such as cleaning, facilities management and security services from higher risk countries. Onboarding of Wave 2 suppliers commenced in FY23, refining processes based on the learnings from Wave 1 suppliers.

We are rationalising our supplier base in phases as part of our procurement strategy. As a result, a leaner supplier portfolio will enable us to develop stronger relationships with suppliers and increase our leverage on suppliers' sustainability performance.

### Implementation Waves of Supplier Management Framework

#### Wave 1 – Commenced in first half of FY22

- 1.A Suppliers of finished goods and cotton products from higher risk countries.
- 1.B Recruitment agents, branded packaging, inputs including natural rubber latex, biomass and support services such as cleaning, facilities management and security services from higher risk countries.

#### Wave 2 – Commenced in FY23

- 2.A Includes knitted liners, non-cotton textiles and yarns, neoprene and synthetic latex from higher risk countries.
- 2.B Includes other sourcing from higher risk countries, such as non-direct input goods.

#### Wave 3 - Commencing in FY23

- Includes other suppliers from lower risk countries with whom the business has a contractual relationship.

### Monitoring performance of our third-party supply chain

Ansell requires our highest risk (Wave 1A) suppliers to undergo annual SMETA audits by accredited third-party auditors. In addition, as committed in the SMF, we broadened our audit program in FY22 to include high-risk non-strategic suppliers. Suppliers may also share findings from forced labour assessments conducted by third parties and customer audits. These different audits provide depth and transparency on suppliers' practices, including any identified non-conformances requiring specific corrective action plans and further follow-up audits.

Ansell works with suppliers to monitor and close out non-conformances following agreed timeframes and requirements. Selected audit findings are discussed at the monthly LRC meeting, and may be escalated to the ELT and Board depending on severity. Ansell will identify labour rights non-conformances of varying severities in carrying out activities proposed under the SMF. The severity of the non-conformances will inform the timeframes for action and consequences for suppliers, and the required level of engagement and approval within Ansell. The SMF sets out precise governance arrangements, escalation pathways and ultimately, consequences for suppliers who fail to close out severe non-conformances, thereby giving the business a structure to follow in making decisions on labour rights.

### FY22 performance

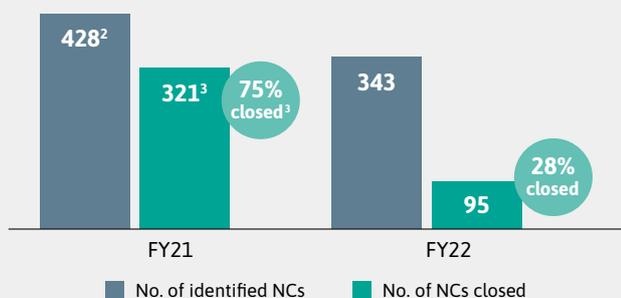
We continued the roll out of audits in line with the SMF to cover our finished goods suppliers (Wave 1A) including in higher risk countries, such as Malaysia and China. Ansell global finished goods suppliers representing approximately 98% of Ansell’s total finished goods spend were audited, either under a SMETA 4-pillar audit or a forced labour assessment (F-11 audit), by independent and reputable third parties (the remaining 2% represents a mix of non-strategic, low risk and low spend suppliers). In FY22, 56 audits were completed, covering suppliers representing more than 90% of our finished goods spend.

#### Number of supplier audits completed



1. We restated FY21 data to exclude suppliers as a result of our rationalisation strategy, and to include non-strategic suppliers in our audit program (as committed under the SMF). All strategic suppliers (>90% of total spend) underwent annual audits in FY21 and FY22.

#### Number of identified non-conformances and closed non-conformances



2. We restated FY21 data to exclude suppliers as a result of our rationalisation strategy, and to include non-strategic suppliers in our audit program (as committed under the SMF).

3. We restated FY21 data to exclude suppliers as a result of our rationalisation strategy, to include non-strategic suppliers in our audit program (as committed under the SMF), and updated close-out rate of FY21 NCs after completion of follow-up audits in FY22.

We are pleased to report that FY22 results shows a reduction in NCs identified during supplier audits. The close-out rate of 28% is primarily due to reporting cut-off, as follow-up audits are usually performed in the second half of the calendar year. This is supported by the increased close-out rate of FY21 NCs to 75%, as reported this year.

We acknowledge that audits are a snapshot in time. Therefore we use supplier engagement, training and other activities to monitor and manage suppliers’ performance.



This year we conducted training for over 100 operations leaders on the ILO indicators of Forced Labour and the management of labour rights to help ensure a consistent approach across all plants.

### Engagement and training for suppliers

Under the SMF, we commenced a formal training program for our suppliers. The training aims to communicate the new SMF and management process to suppliers, educate suppliers on Ansell’s standards and expectations as per the SMF and the Supplier Code of Conduct, and raise awareness of modern slavery and broader sustainability issues. This year, we conducted training sessions for 42 packaging, synthetic latex and plant sourcing suppliers, and seven labour agents.

Supplier education and engagement on sustainability goes beyond training sessions. Regular supplier engagement on labour rights is carried out by sourcing and quality assurance teams with suppliers’ management to monitor its performance and follow-up on the status of audits, corrective actions, and other topics. Ansell teams also guide suppliers on adhering to our SMF.

### Top-to-top engagement

In addition to training, we conduct supplier engagement through ‘top-to-top’ engagement. Our CEO, SVP and VPs of sourcing met with senior management of eight strategic suppliers (representing approximately 80% of Ansell’s total finished goods spend) to communicate expectations and understand suppliers’ commitments. During the year, Ansell management and suppliers discussed:

- Cross-sharing practices and lessons learned.
- Communicating Ansell standards for labour rights management, primarily on overtime hours, migrant worker recruitment, health and safety, and audit programs.
- De-brief after customers’ visits to suppliers’ sites.
- Follow-up on status of corrective actions.

## LABOUR RIGHTS CONTINUED

### United States Customs Border Protection Withhold Release Orders

Over the last few years, United States Customs and Border Protection (US CBP) announced Withhold Release Orders (WROs) against several Malaysia-based finished goods suppliers, alleging that their products were produced, in whole or in part, using forced labour. Some of these have been suppliers to Ansell.

Ansell takes the labour practices of our suppliers seriously, and any allegation of forced labour is of the highest concern. Ansell does not, however, automatically cancel supplier contracts upon the allegation of forced labour, instead we choose to provide the supplier with the opportunity to demonstrate a commitment to improve working conditions through meaningful action. This approach allows continued employment for the supplier's workforce and improves workers' conditions. This practice is in line with commentary from the United Nations on Guiding Principle 19, which states that in assessing whether to terminate a supplier contract, a business must consider whether termination would have adverse human rights impacts. However, if we determine suppliers are not working in good faith to progress positive change in their labour standards compliance, we will take further action, including finding alternate sources for our product and terminating the supplier relationship.

While the specific findings of the US CBP WROs are not publicly available, we work closely with affected Ansell suppliers to better understand the alleged non-conformances, including assessment through third-party SMETA audits to identify non-conformances and inform the appropriate corrective actions required. In addition, the availability of specific forced labour assessments conducted by reputable third parties, such as ELEVATE, has further strengthened our due diligence approach. The nature and methodology of the forced labour assessments use the ILO Indicators of Forced Labour to identify any gaps, and the outcomes of the assessments provide details of findings and required improvement actions in greater depth.

In August 2022, a lawsuit was issued in the United States against Ansell and Kimberly-Clark by 13 former employees of Brightway, alleging that through Ansell's purchase of finished goods products made by Brightway, it should be legally responsible for compensating these employees for the forced labour practices they allege were in effect at Brightway. Brightway is an independent third-party supplier that has manufactured and provided finished goods to Ansell and other purchasers. Brightway products have never represented more than a very small percentage of Ansell's total purchases from third parties, and it has been one of many direct suppliers to Ansell. Ansell considers the lawsuit without merit and we are vigorously defending our business and internal operations accordingly.

### Progress on labour rights in Malaysia

The medical supplies industry is currently the focus of increased scrutiny due to allegations of adverse labour rights impacts including forced labour. Malaysia, a crucial manufacturing and sourcing location, is the primary focus of these allegations, with risks compounded by high labour intensity and reliance on low-skilled migrant labour. Ansell takes these reports seriously, and since establishing our Zero Recruitment Fee Policy in 2019, we have been part of industry momentum to uncover non-conformances and improve labour practices.

The historically low level of regulation in Malaysia has impacted our ability to drive action, but FY22 saw steps taken by the Malaysian Government to initiate industry-wide change.

Of significance, the Malaysian Employment Act was amended in 2022 and created a new 'forced labour' offence, which will carry a monetary fine and, potentially, imprisonment.

The Malaysian glove industry is making progress to address the most salient risks to its vulnerable workforce of migrant workers. Below outlines some of the recent industry improvements Ansell has seen through SMETA audits, top-to-top meetings with suppliers and supplier self-declarations:

- **Third-party audit program:** Under the SMF, all finished goods suppliers (SMF Wave 1A) must undergo regular third-party audits. Over the last 2 years:
  - Malaysian finished good suppliers representing approximately 99% of Ansell's total finished good spend in Malaysia were audited, either under a SMETA 4-pillar audits or a F-11 audit.
  - Five Ansell finished goods suppliers (representing approximately 40% of total finished goods spend) completed a F-11 audit.





- **Recruitment fees reimbursement:** To date, Malaysian suppliers representing approximately 94% of Ansell's total finished goods spend, have declared that they have completed their recruitment fees reimbursement program for currently employed migrant workers. Based on supplier reports, these suppliers have reimbursed over US\$25m to more than 16,000 migrant workers in Malaysia. We will work with the remaining suppliers and support them in accelerating the completion of their remediation programs. We continue to follow up and verify these commitments to ensure the appropriateness of the programs.
- **Living conditions:** In recent years, public scrutiny and audit findings have resulted in legislative reform prescribing minimum standards of housing, which applies to migrant workers' hostels. Ansell suppliers have implemented measures to improve conditions in compliance with local legislation (Act 446), which prescribes the minimum standards of housing. We are verifying compliance by sighting certificates of accommodation and doing our own assessments of suppliers' hostels, in addition to SMETA audits.
- **Passport withholding:** Audit reports from all Ansell finished goods suppliers audited in the last 2 years have shown that passports and other legal identification documents have been returned to migrant workers and measures implemented to prevent re-occurrence, such as written policies and preparing private lockers for workers.
- **Freedom of movement:** Earlier audits of suppliers uncovered systemic and physical restrictions on freedom of movement. These findings included passport withholding, incorrect or expired work permits, and control of workers' movement at hostels and manufacturing plants including outside of work hours. Recent audits show a general increase in implementation of corrective actions by suppliers, including removing physical measures such as locks and barricades, changing overbearing security measures, re-applying for correct work permits and increasing overall awareness of workers' rights.
- **Excessive working hours:** Earlier audits of suppliers found systemic industry-wide non-compliance with local laws on overtime and rest days, labour rights violations on involuntary working hours and not respecting rest days. To date, based on supplier engagement and recent audits, overtime and rest day non-compliances with local laws are now isolated incidences and suppliers are moving towards longer-term corrective action programs.

While we have seen improvement and corrective actions implemented in these areas, we remain vigilant and continue to support ongoing and systematic change in the industry. In FY23, the audit program will include announced and unannounced SMETA audits and F-11 audits in some instances to focus on these areas to better protect workers' rights.

### The Responsible Glove Alliance

Labour rights challenges are systemic in the Malaysian medical products industries and cannot be solved by a single company in isolation. Therefore, we seek partnerships that drive collaborative, industry-wide action. In FY22, we streamlined our partnerships to focus on driving change in our highest risk and leverage areas. As a result, we have withdrawn from the Responsible Labour Initiative and co-founded the Responsible Glove Alliance, which focuses on the Malaysian glove industry.

In March 2022, the Responsible Glove Alliance (RGA) was launched, with seven founding members, including Ansell. The RGA is supported by the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to corporate social responsibility in global supply chains. The RBA will provide strategic oversight and direction of the RGA, as well as operational and administrative capabilities. In addition, ELEVATE, an industry-leading sustainability and supply chain consultancy, will act as a key critical service provider during the program's initial phases. The collaboration aims to drive transformational change in labour rights, and prevent and remediate forced labour in the Malaysian glove industry.

The RGA will enable recruitment transformation, collective influence, and the application of due diligence with advanced standards, tools and programs aligned to the UN Guiding Principles on Business and Human Rights. Suppliers of RGA commit to a set of membership criteria, including audit programs, remediation of forced labour conditions, third-party due diligence, providing access to remedy, commitment to voluntary and non-excessive overtime, transparency and reporting. In its first year, the RGA established the inaugural steering committee and defined working groups that will lead the activities of the RGA.

## LABOUR RIGHTS CONTINUED



### Grievance mechanisms and remediation

We require all Ansell suppliers to have grievance mechanisms and to undertake remediation where required. In April 2022 we updated our Supplier Code of Conduct to make available a direct link to Ansell's compliance hotline to suppliers, their employees, contractors and other stakeholders. This improvement is in addition to the existing expectation that suppliers maintain a confidential grievance platform that is easily accessible to all workers and encourage workers to report any non-compliance with Ansell's Supplier Code of Conduct without fear of retaliation.

In line with commentary from the United Nations on Guiding Principle 19 and a recent joint publication by the ILO and the Malaysian Rubber Council<sup>4</sup>, Ansell does not automatically cancel supplier contracts upon the allegation of forced labour. Instead, we choose to provide the supplier with the opportunity to demonstrate a commitment to improve working conditions through meaningful action. Ansell works with suppliers to monitor and close out non-conformances following agreed timeframes and requirements. However, where we identify suppliers who do not align with our labour standards commitment and are not working in good faith to progress positive change in their labour standards compliance, we review our potential options, including finding alternate sources for our product and terminating the supplier relationship.

The Responsible Glove Alliance will play a pivotal role in providing grievance mechanisms and remediation across our Malaysian suppliers.

Our 2022 Modern Slavery Statement, which will be released in November 2022, will include more details on grievance mechanisms.

### Looking ahead

From FY23, we will include unannounced SMETA audits and third-party forced labour assessments in our program for selected Ansell plants. Forced labour assessments (third party audits assessed against the ILO Indicators of Forced Labour) will

complement existing SMETA audits, focusing specifically on helping identify risks of (or actual instances of) forced labour, including recognising where a person is trapped in forced labour or may require urgent assistance. Forced labour assessments use a red, yellow and green flag system to assess the presence of the eleven ILO indicators. The presence of one or more red flags indicates increased risk, requiring further investigation and action to assess the presence of forced labour. These audits will increase our capacity to identify potential adverse human rights impacts within our internal operations. We will also set a 60-day time frame to implement and verify corrective actions based on SMETA audit findings at our plants.

We began efforts in March 2021 to establish living wage as a minimum for employees at all Ansell locations. We define a living wage as the income earned within regulated working hours (without overtime) to fulfill basic needs such as food, housing, transport, healthcare, education and others, sufficient to support a worker and their family. We have already completed initial benchmarking of our plants globally with third-party consultants. Results showed that many Ansell facilities already pay at or above a living wage, and we will use the existing processes of these plants and the outcomes of the benchmarking to develop a program for countries where there is still a gap.

In FY23, we will continue the roll-out of the Supplier Management Framework. This phase will focus on ongoing engagement with Wave 1 suppliers and introducing Wave 2 suppliers into the framework through focused engagement, audit activities and training.

We are also investigating commodity-based collaborations concerning our higher-risk natural materials – cotton and natural rubber latex – to help support an approach to sustainable raw material sourcing that meets leading standards.

Further details on our approach to labour rights can be found in our 2022 Modern Slavery Statement, to be released in November 2022.

4. ILO and Malaysian Rubber Council joint publication 'Addressing, preventing and eliminating forced labour in the rubber industry in Malaysia: A practical guide for Malaysian employers' (2022)

# ENGAGEMENT

With more than 14,000 employees across 55+ countries, Ansell people form a global and diverse team with a shared passion for what we do and a tremendous commitment to success. A simple mission, Ansell Protects, has guided us for nearly 130 years. Increasing our level of employee engagement in this shared mission promotes talent retention, reduces safety incidents, maintains quality and improves both customer and employee satisfaction. In addition, employee engagement correlates to improved organisational performance and makes Ansell a better place to work and learn.

Our vision is that Ansell increasingly becomes the company that talented job seekers look to as their first choice of employer and that those in our employ learn, grow and stay while reaching their full potential. To accomplish this, we have made progress in evolving a workplace culture based on an ever-growing number of opportunities for learning and development, with a focus on leadership. Our company also requires that all employees model Ansell Values and respect diversity. As a result, since our first Employee Engagement and Culture Survey in 2015, where our engagement score was 61%, Ansell’s overall employee engagement score has trended up, reaching 70% for combined production and professional employees in 2021. In 2021, most organisations saw a drop in engagement from 2020 as pandemic fatigue set in. Ansell, however, maintained its momentum and continued to improve from 2020 to 2021. Today, actions are in place to address specific survey results in every manufacturing facility, region, and across our functional and business units ensuring we are on track to our goal of Ansell employee engagement scores approach best-in-class levels globally by the end of FY25.



 <p><b>Values</b></p> <p>Our eight corporate values are at the heart of everything we do</p>	<p><b>Integrity</b></p> <p>We value doing what is right and ethical</p>	<p><b>Agility</b></p> <p>We value responsiveness to customers and each other, openness to change and flexibility</p>	<p><b>Passion</b></p> <p>We value energy and excitement, commitment, drive and dedication</p>	<p><b>Teamwork</b></p> <p>We value collaboration and a sense of partnership and sharing</p>
	<p><b>Trustworthiness</b></p> <p>We value acting with respect, fairness and dependability</p>	<p><b>Creativity</b></p> <p>We value inventiveness, innovation and new and original ways of thinking</p>	<p><b>Involvement</b></p> <p>We value our team members’ input, influence and initiative</p>	<p><b>Excellence</b></p> <p>We value a tenacious focus on results, accountability and goal achievement</p>

## ENGAGEMENT CONTINUED

Ansell equips employees with strengths and capabilities that make us the best in the business. These include market-leading innovation, advanced manufacturing technology, the world's top global PPE brands, a strong global sales force, exciting emerging marketing opportunities, digitally-driven sales tools, and the industry's most complete product portfolio of hand and body protection, all coming together under our Ansell Protects sustainability platform, plus a solid financial foundation, ready to invest in our future.

At the same time, we are equipping our employees with an increasing number of development opportunities, enabling them to collectively improve their expertise and skillsets to meet our global business challenges while maintaining their well-being. Our approach ensures employees enjoy their work, are supported to fulfil their potential and are appropriately recognised and rewarded. In the coming year, we will refine our employee value proposition, ensuring that our localised approaches, drawn from our employee engagement surveys, are supported by a consistent and global strategy on talent, engagement and retention.

### Our performance

We measure employee engagement biannually against 17 dimensions. Our 2021 survey improved across all dimensions, with notable increases in Safety, Brand and Customer Focus.

Top areas for action to drive even more improvement include Decision Making and Prioritisation, Reward & Recognition, Collaboration for professional employees, Empowerment, Reward & Recognition, and Senior Leader Visibility for production workers.

In FY22, over 200 actions were taken by function and business units and individual teams to drive improvement in these areas. These actions encompass many areas, engaging leadership, agility, talent focus, reward and recognition, empowerment/autonomy, enabling infrastructure, COVID-19 safety, work-life balance and well-being. Applied consistently across Ansell, these actions will help move us closer to our best-in-class goal for FY25.

**Our approach ensures employees enjoy their work, are supported to fulfil their potential and are appropriately recognised and rewarded.**

### Development & Performance

In FY22, Ansell launched a new performance management process enabled by a new digital tool, ePerform. This new process is anchored in the following principles:

- Taking a holistic view of the colleague that considers three critical dimensions: the colleague's development during the year, their performance and contributions, and their demonstration of the Ansell values.
- Bolstering feedback and coaching capabilities of people managers to drive colleague performance; to support this principle, Feedback and Coaching for Performance workshops were made available to all employees.
- Truly differentiating colleague performance and clearly aligning colleague performance with Ansell's short-term incentive approach; note that in our 2021 engagement survey, less than 60% of employees agreed that Ansell differentiated employees based on their performance.

### Learning and development

Providing the right learning and development opportunities is imperative to helping Ansell grow its leadership talent from within. Over the past year, we significantly shifted our approach and focus for employee training to be more globally consistent, aligned with our business strategy, and focused on delivering results. For example:

- For the first time, Ansell now provides all professional colleagues with a global learning catalog at the beginning of the year to support and guide their development planning.
- To respond to the hybrid working environment, we are offering learning through a variety of channels including online eLearning, virtual instructor-led programs, in-person programs and via an app that integrates with our primary tool, Microsoft Teams.
- To better align our learning with Ansell's strategy, we offered learning in digital marketing and sustainability for the first time this year. We also strengthened our offerings in leadership and coaching.
- New this year, we deployed a global participant feedback evaluation for every instructor-led program. Today, feedback from employees shows that 93% find our training useful. In FY23, we will add a manager evaluation to our approach, which will help us further assess the impact of training.
- In July 2021, we launched a 12-month Global Operations mentoring program, with an objective to accelerate the career path of these employees and bring new ideas into the innovation pipeline for this critical area. In FY22, thirteen mentees completed their mentorship and new mentees are already identified for the second wave.

- Similarly, we launched Accelerate with Ansell (AWA), a program designed for new engineering graduates in Malaysia. From 500 applicants, four were accepted into the AWA program after interviewing with Ansell leaders. We congratulate these future leaders and innovators. The AWA program will expand to Sri Lanka in FY23.
- Beginning in FY22 at our Sri Lanka manufacturing facility, our global Ansell Production System (APS) deployment team began implementing the new APS continuous improvement framework. A 'first' in the PPE industry, APS will advance the capabilities of the Ansell workforce and enrich our continuous improvement culture in manufacturing. One of the APS deployment's main objectives is to upskill shop floor employees' capacity and increase capabilities and skills among line teams, coaches, and equipment owners at our plants, following a 'Learn-Do-Teach' approach. APS is part of a strategy to empower Ansell plants and Ansell people to be well equipped for future challenges.



### Employee wellbeing

Our 2021 Employee Engagement and Culture Survey saw a significant drop in our wellbeing scores, and we see wellbeing becoming increasingly important. As a result, we took actions in FY22 and have more planned for roll-out in FY23 to reverse this downward trend for both professional employees and our production workforce.

To improve employee wellbeing, in addition to providing tools and techniques, we also look for opportunities to simplify work processes, estimate and minimise low value work, and further prioritise how we spend our time.

Workshops offered to employees globally in FY22 included:

- Working Effectively in a Hybrid Environment
- Changing Habits to Achieve Your Best Self
- Stress Management & Burnout Prevention
- Videos and podcasts on Mental Resilience, Stress Detection, Mindfulness @ Work, Creating Connection, Boost Your Energy and The Mental Reset
- Mental health and physical wellness activities in our manufacturing operations were site-specific. Sessions included COVID-19 safety and testing, psychological counseling and stress management provided by healthcare professionals, physical activities like yoga, basketball, badminton and dancing, discounts for health and beauty treatments, vision and dental care, wellbeing check-ins by supervisors, holiday celebrations, and an environmental art contest



Site-specific wellness activities in our plants were aimed at both body and spirit, and included sporting events, yoga and classes on stress management and similar topics.

# ENGAGEMENT CONTINUED

## Employee turnover

In April 2021, as part of our Back to Better initiative, Ansell implemented a Global Flexible Work Policy as office-based professional employees navigated the realities of returning to work following COVID-19 shutdowns. A flexible work option enables employees to maintain a healthy and sustainable work-life balance, helps the business to attract top talent, increases retention and productivity, and decreases absenteeism. Educational sessions accompanied the policy roll-out to ensure

that managers and employees understood the responsibility to balance flexible work with ensuring that business needs are met. Ansell also implemented technology and communication tools to enable employees stay connected. In FY22, professional employees continue working flexibly in the world’s newer endemic environment. As hybrid work has become a permanent feature, Ansell will continue to apply innovative solutions to help employees adapt to this new work environment.



Like many other companies worldwide, Ansell saw an increase in employee turnover in FY22. A recent global survey by EY found that over half of surveyed employees worldwide would consider leaving their job post-COVID-19 if they were not afforded some form of flexibility in where and when they work.

In the following ways, we address increasing attrition:

- Implementing the Global Flexible Work Policy
- Providing recruitment solutions, including increased efforts to recruit minority talent and increase diversity
- Increased retention through employee recognition programs introduced in HR, Finance, NA Commercial and EMEA/APAC Commercial
- ‘Return to the office’ activities at Ansell’s four hub locations and other major employee sites
- Holistic well-being programs

## Looking ahead

### Priority areas of focus

Professional staff	Production staff
Decision-making	Leadership
Reward & recognition	Reward & recognition
Collaboration	Empowerment & autonomy

Our regional and global teams will continue to work toward improvement in our priority areas of focus identified in our 2021 Employee Engagement and Culture survey, and we will conduct a pulse survey in FY23 to measure our progress. In addition, we will assess the impact of the new Development & Performance Process by completing check-ins with employees and managers to gain feedback. Similarly, we are monitoring the results of our new Global Flexible Work policy and will make adjustments to the policy as warranted.

## DIVERSITY AND INCLUSION

Ansell is a truly global company with a richness of diversity, from our people's collective experiences and expertise and how well they collaborate across geographies. We believe that the power of diversity coupled with a culture that fosters inclusion creates a fertile environment for the innovative thinking that drives our business forward. This force, in turn, enables us to provide better products to our customers, a better experience for our workforce, and better returns to our shareholders.

Ansell has committed to making its Diversity, Equity and Inclusion (DE+I) program a long-term priority. In FY22, we completed a move away from a primary concentration on gender diversity to a broader view of diversity and increased focus on inclusion and creating a more inclusive culture. This shift was marked by the launch of an updated Diversity and Inclusion Policy on International Women's Day, 8 March. Ansell then implemented a regional network approach with employee-led DE+I groups. The regional approach enabled each team to determine its areas of focus with counsel from the Executive Leadership Team and Human Resources, and set measurable targets.

In tandem with our Board and business leaders, Ansell's DE+I program seeks to integrate the principles of diversity and inclusion more closely into our employee lifecycle. Diversifying our candidate pools and working to ensure fair hiring practices are critical to this initiative. Still, our ambitions go further – to ensure that underrepresented employees have equal access to professional development and that all employees feel like they are a part of Ansell.

In FY22 we introduced Global Inclusion eLearning modules for all professional employees. These modules provide tools, training, and resources to help put our Diversity & Inclusion Policy into action. These modules guide employees through the foundations of inclusion amidst the complexity of working in a diverse, global environment and are available in multiple languages. The first course – Overcoming Implicit Bias – was launched in FY22 and two new courses will be launched in early FY23 – Inclusive Hiring and Global Inclusion, with more learnings to follow.

Communications, activities and awareness building around DE+I significantly increased in FY22. Juneteenth, Pride Month, Black History Month, National Hispanic Heritage Month, LGBTQIA+, World Awareness Day for Autism, Special Olympics volunteerism, RealTalk Forums, newsletters, and a DE+I survey were among the highlights of FY22.

Toward the close of FY22, the ELT participated in a session focused on Inclusion and Allyship. An ally is often defined as someone who is not a member of a marginalised group but is positioned to support and take action to help others in that group. Allyship in the workplace addresses injustice and promotes equity and is crucial for inclusion and equity. The allyship concept will be shared with global employees in FY23, beginning with the DE+I groups and targeting vice presidents, senior directors and directors. Whether someone is an employee, team leader, manager, or senior leader, Ansell believes that all employees can be an ally to those around them.



Employees from Ansell's Brussels hub thoroughly enjoyed volunteering at the National Summer Games organised by Special Olympics Belgium. Ansell employees have been supporting Special Olympics Belgium since 2017.

# DIVERSITY AND INCLUSION CONTINUED

## Women in leadership



With the shift to a broader diversity and inclusion focus, Ansell has not lost sight of its commitment to advancing women at all levels. We have maintained our KPI of exceeding female representation targets this year, with Director and above positions at 34.6% (target: 30%) and Manager to Associate Director at 36.6% (target: 40%). It is pleasing to note that the Company has surpassed its target of women in executive management positions and will continue to invest time and effort in the underlying programs that support the gender balance initiative and reach its target for women in management positions.

In addition, the Board had 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. In FY21, women constituted 50% of Non-Executive Directors. With recent resignations and appointments, in FY22 the gender balance amongst Non-Executive Directors has shifted downwards to 42.9% women. The Board remains committed to achieve the circa 50% balance.

Ansell will continue its policy of eliminating barriers to diversity, which will further encourage suitable gender diversity throughout the organisation. The Company undertakes regular reviews to ensure that it is adequately progressing towards acceptable gender diversity.



Each year, International Women's Day provides an opportunity to recognise and celebrate the contributions of our women employees.

In FY22, we invested in a partnership with an external diversity and inclusion learning provider and piloted a 6-week Work On Your Terms program to help female talent understand where and why they thrive and how to replicate those positive experiences in other areas of their work and life.



During March, employees across Ansell celebrated International Women's Day. This year's observance was themed #BreakTheBias, which imagined a gender-equal world, free of bias, stereotypes and discrimination. Always a much-anticipated celebration across Ansell, employees staged a photo campaign for internal and social media, virtual panel discussions with guest thought leaders, topic-focused roundtable events, and celebrations with ice cream socials, gifts, games and more. Female employees in Sri Lanka launched an annual magazine titled in Sinhalese "අන්සෙල් ඇය" (Women of Ansell). Tracey Watson, Global Director, Product Portfolio Management, Chemical Hand Protection, based in the United Kingdom, wrote and narrated a poem written expressly for International Women's Day, which was shared globally in a video.

## Looking ahead

For FY23, our DE+I teams will focus on ongoing communications and creating awareness through observances such as International Women’s Day and Pride Month. Specific priorities for FY23 also include the following:

Training	Talent Acquisition	Career	Measurement
<p>Continue to roll out our Global Inclusion eLearning modules and training for people managers on Creating an Inclusive Global Workplace and Becoming an Inclusive Leader, plus acting Inclusively, an eLearning course for all employees.</p>	<p>All hiring managers will participate in inclusive hiring training, and Human Resources will conduct an Inclusivity Audit of candidate experience, and then follow-up with adjustments as a result of the audit findings.</p>	<p>Our Work on Your Terms program will be expanded, and a career accelerator program will be launched, initially for female talent with potential.</p>	<p>We will expand data collection for all employees to include gender, age, generation, country of birth and nationality for all employees to drive data-informed decision making. Turnover will continue to be monitored by gender. Finally, we will execute an employee engagement survey to assess progress on employees’ perspectives on diversity and inclusion at Ansell.</p>



# COMMUNITY ENGAGEMENT AND INVESTMENT

Ansell’s mission-driven employees make an impact that makes a difference to customers and end-users worldwide, but we are always looking to do more as volunteers. Additionally, many Ansell facilities are significant employers in the areas where we operate, and our employees are connected to their local communities. When disaster strikes, Ansell responds with product donations and financial support. As a result, Ansell employees take pride in our community engagement and investment approach.

Ansell’s approach to community investment and engagement is focused on locally driven engagement. We empower staff in our regional offices and local operations to identify the causes that matter most to them and the areas in which they live and work. This locally led approach is supplemented by activities determined by our corporate function, which includes volunteerism and disaster relief activities. In addition, all major financial and product donations are approved by our ELT and, where appropriate, the Board.

We commit to global donations and community investments aligned to Corporate Social Responsibility, our sustainability strategy and our Ansell values. Our community engagement and investment initiatives broadly encompass the following elements:



**Personal Protective Equipment (PPE) donations, including disaster relief**



**Financial donations**



**Employee volunteering**

When disaster strikes, Ansell provides financial donations and safety protection to support people on the ground in various emergencies. Throughout COVID-19, teams at our manufacturing facilities and warehouses worked tirelessly to coordinate donations of safety products to protect essential workers worldwide. We will continue to respond similarly when and if the need once again arises.

In FY22, Ansell responded with product donations to meet protection needs worldwide, helping people overcome hardship, live healthier lives, and build partnerships that empower reconciliation, justice and respect. Here are just a few highlights.



## Ukraine donations and employee volunteers

Ansell made its most significant product donations during FY22 to support humanitarian efforts for refugees fleeing Ukraine. The primary recipient of our donations was Caritas, an international charitable foundation. Additionally, Ansell donations reached seven hospitals providing maternity, oncology, and regional healthcare services. Employees from our Krakow site also provided volunteer assistance to Ukrainian refugees arriving in Poland.





### Australian Indigenous Program

Launched in FY21, Ansell’s Australian Indigenous Program announced in FY22 that ONELAND, a not-for-profit organisation that brings together indigenous and non-indigenous communities, has been selected as the recipient of Ansell’s funding for the first two years of this program. ONELAND promotes reconciliation, Indigenous social justice, and humanitarian objectives through sports, education, and the arts, and aligns with Ansell’s DE+I initiatives on inclusivity and allyship.

### Employee and community outreach in Sri Lanka

Ansell understands that recovery from a prolonged and ongoing economic crisis will take considerable time and requires collaboration amongst many global stakeholders to revive Sri Lanka’s economy. Ansell has been a major employer in Sri Lanka for 36 years. Our current priority is the safety and well-being of our 5500+ employees in Sri Lanka. We are supporting our workers and their families during this very critical period in several ways, including:

- Providing financial support since April 2022 to enable families to purchase essential items, such as food and medicine
- Providing workers and professional employees with free bus transportation between our manufacturing facilities and home to supplement the shortage of fuel for personnel transport
- Providing workers with market vouchers to purchase food

We believe Sri Lankans are resilient and will get through the current situation, and we believe Sri Lanka will recover. We remain committed to Sri Lanka.



### Global flood relief

Floods are made more likely by the extreme weather patterns caused by long-term global climate change. In FY22, Ansell supported communities in Malaysia, China and Belgium that were hard hit by local flooding. Ansell donated USD 10,000 to the Malaysian Red Cross and supported 30 employees in Cyberjaya, Melaka and Shah Alam whose homes were severely damaged. In the Henan province of China, over 300 people died due to flooding, and nearly 11 million people in the region were affected, flooding farmlands and causing severe economic impact. Ansell donated significant quantities of PPE to residents and volunteers in these regions.



## COMMUNITY ENGAGEMENT AND INVESTMENT CONTINUED

### Lithuania gives the community two gifts

In early FY22, Ansell Lithuania planted an alley of fragrant magnolia trees in a local park as a gift to the people of Taurage. In late FY22, the Lithuanian team celebrated the manufacturing facilities 16th birthday by planting 2000 additional trees in the Taurage vicinity, using natural compost made from green waste within the Taurage plant. A fully grown tree recycles up to 25kg of CO<sub>2</sub> a year. When all 2000 trees are fully grown, our forest will process 50 tonnes of CO<sub>2</sub> every year, reducing the carbon footprint of the surrounding area. FY22 also saw Ansell Lithuania begin composting green waste from the factory. The resulting compost is used to nourish new plantings. In the spring of 2023, the team plans to plant Ansell Orchard, with cherry and apple trees, on factory grounds for workers to enjoy. Ansell, protecting People and Planet.



### Protecting volunteer surgeons and staff

In FY22, Ansell product donations supplied to Ophthalmology Worldwide protected surgeons and hospital staff in the Democratic Republic of the Congo, where almost one million people have blindness, and one out of fifty live with severe visual impairment. Ansell also donated examination and surgical gloves to Operation Smile in FY22, helping one of the world's largest volunteer-based organisations provide free, safe surgeries for children born with cleft lips, cleft palates and other facial deformities.



### Looking ahead

In FY23, Ansell will look to align our regional DE+I initiatives more closely with our corporate philanthropic and business strategies. Aligning our Ansell resources – people, products, capital, skills and volunteerism – to support carefully chosen community partners aligned with our mission will promote more profound engagement with stakeholders – including employees, customers and investors.

In FY23, Ansell will implement a Philanthropy Policy providing the missing framework for this strategy. In addition, we will look to increase opportunities for employee volunteerism and build volunteering more firmly into our Ansell culture.



## Project Joy – PPE for differently shaped hands



Imagine the hands of some Industrial workers who might wish to use our products. Petite or large. Some possibly missing a digit. Or just differently shaped hands altogether.

Unfortunately, these individuals often find their PPE options limited, and a lack of access to adequately fitted hand and arm protection puts them at a higher risk of injury in the workplace. Building on Ansell's promise to keep workers safe, Project Joy has been providing customised PPE solutions for workers with unique safety needs on a small scale for several years.

Ansell believes safety should be accessible by all and is now expanding Project Joy, following our DE+I commitment to promoting inclusivity and innovation through developing comfortable and functional PPE for workers who cannot find appropriate protection elsewhere.



Discover more at  
<https://www.ansell.com/my/en/about-us/sustainability/governance>



# PLANET



Ansell

**Contribution to the UN SDGs**

- 6** CLEAN WATER AND SANITATION
- 7** AFFORDABLE AND CLEAN ENERGY
- 12** RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13** CLIMATE ACTION

**FIRST**  
LEAD MEMBER FROM OCEANIA  
TO JOIN THE CDP SUPPLY  
CHAIN PROGRAM

**45%**  
RENEWABLES IN OUR  
ENERGY MIX

**FULLY ALIGNED  
WITH TCFD**

**96%**  
OF WASTE GENERATED\* WAS DIVERTED  
FROM LANDFILLS

\* From our manufacturing plants

**368 GHG**  
EMISSIONS INTENSITY  
11.04 WATER WITHDRAWALS INTENSITY

# ENERGY AND EMISSIONS

For over 125 years, Ansell has been protecting people. By setting ambitious environmental goals, we strive for safety solutions that protect our future. We recognise the deep connection and dependencies of our resources, activities and by-products in our end-to-end value chain. Ansell supports the transition to a low carbon future and this year we announce milestone targets to mark our commitment.

**WE COMMIT TO ACHIEVE NET ZERO BY 2040 FOR OUR OPERATIONS (SCOPE 1 & 2)**

**42%** REDUCTION IN SCOPE 1 & 2 EMISSIONS BY 2030

END OF LIFE TREATMENT AND PURCHASED GOODS & SERVICES REPRESENT

**80%**

OF OUR SCOPE 3 EMISSIONS (FY20 BASELINE)

**20%**

OF OUR GHG EMISSIONS ARE FROM OUR OPERATIONS (FY20 BASELINE)

John Marsden, SVP of Operations and Supply Chain, John Bevan, Ansell Board Chairman, and Neil Salmon, CEO, here touring new environmental initiatives at Ansell's plant in Thailand, are committed to achieving a Net Zero future for Ansell.

Ansell is committing to science-based reduction targets for Scope 1 and Scope 2 that will see us achieve Net Zero by 2040 for our operations, supported by a mid-term target of a 42% emissions reduction by 2030 (FY20 baseline). This is in line with the ambition of the Paris Agreement to limit global warming to 1.5°C. Ansell will focus on long-term decarbonisation efforts within its own operations, prior to exploring investing in credible and high-quality off-sets to address any limited residual emissions (less than 10%).

We defined our strategy and calculated our baseline and inventory in partnership with external consultants, BSR and Optera. A detailed analysis and inventory calculations against our FY20 baseline showed that 20% of our GHG emissions are from our internal operations, while Scope 3 represents the greatest emissions impact. Emissions from purchased goods & services and end of life treatment make up a significant portion of Ansell's Scope 3 emissions and the complexities in these categories will require ongoing efforts to bring in direct value chain data and integration of life cycle assessment data, as detailed in the following pages.

**Our decarbonisation strategy has three primary focus areas:**



**Transitioning from fossil fuels to renewable energies**



**Innovation in manufacturing processes, products and circularity**



**Collaboration through value chain partnerships and policy advocacy**

# ENERGY AND EMISSIONS CONTINUED

## Reducing dependency on fossil fuels

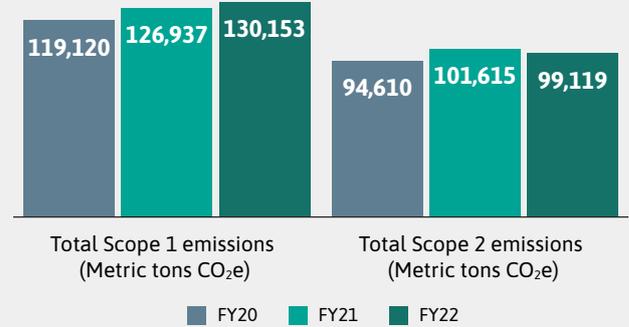
Since we installed our first High Pressure Hot Water Generator (HWG) in Sri Lanka in 2009, we have been on track to shift fossil-fuel based energy sources at our plants to renewable energy sources. Through dedicated investments, we have focused our renewable energy initiatives across three areas of biomass, solar PV and renewable grid electricity, which has seen us achieve 45% renewables in our energy mix today. Our decarbonisation strategy sees us exploring alternative fuel sources in addition to existing pipeline projects, and joining collaborative efforts to align with market and technology innovations. Our long-term decarbonisation efforts are focused within our internal operations before we will explore credible and high quality off-sets for residual emissions.

In FY22 we established an agreement through the Malaysia Green Electricity Tariff program to source at least 90% of our electricity at our plants in Malaysia from renewables. However, movement restrictions caused by the COVID-19 pandemic in Malaysia delayed the planned effective dates of Solar PV investments this year. Collective investments and initiatives to date increase our renewable electricity by 11% since our baseline year (FY20).

Against our current corporate target of 292 GHG emissions intensity (MtCO<sub>2</sub>e/million USD production value<sup>5</sup>), we report 368 GHG emissions intensity this year, a 4% increase from last year. All plants have existing science-based absolute emissions reduction targets and program targets. These are included in individual performance KPIs of our SVP of Operations and Global Supply Chain, plant VPs and GMs to drive increased efficiency at the plants. This year, we faced critical challenges. The economic situation in Sri Lanka disrupted the supply of biomass to the plant, necessitating the use of furnace oil to power our boilers. Due to power cuts in Sri Lanka, we increased the use of our generators and for longer periods of time, which increased our diesel consumption. We are also still working on syncing the use of the old and new biomass boiler in Thailand, which will reduce our dependency on fossil fuel powered boiler at the plant.

Our ambition is to align with the initiatives of RE100 and EP100. We commit to source 100% renewable electricity throughout our entire operation by 2040. We will implement Energy Management Systems (ISO50001) at all plants by 2025 and demonstrate our commitment to energy productivity through efficient operational practices and driving plant-wide awareness and senior management accountability on efficient practices for energy reduction.

### Scope 1 and 2 emissions



More details on our performance and methodology are on page 61 of this report.

## Innovation in our business model and pursuing collaborations

Completed baseline work on our product portfolio builds the foundation for innovation in our products and business model.

We also pursue innovation through partnerships and advocacy. Ansell is an active participant in supporting the transition to a low carbon future. Since 2021, we have engaged with policy makers in Sri Lanka via USAID's Sri Lanka Energy Program to create an electricity marketplace that supports access of renewable electricity to operations. In Vietnam, we are a stakeholder in a corporate power purchase agreement (PPA) pilot program. This year, Ansell joins international and cross-industry initiatives to pursue operational efficiency, new technologies and advocate policy on renewable energies and overall climate action.

45%

RENEWABLES IN OUR ENERGY MIX

11%

GROWTH IN RENEWABLE ELECTRICITY (FROM FY20)

5

HIGH PRESSURE HOT WATER GENERATORS (HWGS) USE BIOMASS IN SRI LANKA AND THAILAND

100%

RENEWABLE GRID ELECTRICITY AT PORTUGAL AND LITHUANIA

5. Cost of production including materials, utilities and labour. Data represents manufacturing plants only.



Ansell joined the Renewable Thermal Collaborative in July 2022. The multi-stakeholder and international effort is one of the largest coalitions for executing solutions, including knowledge sharing and advocating policy, to decarbonise thermal energy generation. This gives us access to leading technologies and market trends that are currently under development or not yet available.

### Broader value chain and Scope 3

A detailed analysis and inventory calculations against our FY20 baseline showed that emissions from purchased goods & services and end of life treatment make up a significant portion of Ansell's Scope 3 emissions:

#### Scope 3 top emissions sources by percent of total

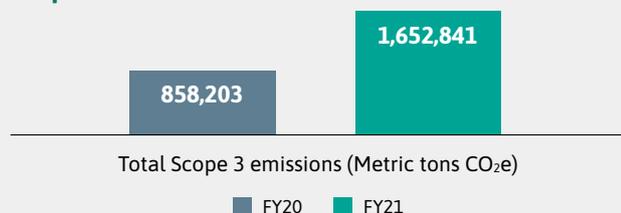


\* Business travel, employee commute, capital expenditures, waste generated in operations and upstream leased assets.

These upstream and downstream activities require extensive data collection and commitments to develop a meaningful and data-driven action plan. We commit to investigating the following key activities in FY23, which would form the main pillars of our Scope 3 reduction initiatives:

- (i) aligning to finished goods and raw material suppliers who are also committed to reducing their operational emissions
- (ii) low carbon transport and distribution
- (iii) reducing the impact at product end of life
- (iv) environmentally friendly raw materials.

#### Scope 3 emissions



Our scope 3 inventory is calculated by subject matter experts using a spend-based methodology. We used our financial data, industry averages and other emission factors based primarily on spend data. As we enhance our supply chain engagement and develop our scope 3 roadmap, we expect to improve the accuracy of our inventory with increased granularity and this may impact our baseline calculation as well.

More details on our performance and methodology are on page 61 of this report.

### Ansell joins CDP Supply Chain Program as the first Lead Member from Oceania



Ansell supports and encourages our value chain partners to make similar science-based commitments with robust decarbonisation action plans to support the shift to a more sustainable low carbon economy and to meet the targets of the Paris Agreement.

In FY22, Ansell joined CDP's Supply Chain Program on Climate Change and Water Security as a Lead Member, the first from Oceania. This is a critical step in supplier engagement by improving the availability of data and establishing suppliers' commitments to move towards Scope 3 emissions reduction. Supplier onboarding to CDP commenced in FY22 with an initial screening survey, followed by a formal invitation to join the platform. Suppliers are encouraged to disclose information via CDP, and utilise CDP's tools to measure and reduce climate and water related impacts. Upon collation and analysis of data in FY23, we will develop a pathway for collaboration, training and other activities with suppliers to form the basis of our Scope 3 reduction strategy.

### Biodiversity

Starting in FY23, Ansell will engage in a multi-year program with the International Union for Conservation of Nature (IUCN). We seek to assess natural capital impacts and dependencies in our value chain and develop plans for potential improvements and mitigation of negative impacts.

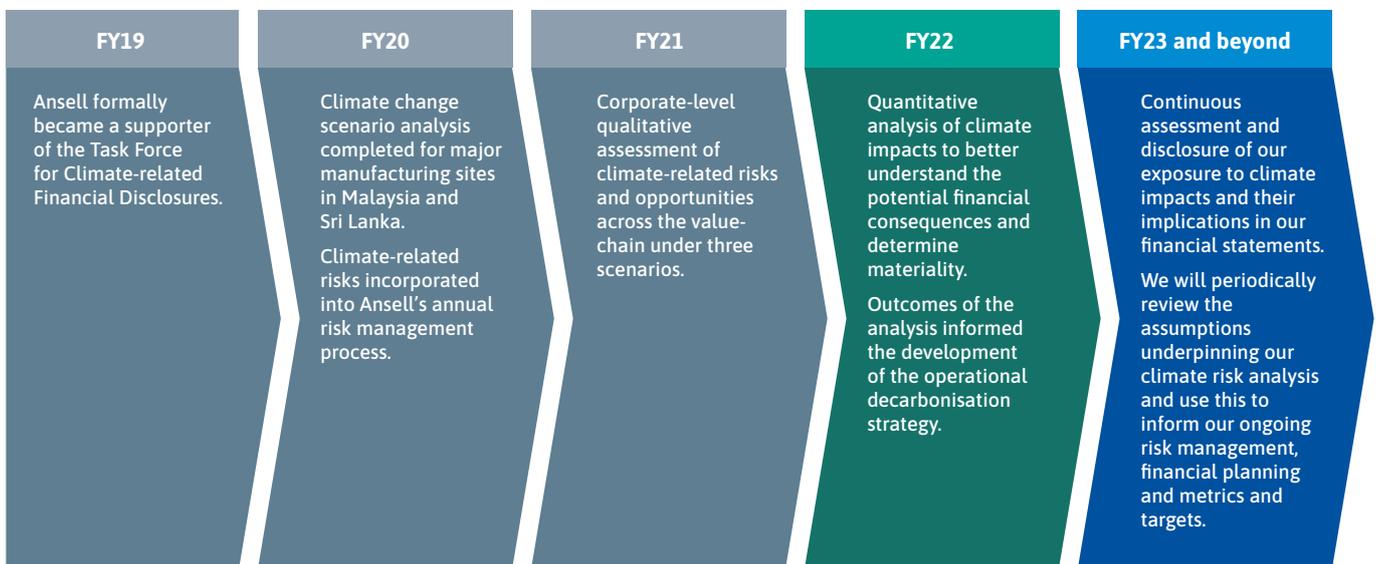
### Looking ahead

Moving forward, Ansell will roll-out investments and programs as part of our Net Zero ambition and further investigate key activities under Scope 3. To meet our Net Zero (Scope 1 & 2) by 2040 commitments for HWGs using biomass, Ansell must obtain certification on the impact of biomass sources. Ansell is aware that there are ongoing efforts to establish a universally accepted definition of sustainable biomass. We are monitoring the various developments and are engaging with our supplier base and new partners to transition our current sources to certified ones. As a part of our forward plan, Ansell intends only use of certified biomass.

# CLIMATE RISK

Climate change has, and will continue to have, a significant impact on our business and wider operating environment. Climate change presents both physical and transitional risks and opportunities for Ansell that will arise as part of the transition to a zero-carbon future. To manage the risks, capture opportunities, and support the transition, Ansell has established an operational decarbonisation strategy. In addition, we closely monitor the latest developments and adapt our approach accordingly. This will enable us to remain resilient under a range of plausible future scenarios. For further detail on our decarbonisation strategy, see from page 43.

## Ansell's TCFD progress



## Governance

Two Board-level committees – Sustainability & Risk Committee (SRC) and the Audit & Compliance Committee (ACC) – support the Board to oversee Ansell's approach to climate change. The SRC and ACC work collaboratively to ensure linkage and alignment between climate-related mitigation activities (SRC) and the TCFD and other finance-related disclosures (ACC). The committees are supported by the CEO and the ELT.

The Board receives regular reports and recommendations from the Committees, which inform their understanding of Ansell's risks and how they are communicated to stakeholders. With the support of the Committees, the Board guides Ansell's climate change strategy and action plans. This is supplemented by the TCFD steering committee (TCFD SteerCo), established in FY21 and comprising managers from Ansell's finance, risk, operations, supply chain, and sustainability functions. This group convenes periodically to provide oversight of the identification and disclosure of climate-related risks and opportunities in line with TCFD recommendations.

We integrate physical climate risk management at site level via Emergency Response Plans, which escalate to the corporate level through the Corporate Crisis Management Recovery (CMR) Plan. When a climate-related incident occurs, the response and recovery process is triggered and escalated depending on severity and impact. Long-term risks are integrated into decision making as part of the Corporate Risk Register and are reviewed by the ELT and the Board.

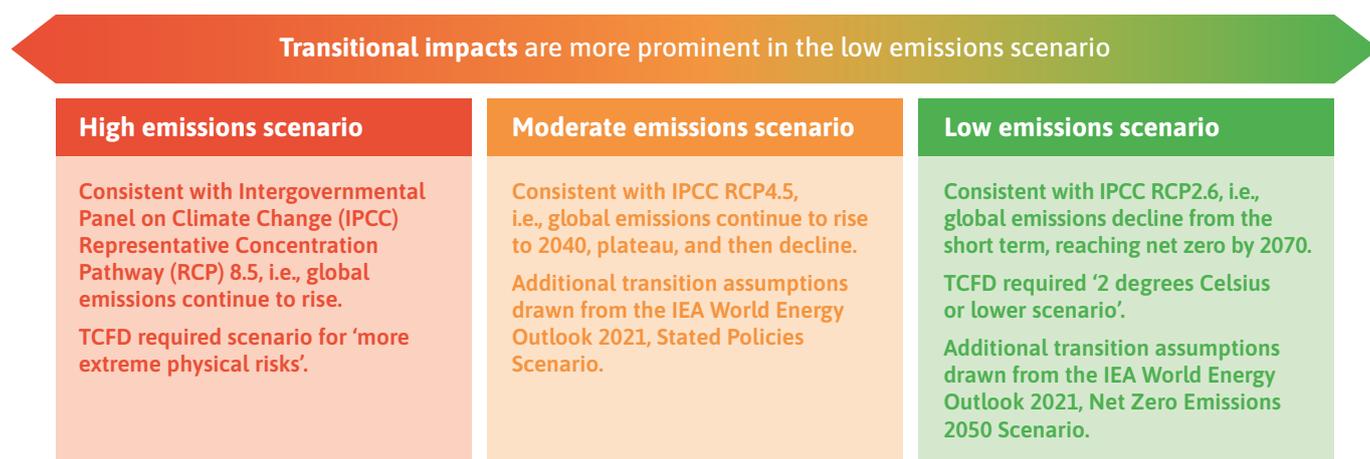
Please refer to pages 15–16 for further details on the governance of climate-related issues as part of Ansell's broader sustainability governance.



### Strategy

Climate change poses foreseeable risks and potential opportunities for Ansell. To improve our understanding of these risks, this year we built on our FY21 qualitative analysis to complete new quantitative analysis of nine priority risks and opportunities across transitional and physical impacts.

This analysis considered the potential financial impacts under three emission scenarios (see the table below), over three time horizons (2030, 2040 and 2050). The analysis included potential changes to revenue and operating expenditure amounts, and long term assets' useful lives. It also considered how the financial impact identified may influence Ansell's financial statements for FY22. The process did not identify any new material risks that are expected to affect the assets and liabilities recognised in Ansell's FY22 Financial Statements.



Assumptions for the TCFD disclosure diagram:

- The diagram above details the transition impacts, as our largest impact area, in a low emissions scenario.
- The carbon pricing assumptions were based on Ansell's emissions forecast and decarbonisation schedule and the carbon pricing assumptions associated with the IEA scenarios.
- Competitive advantage considers the potential to achieve a green premium for low carbon products.

For impairment testing purposes, the committed climate-related investments and initiatives have been included in the most recent year's budget and future cash flow projection, which is used as an input to determine the recoverable amount of each Cash Generating Unit (CGU). Furthermore, the potential impacts of climate change have been considered through downside scenario analysis and key assumption sensitivity assessment. No material financial risks on the carrying value were identified. See Ansell's FY22 Annual Report for detail.

## CLIMATE RISK CONTINUED

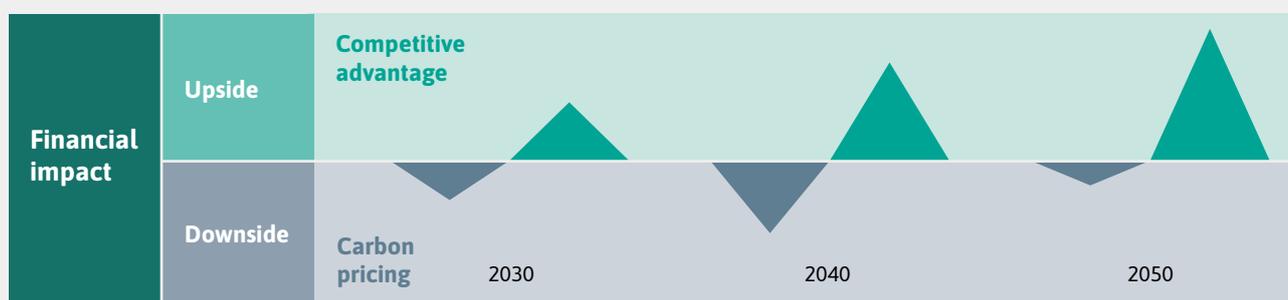
The table below outlines the priority transitional and physical risks and opportunities identified in our FY21 qualitative assessment, which informed our FY22 quantitative assessment. We have set out our strategic response to each impact.

Impact	Risk or opportunity	Description	Strategic response
Transitional	Risk	<b>Carbon pricing</b> Introduction of carbon pricing	Reducing carbon emissions is a priority for Ansell. To support our commitment, we have announced an operational decarbonisation strategy with a target of 42% reduction in Scope 1 & 2 emissions by 2030 and Net Zero by 2040.  To enable this change, we have begun to transition to renewable sources of energy through solar, purchased green electricity and biomass projects. For more details see pages 43–44.
	Risk and opportunity	<b>Demand for low carbon products</b> Increased demand for low carbon products resulting in competitive advantage/disadvantage	To increase the availability of low carbon products, we undertake R&D to ensure our consumers have options, our packaging is sustainable and the life cycle of our products is considered, including sourcing materials with a lower carbon footprint.
	Risk and opportunity	<b>Resource recovery and efficiency</b> (not quantified in our FY22 TCFD assessment)  Increased volatility in resource availability and efficiency.	In designing and manufacturing, Ansell considers the life cycle of a product. Focus areas include reducing emissions and water consumption in our production process, building R&D capacity to develop new low-carbon products and eliminating waste through recycling and waste-to-energy programs.
	Risk and opportunity	<b>Demand risk for PPE</b> (not quantified in our FY22 TCFD assessment)  Demand for PPE will increase in a high emissions scenario.	As highlighted through the COVID-19 pandemic, Ansell is focused on maximising efficiencies to allow production to flex with consumer demand. For further details, see from page 43.
	Risk	<b>Regulation changes</b> Regulatory changes relating to emissions	Ansell strives to be a leader in climate risk management. We are focused on reducing our emissions and the carbon footprint of our products. We will continue to look for opportunities to partner and collaborate with workers in our supply chain and wider industry to gain insights and knowledge share to mitigate this risk.
	Risk	<b>Reputation</b> Failure to meet stakeholder expectations	
Physical	Risk	Increased frequency and severity of <b>droughts</b>	Ansell has invested in mitigating our physical risks through the following activities:
	Risk	Increased frequency and severity of <b>storms and cyclones</b>	<ul style="list-style-type: none"> <li>Ensuring a 30-day safety stock policy to mitigate the impact of distribution</li> <li>Implementing measures to reduce water intensity and increase re-use through reverse osmosis at major manufacturing plants</li> </ul>
	Risk	Increased frequency and severity of <b>flood events</b>	<ul style="list-style-type: none"> <li>Increasing raw materials and on-site water inventories.</li> <li>Establishing regular monsoon season planning</li> <li>Increasing supply chain agility through improved material sourcing, and supplier screening.</li> </ul>

In FY21 Ansell identified three strategic themes that were explored in greater detail through a FY22 quantitative analysis. These strategic themes are outlined below.

**1. Scenarios aligned with a transition to a net zero emissions economy present risks and opportunities; Ansell is working towards realising the opportunities and managing the risks.**

Ansell’s commitment to acting on climate change, as outlined in the operational decarbonisation strategy, means that transition impacts arise mainly as upside opportunities. Increased demand for PPE and innovative raw materials with a lower emissions and environmental footprint mean Ansell is well placed, given our position as a market leader and heightened investment in R&D. There are some downside risks, including the costs associated with carbon pricing; however, these are limited due to Ansell’s decarbonisation actions and may be outweighed by upsides associated with competitive advantage. The diagram below examines the potential upside of transitional impact, where Ansell pursues these opportunities as part of a low emissions scenario.



**2. Physical climate risks, associated with a high emissions scenario, will impact separate parts of the value chain differently.**

As part of our quantitative climate risk analysis, we considered the potential impacts of climate change on upstream suppliers/ raw materials, Ansell-owned manufacturing sites, and downstream warehousing and distribution sites. We identified priority sites based on asset screening, workshop discussions, qualitative assessment and insurance reports.

The physical impact most significant to Ansell is water scarcity due to drought, especially under a high emissions scenario and in the long term. However, no significant financial impacts should arise, as Ansell has put in place mitigation strategies such as the 30-day stock policy and site-specific adaption measures.

**3. Inherent business resilience presented across different climate change scenarios; we will continue to monitor and manage our progress in addressing climate change.**

We are continually working to improve our business’ resilience to climate risks. In FY22 our focus was on quantifying our risks for financial forecasting, to support the business in presenting detailed disclosures to stakeholders. As we progress our operational decarbonisation strategy, we will seek opportunities to further reduce our impact on the climate and support our upstream and downstream partners to do the same.



# CLIMATE RISK CONTINUED

## Risk management

Responsibility for climate-related risk identification and management sits with the TCFD SteerCo and the ELT. The Board, informed by the SRC and ACC, oversee the management teams.

Over FY20 and FY21, Ansell introduced the identification of climate-related impacts into our multi-disciplinary risk management process. This process assesses potential risks as they arise through considering the likelihood and consequence of the risks, in line with Ansell’s Risk Management Framework.

- **Likelihood** is based on the historical prevalence and potential for future occurrence and assessed on a scale of ‘highly unlikely’ to ‘almost certain’.
- **Consequence** is based on the financial and durational impact to the business, its compliance implications and the potential injuries. Consequence is assessed on a scale of minimal impact to critical event.

The risk is then benchmarked against other existing risks to determine its relative significance to the business, and listed on the corporate risk register.

In FY22 the corporate risk register was updated to reflect the quantitative analysis outputs. The key risks remained the same ones identified by Ansell in FY21; however, the FY22 analysis was leveraged to improve the assessment of the likelihood and consequence of risk. The steps performed for each risk assessment are set out below.

FY21 Qualitative assessment
Desktop research
Climate data analysis for physical risks such as flooding and droughts and transitional impacts such as regulatory requirements
Interviews with internal stakeholders to ensure a comprehensive understanding of the potential size and scope of climate-related risks and opportunities
FY22 Quantitative assessment
Prioritisation and strategic response workshops to confirm risks and opportunities to quantify and consider strategic treatment options
Quantification drawing on our data and external climate data
Walkthrough of outputs with internal stakeholders to test the logic, controls and assumptions

Ansell’s business and material risks related to sustainability are evaluated annually by the executive leadership team and communicated to the Board via the SRC.



## Metrics and targets

Ansell has an environmental management framework informed by the policies and procedures established by our governance team. We implement systems to measure, track and manage data within our direct operations, focusing on compliance and performance. We have leveraged the TCFD risk assessment to inform metrics and targets related to our material environmental topics, in particular our operational decarbonisation strategy (see from page 43) and the water stewardship and contextual targets strategy (see page 51).

Please refer to the Planet section of this report for further details on climate-related metrics and targets.

## Looking ahead

In FY23 and beyond we plan to:

- Fulfil our commitments against energy and emissions, water, waste and production innovation and packaging to reduce our environmental impact.
- Continue to refine metrics and targets based on the quantitative analysis outcomes to track and measure strategic progress.
- Continue to disclose on climate-related information in our Annual Report, Sustainability Report, and CDP (formerly the Carbon Disclosure Project) climate and water disclosures to keep our investors, consumers and other stakeholders informed.

# WATER

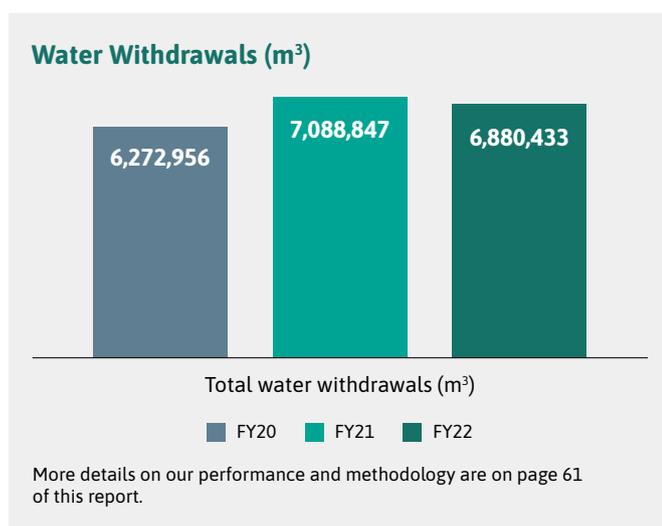
Water, a precious resource we use in our operations and which communities depend on, is at risk due to climate change. Therefore, it is not enough to reduce water withdrawals without taking holistic action toward water stewardship. We are committed to using and reducing water in a way that supports water security for our communities and the environment.

## Water stewardship strategy and context-driven targets

Ansell’s primary water source for operations is municipal utilities, with smaller contributions from groundwater abstraction and rainwater harvesting. In FY21 Ansell partnered with the World Resources Institute (WRI) to conduct a water risk assessment at our manufacturing plants. This was supported in FY22 by a physical risks assessment as part of our climate risk assessments TCFD<sup>6</sup>. We found that baseline water stress is classified as ‘extremely high’ at Ansell Thailand and ‘high’ at Ansell India, while other plants range from medium to low. The outputs of these assessments have been leveraged to develop our renewed targets, which will come into effect in FY23.

By FY25 (FY20 baseline), we will reduce water withdrawals by 35%. Our renewed commitment is made up of tiered context-driven targets for our plants. Based on criteria comprising total water withdrawals in the baseline year, exposure to high baseline water stress and guidance from the UN Global Compact’s CEO Water Mandate, we categorised plants into three ‘Tiers’ with corresponding targets by FY25 (FY20 baseline). All plants commit to implement water stewardship activities to achieve the following:

- Tier 1: reduce water withdrawals by 50%
- Tier 2: reduce water withdrawals by 25%
- Tier 3: reduce water withdrawals at the plant or in the local community equivalent to 25% water withdrawals.



BY FY25, WE WILL REDUCE TOTAL WATER WITHDRAWALS BY **35%** (FY20 BASELINE)

This year, we report water intensity of 11.04m<sup>3</sup>/million USD production value ('000)<sup>7</sup> against our target of 9.59 m<sup>3</sup>/million USD production value ('000)<sup>7</sup>. We optimise water consumption through efficient processes, rainwater harvesting and water recycling. During FY22 there were challenges associated with operation of Reverse Osmosis (RO) in our Thailand plant, as a product required a process change which impacted the amount of water entering the RO. This reduced the savings of the RO to a 10% reduction in water withdrawal. We are working to improve the upstream processes to ensure the RO meets its projected reduction in water withdrawal of 40% at the plant.

We successfully installed a RO project at Ansell Textiles Lanka (ATL) in Seeduwa, Sri Lanka in FY22. In line with our FY21 commitment, evaluations are underway at our Malaysia, Sri Lanka and Portugal plants to implement the RO system.

## Looking ahead

In FY23, plants will develop and enact comprehensive water stewardship strategies and make progress in commissioning RO facilities at plants. We will continue to leverage on our membership of the Aqueduct Alliance, engaging with the World Resources Institute and other Alliance members.

6. See more details of the TCFD assessment from page 46 of this report, and read more on the outcomes of WRI assessment in our 2021 Sustainability Report.  
 7. From FY23 onward the FY25 target will be replaced with the new context driven targets as they set more ambitious expectations for our plants.

# OPERATIONAL RESOURCE EFFICIENCY AND WASTE MINIMALISATION

Waste in landfill has negative environmental impacts through land contamination, water pollution and greenhouse gas emissions and we wanted to find solutions for our waste. Viewed as a pivotal target towards operational zero, our Zero Waste to Landfill ambition set the bar for what could be accomplished through passion, skill and collaboration.

## Our Zero Waste Journey

In December 2019, we set a goal to achieve 'Zero Waste to Landfill by 2023' for all of our plants. We are proud of our achievements to date and are currently in the final stages of our zero waste journey, which is supported by 5R principles (refuse, reduce, reuse, repurpose, and then recycle), innovative thinking and the ambition of our people.

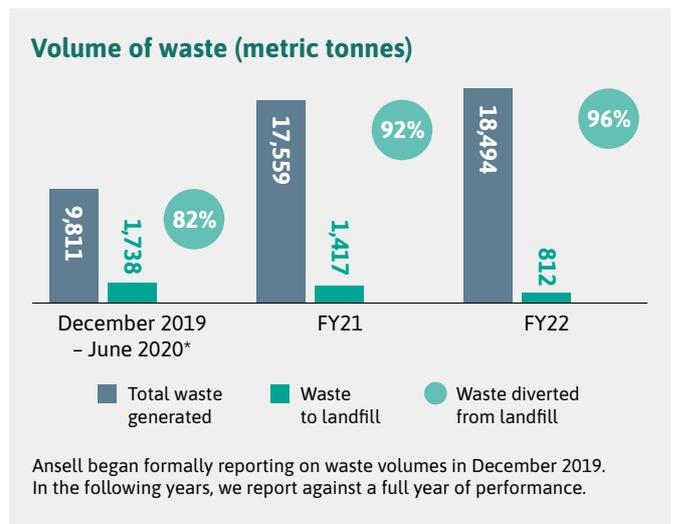


## Accomplishing Zero Waste to Landfill

This year, three plants in Brazil, Thailand and China were successfully certified by Intertek, an independent third-party, on each plant's achievement of a waste to landfill diversion rate exceeding 99%, against Intertek's Zero Waste to Landfill certification criteria. This is in addition to ATL in Sri Lanka and our plant in Lithuania, which were certified as meeting the target in FY21.

In our journey to zero, the cumulative learnings of the early stages showed us three efforts that were integral to overcome the 'last mile' challenges:

<p><b>Education</b></p> <p>Through technical trainings, awareness campaigns and debriefing on lessons learned, we found new ways of waste segregation.</p>	<p><b>Partnerships and data trials</b></p> <p>Selected suitable waste management vendors that specialise in different waste handling solutions and fulfilled our partnership criteria.</p>	<p><b>Hard work and ambition</b></p> <p>Every Ansell employee played a role in our achievements. Knowledge sharing and acting as one team drove innovation and efficiencies which led us to operational zero ahead of time.</p>
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**5 SITES CERTIFIED FOR WASTE TO LANDFILL DIVERSION RATE**

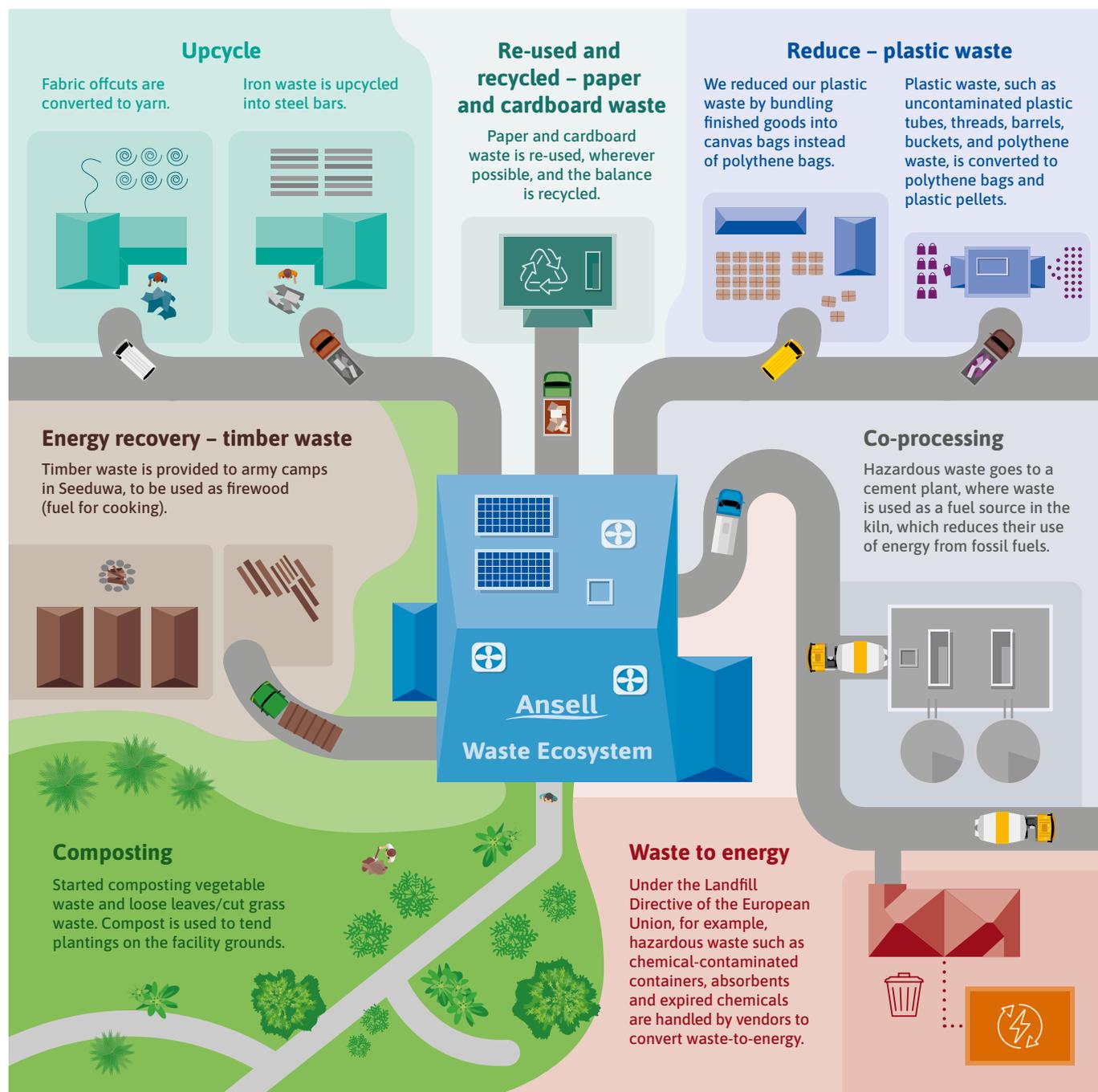
**>99%**

**96%**

**OF WASTE GENERATED\* WAS DIVERTED FROM LANDFILLS**

\* From our manufacturing plants

The availability of waste management vendors capable of handling different waste streams required us to segregate our waste in new ways. This resulted in an ecosystem of waste management and waste disposal destinations that is unique to each plant. The diagram below illustrates and consolidates this across all the plants:



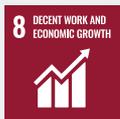
### Looking ahead

We will continue to conduct independent third-party reviews of our sites against Intertek’s Zero Waste to Landfill certification criteria, with the goal of certifying all sites by the end of FY23.



# PRODUCT

Contribution to the UN SDGs



MICROFLEX® 31-103

**+90%**

BIODEGRADATION WITHIN 180 DAYS IN INDUSTRIAL COMPOSTING FACILITIES FOR GLOVE AND PACKAGING

**FIRST**

COMPOSTABLE SINGLE-USE GLOVE IN FY22



HyFlex® 11-842

**90%**

RECYCLED NYLON YARN IN MULTI-PURPOSE GLOVE LINER

**71%**

REDUCTION IN GHG EMISSIONS FROM PILOT PLASTIC-FREE PACKAGING

# INNOVATION AND PRODUCT STEWARDSHIP

Ansell delivers protection solutions that keep our customers safe at work and at home. We never compromise on protection, as Ansell products protect people and planet. Over the past two years, based on scientific and recognised standards and methodologies, we have been working to understand how our products impact the environment, from cradle (raw material sourcing) to grave (disposal). We are applying that knowledge to reduce the impacts of our existing product range, and embed it in our development of new products, often working closely with partners and suppliers.

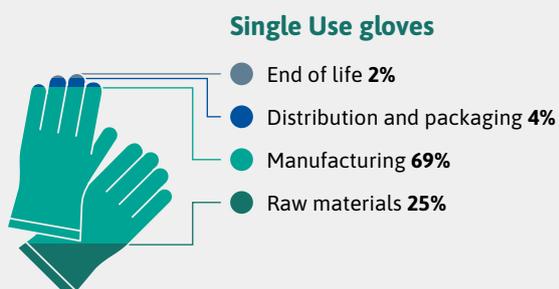
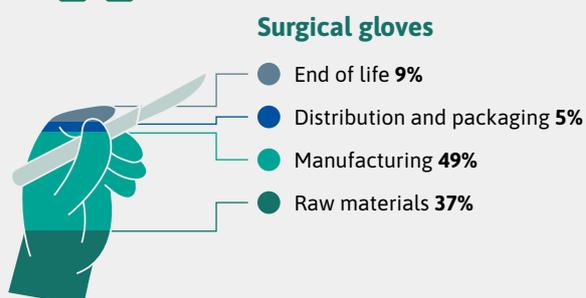
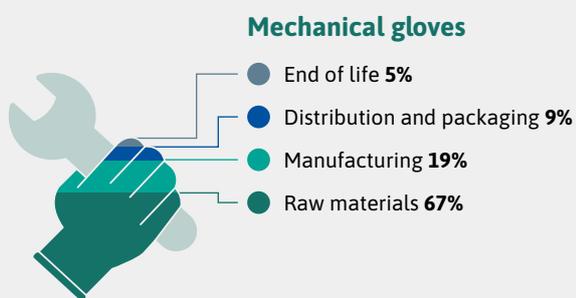
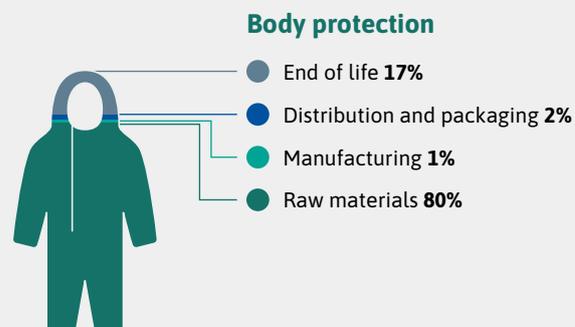
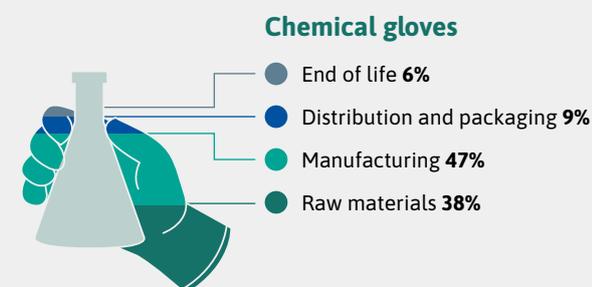
Over the past year, we have accelerated our project to embed Design for Sustainability (D4S) principles into our approach to product development. This approach has encompassed changes to our processes and criteria and building our capability through training and partnerships. In addition, our approach incorporates data derived from life cycle assessments and customers' needs. The increased focus on sustainability has galvanised our people and increased the alignment across our business units, and with external stakeholders including our customers, suppliers, and innovation partners.

## Understanding our baseline

In FY22, we expanded our Life Cycle Assessments (LCAs) over multiple products in our HGBU and IGBU divisions. We completed large-scale and detailed work to establish the environmental impacts baseline of our product portfolio. Differences in the composition of raw materials (e.g., fossil fuel-based), the energy intensity of the manufacturing processes and disposal method of products at end of life resulted in various environmental hot spots for each product, as shown below.

The outcome of the baseline work informs decisions on product development and other product stewardship strategies.

### Environmental impacts baseline of our products portfolio



Cradle-to-grave LCA using ISO14040 and ISO14044. Key assumptions made: (1) products portfolio assessed by products families (and not a full top down of all styles) (2) End of life disposal post-consumer use assumed 100% landfill for non-contaminated PPEs and 100% incineration for contaminated PPEs. For surgical gloves, the result is representative of non-latex gloves only.

# INNOVATION AND PRODUCT STEWARDSHIP CONTINUED

## Packaging

This year we finalised Ansell’s packaging pledge:

### PACKAGING PLEDGE

Every packaging choice is guided by scientific research to minimise our environmental impact while maintaining our superior quality that protects people and products.

Our approach focuses on minimising the packaging required for our products, and considering what happens to the packaging on disposal.

#### USE PHASE

##### Choices for use

Driving minimal use and application of packaging from inception to delivery to end-user.



Reduce plastic and paper packaging use by 2026.



All paper-based packaging made with recycled content where performance and product specifications allow.

#### DISPOSAL PHASE

##### Choices for end of life cycle

Driving environmentally friendly disposal after packaging fulfils protection, transportation and information functions.



100% of packaging material is recyclable, reusable or compostable by 2026.



Zero packaging waste from our manufacturing locations sent to landfill by 2023.

We’ll achieve our goals by prioritising improvements in these 12 action areas



Removal of ‘zero-use’



Sustainable configurations



Leading digital transformation



Reduction of material utilisation



Minimising shipping volume



Partnerships



Recyclable or compostable materials



Zero waste to landfill



Communication strategy



Innovative circular solutions



Leading recycling responsibility



Environmental stewardship



**PRODUCT AND PACKAGING**  
**+90%**  
**BIODEGRADATION WITHIN 180 DAYS\***

**MADE WITH GREEN ELECTRICITY**  
**AT ANSELL'S PORTUGAL FACILITY**

**Ansell's first compostable glove**

In FY22, the HGBU developed Ansell's first compostable glove, MICROFLEX® 31-103, made with a renewable bio-based polymer. The product and its packaging achieve +90% biodegradation within 180 days in industrial composting facilities and are certified as compostable by TUV Austria, meeting EN 13432 standards. MICROFLEX® 31-103 offers hand protection with a lower environmental impact compared to gloves made with other synthetic polymers, is made with green electricity at Ansell's Portugal facility, and is packed in compostable polybags. It will first launch in Europe in September 2022 and later extend to North American and Asia Pacific markets.

\* In industrial composting facilities and are certified as compostable by TUV Austria, meeting EN 13432 standards



**GLOVE LINER**  
**90%**  
**RECYCLED NYLON**

**FINAL PRODUCT**  
**30%**  
**RECYCLED CONTENT**

**PILOT PAPER BAND PACKAGING**  
**71%**  
**REDUCTION IN GREENHOUSE GAS EMISSIONS\*\***

**Our best multi-purpose gloves, now made green**

In FY22, IGBU brought to market our first mechanical glove made from recycled yarn, HyFlex® 11-842. The glove liner is made from 90% recycled nylon, resulting in a recycled content of 30% in the final product. This is equivalent to a carbon footprint reduction of 85g CO<sub>2</sub>eq/pair (from the previous generation). Knowing our unique local footprint, the gloves are coloured using natural dye that is a by-product of Sri Lanka's premium quality tea industry. The gloves are delivered in plastic-free packaging using a newly designed paper band. The pilot design is fully recyclable and is made of responsibly sourced and FSC certified paper. Compared to the U-shaped paper insert and plastic film, the new paper band has 53% less inner packaging material\* to handle and generates 71% less greenhouse gas emissions\*\*.

\* Ansell's LCA, calculated as weight reduction. \*\*Ansell's LCA, scenario analysis, January 2021.

# INNOVATION AND PRODUCT STEWARDSHIP CONTINUED

## Product stewardship approach

Protection, quality and performance have always been Ansell’s priority. Using the outcomes of our baseline work (see page 55), our strategy for sustainable products is data-driven and based on science and evidence. These findings have led us to focus on moving away from fossil-fuel based materials to bio-based content or recycled content materials. We also focus on the total impact of ownership:

- opportunities to extend the life of industrial products
- ways to deliver products with reduced environmental impact
- overall sustainability value proposition of our products

Our product stewardship approach is based on the principles of ‘Design for Sustainability’, which draws on the UN SDGs, the ISO Framework and the US Federal Trade Commission – Guides for the Use of Environmental Marketing Claims. The criteria are applied in a ‘stage-gate’ approach for new product development that considers the life cycle of the product. This approach has already proven effective, with some concepts not progressing based on their projected environmental impacts. All new and existing Ansell products continue to be compliant with the most stringent material regulations in the world, such as the REACH framework and Proposition 65<sup>8,9</sup>, where applicable.

## Sustainable packaging

In FY21 we established a baseline for our IGBU packaging which enabled us to identify priority areas for greenhouse gas emissions reduction. During the year we have made significant progress against our IGBU strategy. The table below sets out our achievements in FY22.

Ansell’s examination and surgical glove dispensers and outer shipper cartons are recyclable and made with at least 70% recycled paperboard. This year we leveraged the FY20 SmartPack surgical glove dispenser baseline assessment to begin the update of identified hotspots in our HGBU packaging. The SmartPack is one of the most commonly used forms of packaging for the HGBU unit. It includes a shipper carton, a glove dispenser, packing paper, labels, Instructions for Use (where applicable) and a pouch that creates a plastic sleeve used to seal the product inside an inner wrap paper. The outcomes of the LCA on SmartPack supports our current focus area of material usage and end of life, representing over 80% of the packaging carbon footprint. We have reduced the material thickness of the SmartPack top web and are in the process of changing the material of the pouch bottom from Nylon to a linear low-density polyethylene. Once finalised this will result in a 10% baseline reduction for the SmartPack packaging from FY20. In FY23, we will improve the design and materials used in the inner wrap, as well as developing our project pipeline based on the completed LCA work.

Strategic priorities	Projects	Progress	Achievements in FY22
<b>Shipper case management</b> <b>Minimising shipping volume</b>	Standardisation and optimisation of shipper case dimensions	▶	During the year, we decided to phase out the implementation to support the commencement of two major projects and avoid significant material waste. Implementation of Phase 1 is completed, which resulted in overall shipping volume reduction of 3.5%, as well as reduction in use of cardboard materials.
	Downstream end of life LCA	✓	Completed in July 2021 with inputs to inform our long-term action plan.
<b>Packaging content digitisation</b>	Digitisation of paper IFU for North America and Latin America	✓	Implemented as of December 2021. Digitising the IFU has resulted in a reduction of 55 grams of CO <sub>2</sub> e per shipper case in NA/LAC regions. Customers have also benefited from improved accessibility, faster downloads with a reduced file size, location-based language preferences and real-time updates on demand.
	Digital IFU on product pages	✓	
<b>Inner packaging optimisation (paper and plastic)</b>	IFU APAC and EMEA region right-sizing through content and weight reduction	▶	In implementation since January 2022. We reduced paper use by 43% and the completion of the right-sizing is expected to result in a reduction of 280grams of CO <sub>2</sub> e per shipper case on average.
	Removal of zero-use items	▶	Ansell is involving all relevant stakeholders in the process to ensure the end result is an improvement for warehouses, distribution and end users.
	Downstream end of life LCA	✓	Completed in July 2021 with inputs to inform our long-term action plan.
<b>Sustainable materials leadership</b>	Develop sustainable packaging guidelines to include weight of paper, plastic and cardboard materials; alternative material options and recycled and responsible material marking	▶	Sustainable packaging guides are currently under development and will be finalised before end of calendar year 2022.
	Completion of downstream end of life LCA	✓	Completed in July 2021 with inputs to inform our long term action plan.

8. Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) is European regulation on the restriction of manufacture, placing on market and the use of certain dangerous substances, preparations and articles.

9. Prop 65 is the Safe Drinking Water and Toxic Enforcement Act of 1986 of California, United States, which lists chemicals to be declared if present in products.

### Building our skills

To support the integration of sustainability in every step of the research and development (R&D) process, key IGBU R&D staff at our Sri Lankan facility have received certification as Product Sustainability Managers after undertaking Design for Sustainability (D4S) training at the National Cleaner Production Centre in Sri Lanka, which was founded by the United Nations Industrial Development Organisation in 2002. In addition, key personnel in HGBU underwent in-depth training on life cycle thinking and assessment. The training was designed to introduce the concept and tools for holistic life cycle thinking, to assist in propagating the findings and learning from the analysis to drive product design, process optimisation, and develop carbon reduction strategies. We have also increased our headcount of sustainability specialists and use external third-party consultants to validate LCAs completed in-house.

### Innovation partnerships

Tackling the environmental impact of our products poses challenges that Ansell cannot solve by ourselves prompting us to look for innovation partnerships, including with our suppliers and customers. In FY22 we continued our partnership with Geocycle, a global waste management solution provider. We completed a successful pilot trial co-processing gloves within the cement

industry for waste-to-energy. We also entered a new partnership with Greentown Labs, the largest clean tech start-up incubator in North America, which gives us access to a broad ecosystem of market-leading innovation companies. Some measures come at an increased cost, and this draws us into conversations with our customers about the sustainability value proposition of our products. While some customers remain price sensitive, we have found strong alignment on sustainability with other customers, in some instances identifying opportunities to support each other's ambitions and go farther together.

### Looking ahead

Developments and innovation in our product pipeline will continue for scheduled launch dates. We will also continue to focus on end of life projects and partnerships. Ansell's R&D teams are driven by the culture of innovation and passion for protection. We will continue engaging stakeholders to overcome challenges in cost and infrastructure as we continue to grow our customer value proposition through our products.

Our packaging pledge will continue to deliver on its promise and reduce the waste burden on our customers. We are currently finalising our 2026 target for plastic and paper reduction in all packaging use. Our strategic priorities in relation to packaging for FY23 onwards are set out below.

Business unit	Strategic priorities	Target completion	Projects planned
<b>IGBU</b> 	<b>Reduction of material utilisation</b>	FY24	Paper bands to replace plastic wrapping and u-cards on identified styles of mechanical gloves.
		FY23	Moving from pair packaging to bulk packaging for selected chemical styles.
		FY23 onward	Gradually start updating simplified artwork on the chemical styles to reduce the carbon footprint from printing.
	<b>Leading digital transformation</b>	FY23 onward	Digitising product information through implementation of QR codes on packaging to facilitate a transition to digital information.
<b>HGBU</b> 	<b>Reduction of material utilisation</b>	FY23 onward	Implement inner wrap material reductions for surgical products.
		FY23 onward	Full roll-out of recyclable outer bottom web.
	<b>Leading digital transformation</b>	FY23	Digitising product information through QR codes on packaging to facilitate a transition to digital information, and removal of paper IFUs for Life Science products in North America and Latin America.

# APPENDICES

## Performance data tables

### Workforce

#### Headcount by employment type, region and gender (as at 30 June 2022)

	North America	Latin America & Caribbean	Europe, Middle East & Africa	Asia Pacific	Female	Male	Total
Employees	576	402	1,083	12,097	6,964	7,194	14,158
Contract/temporary workers	30	28	106	1,607	876	895	1,771

#### % Women in leadership (as at 30 June 2022)

	FY20	FY21	FY22
Non-Executive Directors	50.0	50.0	<b>42.9</b>
Executive Leadership (Director level and above)	27.7	34.6	<b>34.6</b>
Management (Manager through to Associate Director)	34.7	36.5	<b>36.6</b>

#### % Turnover

	FY18	FY19	FY20	FY21	FY22
Male staff turnover	17.8	15.6	17.0	19.0	<b>18.8</b>
Female staff turnover	20.1	19.6	21.4	21.4	<b>22.0</b>
Total turnover	19.1	17.6	19.3	20.0	<b>20.3</b>

#### % Turnover – Professional employees

	FY22
Male staff turnover	<b>8.4</b>
Female staff turnover	<b>10.5</b>
Total turnover	<b>9.4</b>

#### % Turnover – Production employees

	FY22
Male staff turnover	<b>24.2</b>
Female staff turnover	<b>27.5</b>
Total turnover	<b>25.8</b>

### Health and safety

All health and safety figures include temporary and contract employees hired by Ansell through temporary and contract agencies. They do not include third party contractors hired to undertake a specific job or task, such as caterers or tradespeople who take direction from the company they work for.

The following health and safety metrics are presented per 100 employees per year in line with the guidelines put forth by the United States Occupational Health and Safety Administration. These figures are calculated based on a rolling 12-month average headcount LTIs and excludes community incidents and fatalities related to COVID-19, in line with the guidelines put forth by the United States Occupational Health and Safety Administration.

	FY18	FY19	FY20	FY21	FY22
Lost time injury frequency (per 100 employees per year)	0.063	0.046	0.081	0.060	<b>0.051<sup>1</sup></b>
Days lost frequency (per 100 employees per year)	3.522	2.463	1.580	4.049	<b>0.887</b>
Medical treatment injury (per 100 employees per year)	0.281	0.257	0.198	0.232	<b>0.161<sup>1</sup></b>
Near miss frequency rate (per 100 employees per year)	33.078	35.305	39.920	46.440	<b>68.862<sup>2</sup></b>
Fatalities (number)	0	0 <sup>3</sup>	0	0	<b>0</b>
Fatalities (per 100 employees per year)	0	0	0	0	<b>0</b>

1. The decrease in LTI and MTI rates in FY22 is a result of continued efforts to increase safety awareness and expand accountability of safety performance.

2. The increase in reporting of near misses Y-O-Y represents the raised awareness at plants to report near miss incidents.

3. In FY19 there was a fatality associated with a third-party contractor. As third-party contractors are outside the scope of our reporting boundary, we have not included it within this table.

## Environment

### Energy intensity<sup>^</sup>

Metric	FY18	FY19	FY20	FY21	FY22
mmbtu/million USD production value ('000)	5.93	6.03	6.12	6.32	<b>7.06</b>

### Greenhouse gas intensity<sup>^</sup>

Metric	FY18	FY19	FY20	FY21	FY22
MTCO <sub>2</sub> e/million USD production value	353	341	377	355	<b>368</b>

### Greenhouse gas emissions

Metric	Metric tons CO <sub>2</sub> e			
	Baseline (FY16)	FY20	FY21	FY22
Scope 1 emissions <sup>^</sup>	109,133	119,120	126,937	<b>130,153</b>
Scope 2 emissions (market based) <sup>^</sup>	82,204	94,610	101,615	<b>99,119</b>
Direct biomass emissions <sup>^</sup>	n/a	206,458	253,077	<b>301,804</b>
Scope 3 emissions <sup>*</sup>	n/a	858,203	1,652,841	<b>n/a</b>

### Composition of Scope 1 emissions<sup>^</sup>

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	
	FY21	FY22
CO <sub>2</sub>	124,910	<b>126,283</b>
CH <sub>4</sub>	1,704	<b>3,546</b>
N <sub>2</sub> O	323	<b>323</b>

### Water intensity<sup>#</sup>

Metric	FY18	FY19	FY20	FY21	FY22
m <sup>3</sup> /million USD production value ('000)	10.61	10.81	11.07	11.01	<b>11.04</b>

### Water withdrawals<sup>#</sup>

Metric	FY20	FY21	FY22
m <sup>3</sup>	6,272,955	7,088,847	<b>6,880,433</b>

### Volume of waste<sup>Δ</sup>

Metric	FY20	FY21	FY22
Total waste volume (MT)	9,811	17,559	<b>18,494</b>
Waste to landfill (MT)	1,738	1,417	<b>812</b>
% Waste to landfill	18%	8%	<b>4%</b>

<sup>^</sup> Energy and emissions are measured for manufacturing plants only. Our distribution centres and offices are leased and therefore fall under scope 3 emissions.

<sup>\*</sup> In FY22, we completed detailed analysis and inventory calculations for Scope 3 for FY21 from our baseline of FY20. Our scope 3 inventory is calculated by subject matter experts using a spend-based methodology. We used our financial data, industry averages and other emission factors based primarily on spend data. As we enhance our supply chain engagement and develop our scope 3 roadmap, we expect to improve the accuracy of our inventory with increased granularity and this may impact our baseline calculation as well.

<sup>#</sup> Water intensity and water withdrawals are measured for manufacturing plants only.

<sup>Δ</sup> Ansell began formally reporting on waste volume in December 2019. In the following years, we report against a full year of performance. Waste is measured for manufacturing plants only.

## Statement around verification of data

Environmental data is provided monthly by cross-functional teams including Engineering, EHS and Finance at each of our manufacturing facilities, and compiled by the Environmental Sustainability arm of Global EHS. This team together with Global Engineering follows up on data-gaps and anomalies and performs verification against documentary evidence submitted (including invoices, meter readings and consumption records). All data is used to update SmartSheet Dashboards so there is clear visibility on site-level and group-level performance. Towards the end of the financial year, Ansell's internal audit team conducted an internal assurance to verify the data set out within this report. In addition to the internal assurance, Ansell's FY22 GHG Inventory was verified in accordance with ISO14064-3:2019 as meeting the requirements of ISO14064-1:2018 by Control Union International, an independent IFIA accredited inspection group.

## Industry associations

Body	Type	Country or region	Ansell position
European Commission	Government regulator	EU-27	Engagement in ESF
Korea Occupational Safety and Health Agency (KOSHA)	Government regulator	South Korea	Dialogue
CUPPE	Government regulator	China	Dialogue
International Organization for Standardization (ISO)	Standardisation body	International	Expert member
European Committee for Standardization (CEN)	Standardisation body	EU-27	Expert member
British Standards Institution (BSI)	Standardisation body	United Kingdom	Expert member
Bureau for Standardization (NBN)	Standardisation body	Belgium	Expert member
Swedish Institute for Standards (SIS)	Standardisation body	Sweden	Expert member
International Safety Equipment Association (ISEA)	Standardisation body	North America	Expert member
American Society for Testing and Materials (ASTM)	Standardisation body	North America	Expert member
National Fire Protection Association (NFPA)	Standardisation body	North America	Expert member
Standardisation Administration	Standardisation body	China	Expert member
Brazilian National Standards Organization (ABNT)	Standardisation body	Brazil	Dialogue
Australian/New Zealand Standards (AS/NZS)	Standardisation body	Australia and New Zealand	Member
European Safety Federation (ESF)	Professional organisation	Europe	Board member
Bundesverband des Deutschen Versandhandels (BVH)	Professional organisation	Germany	Member
British Safety Industry Federation (BSIF)	Professional organisation	UK	Member
Febelsafe	Professional organisation	Belgium	President
Assosistema	Professional organisation	Italy	Member
Synamap	Professional organisation	France	Board member and expert member
Animaseg	Professional organisation	Brazil	Member
Asepal	Professional organisation	Spain	Member
Malaysian Rubber Glove Manufacturers Association	Professional organisation	Malaysia	Ordinary member
Responsible Glove Alliance / Supplier Ethical Data Exchange (SEDEX)	Non-profit membership organisation	Global	Member

## Material topic definitions

Our material topics were identified during a detailed materiality assessment conducted in FY20, based on the Global Reporting Initiative (GRI) Standards 2016 and the Sustainability Accounting Standards Board (SASB). For more information about this process, see our 2020 Sustainability Report, page 8. In FY21 we conducted a high-level refresh of our topics, and the results have been carried forward to FY22. The 'responsible supply chains' topic has been absorbed into the 'energy and emissions' as we enact our Supplier Management Framework and accelerate climate action. 'Environmental impact and compliance' is enacted through all focus areas under Environment, hence we removed it as a standalone topic. The definitions and boundaries of our material topics are defined below.

Material topic	Definition	Boundary
<b>People</b>		
<b>Employee health and safety</b>	<b>Definition</b>	Actively managing health and safety risks to protect Ansell's employees, contractors and visitors. Working continuously to raise safety performance and standards at our locations.
	<b>Management approach</b>	<p>Ansell is guided by our 5-Point Safety Charter and an EHS framework that includes global standards for High-Risk Tasks (HRTs) and Core Operating Procedures, which cover all employees and contractors. The EHS Framework establish the roles and responsibilities of managers and other employees in relation to safety, with oversight from the Global EHS and Operational Leadership teams, which includes senior management at plants, and our SVP of Operations and Supply Chain. Our safety systems are designed to meet the US Occupational Safety and Health Administration (OSHA) and Australian regulatory requirements.</p> <p>To measure our effectiveness we monitor leading and lagging indicators, including lost time injury, medical treatment injury, near miss frequency rates and fatalities. We track our safety performance monthly through our EHS dashboard which is reported back to the ELT and the Board. We also conduct assessments against our high-risk tasks (HRT) procedures and SMETA 4-pillar audits (over a selection of sites on a rolling basis).</p>
<b>Labour rights</b>	<b>Definition</b>	Respecting and protecting the rights of all people working in our operations and supply chains. Actively working to identify and address the risks of modern slavery. Managing relevant issues including overtime and rest days.
	<b>Management approach</b>	<p>Oversight and management of labour rights is guided by our operational Labour Rights Management Framework and Supplier Management Framework. These set our expectations to uphold labour rights and manage labour rights risks by identifying, assessing and addressing instances of adverse labour rights impacts through a due diligence program. The Board, through the board-level Sustainability &amp; Risk Committee, the executive-level Labour Rights Committee and the CEO &amp; ELT, is regularly updated on emerging labour issues, Ansell's performance against our labour standards, and overall management of labour rights risks in our operations and supply chain.</p> <p>To track the effectiveness of our actions we perform audits over our operations and supply chain in addition to other due diligence activities as set out in our management frameworks.</p>
<b>Recruitment and engagement</b>	<b>Definition</b>	Attracting, developing and retaining a committed and passionate workforce. Managing availability of labour as a strategic constraint.
	<b>Management approach</b>	<p>We conduct regular engagement surveys which directly inform our actions. The outputs of these surveys have resulted in a structured development and performance evaluation process through our digital tool ePerform, a learning and development platform for professional employees and an annual training program for production employees. The Board, through the Human Resources Committee, is updated on initiatives.</p> <p>The effectiveness of our actions is monitored through our ongoing engagement survey and informal employee feedback.</p>

## APPENDICES CONTINUED

<b>Diversity and inclusion</b>	<b>Definition</b>	Maintaining a diverse and inclusive workforce at all levels across the organisation. Working towards equal treatment where all employees feel they belong and can be successful.	Ansell
	<b>Management approach</b>	<p>Ansell has established a Diversity, Equity and Inclusion program, moving away from a primary concentration on gender diversity to a broader view of diversity and increased focus on inclusion. To address diversity and inclusion, we take a 'top-down' and a 'bottom-up' approach. The top-down component enables us to build a common language, deliver consistent training and set KPIs for Ansell overall, which include female representation and employees' views on how diverse and inclusive Ansell is. The bottom-up component enables us to reflect the unique circumstances across our various locations and employees' cultural backgrounds.</p> <p>This approach allows for more local measurements to show progress. Our strategy is supported by our Diversity and Inclusion Policy, which was approved by our Executive Leadership Team and Board.</p>	
<b>Community engagement and investment</b>	<b>Definition</b>	Supporting and investing in the communities in which we operate through philanthropy and volunteering. Recognising Ansell has a positive impact as a significant source of economic contribution in many of the communities in which it operates, particularly through provision of employment.	Ansell
	<b>Management approach</b>	<p>Ansell's approach to community investment and engagement is focused on locally driven engagement and we are guided by the needs of our local communities to ensure our engagement and investment is well directed. This is supplemented by our corporate function which includes disaster relief activities. Our initiatives are directed across three avenues: PPE donations, financial donations and employee volunteering. The ELT is responsible for approving all major financial or product donations.</p> <p>Ansell engages with affected stakeholders through our community outreach programs. We do not formally assess or report on the socioeconomic impact.</p>	
<b>Planet</b>			
<b>Energy and emissions</b>	<b>Definition</b>	Reducing the greenhouse gas impacts of our operations through energy efficiency and use of renewable energy.	Ansell operations
	<b>Management approach</b>	<p>Ansell has set targets to reduce Scope 1 and 2 emissions by 42% by 2030, and achieve Net Zero for Scope 1 and 2 by 2040. Our decarbonisation strategy has three primary focus areas: reducing our dependency on fossil fuels and transitioning to renewable energies, innovation in the manufacturing processes, products and circularity, and collaborations. Ansell will focus on long-term decarbonisation efforts within its own operations, prior to exploring investing in credible and high-quality off-sets to address any limited residual emissions (less than 10%). The strategy was endorsed by the Board in July 2022. Net Zero strategy and our environmental performance is reported to the Board regularly and overseen by the Board's Sustainability &amp; Risk Committee (SRC). Management and monitoring of our strategies is reported to the CEO and ELT by the SVP of Operations &amp; Supply Chain, and the project leads of the Planet workstream (refer to Governance structure on page 15 for details on Planet workstream). Ansell is also in the process of developing a Scope 3 action plan with pillars to support emissions reduction across the value chain.</p> <p>To track the effectiveness of our energy and emissions approach, we monitor and report on our Scope 1 and 2 emissions, and the progress of our investments. We also report on our Scope 3 emissions, energy intensity and consumption within this report and in our CDP climate change disclosure (to be released in 2022).</p>	

<b>Climate risk</b>	<b>Definition</b>	Recognising and taking steps to increase the resilience of Ansell's operations and supply chain to climate-related risks.	Ansell
	<b>Management approach</b>	<p>Our approach to managing climate risks is guided by the TCFD. To align with Recommendation of the TCFD in FY22 we assessed and disclosed our exposure to climate impacts and our response in our financial statement. We plan to periodically review the assumptions underpinning our climate risk analysis and use this to inform our ongoing risk management, financial planning and metrics and targets. We will continue to disclose in line with the TCFD, which also provides a mechanism to assess our effectiveness at managing our climate risks.</p> <p>Two Board-level committees – the Sustainability &amp; Risk Committee and the Audit &amp; Compliance Committee – support the Board to oversee Ansell's approach to climate change. The committees are supported by the CEO and the ELT, and the TCFD steering committee.</p>	
<b>Water</b>	<b>Definition</b>	Ensuring continued access to water for our operations through processes including rainwater harvesting, water recycling, efforts to minimise consumption, and improved water conservation.	Ansell operations
	<b>Management approach</b>	<p>Ansell is guided by a water stewardship commitment &amp; strategy, made up of tiered contextual targets, which was approved by the Board in FY22. To execute the strategy we are implementing Reverse Osmosis systems at our plants with the largest water consumption, alongside other water efficiency and stewardship measures. We also transfer learnings and initiatives between different locations. The water strategy supports the business to make investment decisions related to new plants and plant expansions. Our water strategy and performance is reported to the Board regularly and overseen by the SRC. Management and monitoring of our water strategy is reported to the CEO and ELT by the SVP of Operations &amp; Supply Chain and the project leads of the Planet workstream.</p> <p>To measure the effectiveness of our water strategy we record and report on water withdrawals against our water reduction targets. We also report water intensity and consumption within this report and in our CDP water disclosure (to be released in 2022).</p>	
<b>Operational efficiency and waste minimalisation</b>	<b>Definition</b>	Minimalising manufacturing waste by increasing the efficiency of our resource use, increasing recycling, and consideration of opportunities to reuse materials.	Ansell operations
	<b>Management approach</b>	<p>We have a waste reduction strategy aligned to our commitment of Zero Waste to Landfill by 2023. To meet the target Ansell reduces, reuses and recycles waste. All waste is segregated, handled and disposed in compliance with relevant laws and regulations, as guided by plant-level standard operation procedures, and environmental management systems (ISO 14001: 2015, certified across almost all Ansell manufacturing sites, excluding a manufacturing site in Malaysia and Brazil). Our operational efficiency and waste strategy and performance is reported to the Board regularly and overseen by the SRC. Management and monitoring of our operational efficiency and water strategy is reported to the CEO and ELT by the SVP of Operations &amp; Supply Chain and the project leads of the Planet workstream.</p> <p>To measure the effectiveness of our Zero Waste to Landfill strategy we report on the volume of waste generated, sent to landfill and diverted. Our sites are also undergoing a waste diversion certification process by independent third-party Intertek.</p>	
<b>Product</b>			
<b>Innovation and product stewardship</b>	<b>Definition</b>	Providing our customers with innovative, quality safety solutions. Continued focus on research, development and innovation across products and processes. Working to reduce adverse social and environmental impacts of Ansell's products and packaging throughout their lifecycle. Awareness and management of environmental and social impacts in our supply chain, including extraction of raw materials, water use, pesticides, deforestation.	Ansell Supply chain Customer and end users

## APPENDICES CONTINUED

<b>Innovation and product stewardship</b> continued	<b>Management approach</b>	<p>Ansell's approach to prioritising quality is set out in our Quality statement and, as our business evolves, the sustainability performance of our products has become an important element of our definition of high quality.</p> <p>We have an integrated approach to product innovation and product stewardship, combining our work on material selection, supplier selection and material science with considerations of process innovation and scaling innovations for commercial use.</p> <p>We combine our (evolving) understanding of environmental impacts of our products with our knowledge of customers' unmet needs and our differential capabilities to gain insights that then inform our product improvements and new product development.</p> <p>Our research and development takes a 'stage-gate' approach, in which we align innovation priorities with business growth projections and customer needs, incorporating decisions on investment and resource. We identify the risks associated with our innovations from ideation stage through to scale-up and commercial launch, developing a plan to mitigate these risks.</p> <p>We apply our stage-gate approach not only to new product development, but also when updating our best-sellers to meet customers' evolving needs. Our customers' feedback on usability, effectiveness and end-of-life treatment of existing products is a valuable input to this product improvement process. Importantly, we require all new and existing products to be compliant with the most stringent material regulations around the world, such as the REACH framework and Proposition 65.</p> <p>We track execution against our Packaging Pledge through yearly commitments.</p> <p>We monitor the effectiveness of our wider innovation and product stewardship goals through our product development pipeline. The Board is updated on progress by the CEO and ELT and leaders of the Product workstream.</p>	
<b>Governance</b>			
<b>Business ethics and governance</b>	<b>Definition</b>	Upholding the highest legal, moral and ethical standards in our corporate activities.	Ansell
	<b>Management approach</b>	<p>Our approach to corporate governance and ethics is guided by our values, risk management framework, Code of Conduct and Anti-Bribery and corruption policy. We are also guided by the ASX's Corporate Governance Council's Corporate Governance Principles and Recommendations (see our Corporate Governance Statement). Our Board is responsible for the oversight and review of Ansell's management, administration and overall governance.</p> <p>To ensure awareness of Ansell's ethics obligations Ansell requires every email-enabled employee and every Board member to undertake Global Code of Conduct training every two years. In-person refresher course is provided to production employees.</p>	
<b>Supply chain and business continuity</b>	<b>Definition</b>	Planning and actions to maintain the continuity and integrity of our supply chains and operations to enable Ansell to respond to surges in demand driven by disasters, epidemics or changing consumer behaviour.	Ansell
	<b>Management approach</b>	<p>Our approach to business continuity and demand response is two-fold. This is further supported by our large geographic footprint, which allows regions to flex around changing requirements. Within our supply chain, we are currently rationalising our supplier base by investing in a smaller pool of strategic suppliers. This has allowed us to strengthen our relationship with our strategic suppliers, develop more strategic long-term alliances and work collaboratively to manage issues as and when they arise. The Board is informed of critical sourcing decisions through the CEO and ELT.</p> <p>For further details see our 2022 Annual Report.</p>	Supply chain Logistics

## Mapping material matters to value chain impacts

	Governance						
							
	Product development	Raw materials	Manufacturing	Marketing and sales	Distribution	Use	Disposal
Controlled by Ansell	Ansell		Ansell	Ansell	Ansell		
Controlled by others		Raw material suppliers	Finished goods suppliers		Logistics suppliers	B2B customers and end users	End users, disposal providers
Business ethics and governance	●	●	●	●	●	●	●
Supply chain and business continuity	●	●	●	●	●		
Innovation and product stewardship	●	●	●	●	●	●	●
Employee health and safety	●	●	●	●	●		
Labour rights		●	●				
Recruitment and engagement	●		●	●	●		
Diversity and inclusion	●		●	●	●		
Community engagement and investment			●	●			
Environmental impact and compliance		●	●		●		
Climate risk	●	●	●	●	●		
Energy and emissions	●	●	●		●		●
Water	●	●	●				
Operational resource efficiency and waste minimisation	●		●				

## GRI content index

Ansell Limited has reported the information cited in this GRI content index for the period 1 July 2021 to 30 June 2022 with reference to the GRI Standards.

\*Asterisk indicates indicator partially met

Indicator	Description	Reference
<b>The organisation and its reporting practices</b>		
2-1	Organizational details	Page 72
2-2	Entities included in the organisation sustainability reporting	Page 72
2-3	Reporting period, frequency and contact point	Page 72
2-4	Restatements of information	Page 72
<b>Activities and workers</b>		
2-6	Activities, value chain and other business relationships	Pages 6–7, 67
2-7*	Employees	Page 60
2-8*	Workers who are not employees	Page 60
<b>Governance</b>		
2-9	Governance structure and composition	Page 15, Page 3 Corporate Governance Statement 2022
2-10	Nomination and selection of the highest governance body	Page 4 Corporate Governance Statement 2022
2-11	Chair of the highest governance body	Page 4 Corporate Governance Statement 2022
2-12	Role of the highest governance body in overseeing the management of impacts	Page 14
2-13	Delegation of responsibility for managing impacts	Page 15
2-14	Role of the highest governance body in sustainability reporting	Page 15
2-15	Conflicts of interest	Page 9 Corporate Governance Statement 2022
2-16*	Communication of critical concerns	Pages 15–16
2-17	Collective knowledge of the highest governance body	Page 16
2-18	Evaluation of the performance of the highest governance body	Page 16
2-19	Remuneration policies	Page 55 Annual Report 2022
2-20	Process to determine remuneration	Page 57 Annual Report 2022

Indicator	Description	Reference
<b>Strategy, policies and practices</b>		
2-22	Statement on sustainable development strategy	Page 2
2-23*	Policy commitments	<ul style="list-style-type: none"> <li>• Ansell Code of Conduct</li> <li>• 5-Point Safety Charter (last updated April 2022 by the Board)</li> <li>• Anti-Bribery and Corruption Policy (last updated November 2019 by the Board)</li> <li>• Environment, Health and Safety Core Operating Procedures and Risk Management Incidents (last updated April 2022 by the Board)</li> <li>• Conflict Minerals Policy (last updated February 2021 by the Board)</li> <li>• Corporate Social Responsibility Statement (last updated April 2022 by the Board)</li> <li>• Diversity and Inclusion Policy and Strategy (last updated February 2022 by the Board)</li> <li>• Environmental Policy (last updated April 2022 by the Board)</li> <li>• Global Health and Safety Standards</li> <li>• Human Rights Statement (last updated April 2022 by the Board)</li> <li>• Labour Standards Policy (last updated April 2022 by the Board)</li> <li>• Quality Statement Policy (last updated February 2021 by the Board)</li> <li>• Safety and Loss Control Policy (last updated April 2022 by the Board)</li> <li>• Supplier Code of Conduct (last updated April 2022 by the Board)</li> <li>• Whistle-blower Policy (last updated December 2019 by the Board)</li> <li>• Global Grievance Policy</li> </ul> <p>Ansell extends these expectations into the supply chain through our Supplier Code of Conduct. Expectations across both our operations and supply chain are enforced through due diligence activities detailed in our labour rights section on pages 22–30.</p>
2-24	Embedding policy commitments	Page 14
2-25*	Processes to remediate negative impacts	Page 30
2-26	Mechanisms for seeking advice and raising concerns	Page 30
2-27	Compliance with laws and regulations	Ansell is not aware of any instances of significant fines or non-monetary sanctions imposed during the reporting period in relation to non-compliances with laws and regulations.
2-28	Membership associations	Page 62
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	Page 12
2-30	Collective bargaining agreements	Page 24
<b>Management approach</b>		
3-1	Process to determine material topics	Page 61
3-2	List of material topics	Page 61
3-3	Management of material topics	Pages 63–66
<b>Economic performance</b>		
201-2*	Financial implications and other risks and opportunities due to climate change	Page 45
<b>Anti-competitive behaviour</b>		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Ansell is not aware of any legal actions pending during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.

## APPENDICES CONTINUED

Indicator	Description	Reference		
<b>Tax</b>				
207-1	Approach to tax	Tax Transparency Information Report		
<b>Energy</b>				
302-1	Energy consumption within the organisation	Pages 44 and 61, Section C8.1 CDP Climate Change Questionnaire 2022 to be released in 2022		
302-3*	Energy intensity	Pages 44 and 61		
302-4	Reduction in energy consumption	Pages 44 and 61, Section C4.3 CDP Climate Change Questionnaire 2022 to be released in 2022		
<b>Water and effluents</b>				
303-1	Interactions with water as a shared resource	Pages 51 and 61, Section W1.2 CDP Water Security Questionnaire 2022 to be released in 2022		
303-2	Management of water discharge-related impacts	Pages 51 and 61, Section W1.2 CDP Water Security Questionnaire 2022 to be released in 2022		
303-3	Water withdrawal	Pages 51 and 61, Section W1.2 CDP Water Security Questionnaire 2022 to be released in 2022		
303-5*	Water consumption	Section W1.2 CDP Water Security Questionnaire 2022 to be released in 2022		
<b>Emissions</b>				
305-1	Direct (Scope 1) GHG emissions	Pages 44–45, 61, Section C6.1 CDP Climate Change Questionnaire 2022 to be released in 2022		
305-2	Energy indirect (Scope 2) GHG emissions	Pages 44–45, 61, Section C6.2 CDP Climate Change Questionnaire 2022 to be released in 2022		
305-3*	Other indirect (Scope 3) GHG emissions	Pages 44–45, 61, CDP Climate Change Questionnaire 2022 to be released in 2022		
305-4	GHG emissions intensity	Pages 44–45, 61, Section C4.1 CDP Climate Change Questionnaire 2022 to be released in 2022		
305-5*	Reduction of GHG emissions	Pages 44–45, 61, Section C4.3 CDP Climate Change Questionnaire 2022 to be released in 2022		
<b>Waste</b>				
306-1*	Waste generation and significant waste-related impacts	Page 52–53		
306-2*	Management of significant waste-related impacts	Page 52–53		
306-3*	Waste generated	Pages 52 and 61		
306-4*	Waste diverted from disposal	Pages 52 and 61		
306-5*	Waste directed to disposal	Pages 52 and 61		
<b>Environmental compliance</b>				
307-1	<p>Non-compliance with environmental laws and regulations</p> <p>We comply with local and country regulations and requirements and remedy any non-compliances within our facilities. The following non-compliance and remediation activities were identified during the reporting period.</p>	<p><b>Type of issue</b></p> <p>Soil and ground water contamination</p>	<p><b>Location</b></p> <p>USA</p>	<p><b>Details</b></p> <p>Ongoing remediation of legacy sites.</p>
		<p>Site closure documentation incomplete</p>	<p>Brazil</p>	<p>Documentation submitted to regulatory authorities and pending project closure approval.</p>
		<p>High carbon monoxide emissions detected from biomass hot water generator</p>	<p>Thailand</p>	<p>Higher moisture content in the woodchips used was found to be a contributing cause of the elevated CO emissions. Operational trial with a new woodchip supplier is being conducted and results are being monitored by Berkeley Energy Commercial Industrial Solutions (BECIS).</p>

Indicator	Description	Reference
<b>Employment</b>		
401-1*	New employee hires and employee turnover	Page 60
<b>Occupational health and safety</b>		
403-1*	Occupational health and safety management system	Page 19
403-2*	Hazard identification, risk assessment and incident investigation	Page 20
403-4*	Worker participation, consultation and communication on occupational health and safety	Page 20
403-5*	Worker training on occupational health and safety	Page 20
403-6	Promotion of worker health	Page 33
403-7*	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 20
403-8	Workers covered by an occupational health and safety management system	Page 19
403-9*	Work-related injuries	Page 60
<b>Training and education</b>		
404-2	Programs for upgrading employee skills and transition assistance programs	Page 32
<b>Diversity and equal opportunity</b>		
405-1*	Diversity of governance bodies and employees	Page 60
<b>Freedom of association and collective bargaining</b>		
407-1*	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 24
<b>Child labour</b>		
408-1*	Operations and suppliers at significant risk for incidents of child labour	Page 12 Ansell Modern Slavery Statement 2021
<b>Forced and compulsory labour</b>		
409-1*	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 12 Ansell Modern Slavery Statement 2021
<b>Local communities</b>		
413-1*	Operations with local community engagement, impact assessments and development programs	Page 38–40
<b>Human rights assessment</b>		
412-1*	Operations that have been subject to human rights reviews or impact statements	Page 12 Ansell Modern Slavery Statement 2021
412-2	Employee training on human rights policies or procedures	Page 14
<b>Marketing and labelling</b>		
417-1*	Requirements for product and service information labelling	Ansell's product information including the sourcing components, product content, safe uses and disposal information is available via the Ansell website.
<b>Socioeconomic compliance</b>		
419-1	Non-compliances with laws and regulations in the social and economic area	Ansell is not aware of any instances of significant fines or non-monetary sanctions imposed on the Ansell Group during the reporting period in relation to non-compliances with social and environmental laws and regulations. Refer to page 28 for information regarding Ansell suppliers.

## ABOUT THIS REPORT

This report covers Ansell's sustainability performance for the period 1 July 2021 – 30 June 2022. All disclosures made within the report cover Ansell Limited and the entities it controlled during the reporting period unless otherwise stated. A full list of entities Ansell controlled during the reporting period is set out in our 2022 Annual Report.

All financial data in this report is expressed in USD and environmental data is metric unless otherwise stated. Data in relation to number of supplier audits completed and number of identified and closed non-conformances (suppliers) on page 27 has been restated from prior years; details are included as footnotes to the relevant metrics. Ansell reports annually; our 2021 Sustainability Report was released 13 September 2021. Prior sustainability reports can be accessed on our website.

The structure and content of this report were reviewed by responsible members of the executive team and by the Board's Sustainability & Risk Committee. The final report was approved by the Ansell Board.

Ansell's internal audit team conducted internal assurance to verify workforce, health and safety and environmental data as set out on pages 60–61 of this report.

This report references the Global Reporting Initiative (GRI) Standards 2021, as detailed in the GRI index (from page 68). In FY22, we reported in full alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), read the disclosure on page 46.

We value your feedback on Ansell's sustainability performance and the 2022 Sustainability Report. To provide feedback or for any questions regarding this report, please contact:

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