

ANSELL LIMITED
BOARD CHARTER
(Revised 13 August 2003)

The Board of Ansell Limited (the Company) has adopted this Charter to outline the manner in which its constitutional powers and responsibilities will be exercised and discharged, adopting principles of good corporate governance and practice that accord with best practice and applicable laws in the jurisdictions within which the Company operates, including, as a result of the Company's listing on Australian Stock Exchange (ASX) and its status as an Australian public company, the requirements of the Corporations Act and the ASX Listing Rules.

The Board has also adopted a protocol pursuant to this Charter that sets out the practices and procedures of the Board to ensure that its functions and duties are adequately discharged.

1 Background

The Board of the Company is ultimately responsible for the oversight and review of the management, administration and overall governance of the Company, including:

- the protection of shareholders' interests;
- authorising policies and overseeing the strategic direction of the Company;
- establishing goals for management and monitoring the achievement of these goals; and
- engaging, reviewing and replacing the Chief Executive Officer.

2 Board Guarantee

In carrying out its responsibilities and powers as set out in this Charter the Board will at all times recognise its overriding responsibility:

- to act honestly, fairly and diligently;
- to act in accordance with laws and regulations;
- to avoid or manage conflicts of interests;
- to support and be consistent with the Company's objective to be a good corporate citizen; and
- to achieve and maintain community respect.

3 Composition

It is intended that the composition of the Board of the Company, be determined using the following principles:

- the Constitution provides for a minimum of four directors, which may be increased by the Board to a maximum of eight directors where the Board considers additional expertise is required or when an outstanding candidate is identified;
- the appointed chair of the Board should be an independent non-executive director. Of course, this does not stop another director chairing all or a part of a meeting in the absence of the chair;
- the appointed chair of the Board is the only official spokesperson for the Board, unless the Board determines otherwise; and
- the Constitution requires that the Board comprise a majority of non-executive directors. It is intended that at least half of the Board from time to time be independent non-executive directors.

The Board has adopted the definition of independence set out in the Investment & Financial Services Association Limited (**IFSA**) Blue Book (December 2002). The Board regularly reviews the independence of each director in light of interests disclosed to the Board.

Following the introduction of progressively stricter rules covering Directors' interests and given the time commitments required of directors, it is Board policy that Non-Executive Directors should consult with the Chairman, or the Board, and should inform the Nomination, Remuneration & Evaluation Committee prior to accepting any non-Ansell non-executive director appointment.

In order to ensure that composition of the Board will change over time, it is a general policy that:

- non-executive directors should not serve for a consecutive period exceeding 12 years; and
- the Chairman should not serve in that role for more than 10 years.

The criteria for considering new candidates for the Board are set out in the Charter of the Nomination, Remuneration and Evaluation Committee.

4 Role

4.1 Board

The Board has ultimate responsibility to set policy regarding the business and affairs of the Company and its subsidiaries for the benefit of the shareholders and other stakeholders of the Company. The Board is accountable to shareholders for the performance of the Group.

The Board has the following responsibilities and functions:

- (a) reviewing and approving corporate strategies, budgets, plans and policies developed by management and evaluating performance of the Group against those strategies and business plans in order to:
 - (1) monitor the performance of functions delegated to the executive team, including the progress of major capital expenditure, capital management, acquisitions, divestitures and strategic commitments; and
 - (2) assess the suitability of the Company's overall strategies, business plans and resource allocation;
- (b) appointing a Chief Executive Officer for the ongoing management of the business and its strategies;
- (c) regularly evaluate the performance of the Chief Executive Officer and senior management and ensuring appropriate executive succession planning is conducted;
- (d) monitoring financial and business results (including the audit process) to understand at all times the financial position of the Group;
- (e) ensuring regulatory compliance and maintaining adequate risk management processes;
- (f) reporting to shareholders; and
- (g) implementing a culture of compliance with all applicable legal and ethical standards and business practices.

4.2 Delegation to management

As indicated above, the Board has retained ultimate responsibility for the strategic direction and control of the Company.

The Board delegates management of the Company's resources to the executive team under the leadership of the Chief Executive Officer, to deliver the strategic direction and goals determined by the Board. A key function of the Board, which is conducted at Board meetings, is to monitor the performance of senior management in this function.

In addition, to the Board's oversight role, the CEO conducts a formal review at least once each year to assess the performance of senior management and reports back to the Board.

4.3 Delegation to committees

The Board from time to time establishes Committees to streamline the discharge of its responsibilities and, for each standing Committee, adopts a formal charter setting out the matters relevant to the composition, responsibilities and administration of such Committees.

The Board has, at the date of this Charter, established the:

- (a) Audit Committee; and
- (b) Nomination, Remuneration and Evaluation Committee.

The Board also delegates specific functions to ad hoc Committees on an "as needs" basis. The powers delegated to these Committees are set out in Board resolutions.

The Company Secretary, or appropriate Company officer, attends meetings of the Committee as minute secretary. All minutes of the Committee are to be signed by the Chair as a true and correct record and are then to be entered into the minute book and will be open for inspection by any director.

5 Administrative matters

The Board determines a schedule of meetings at the beginning of each year. It is the Company's practice that one or more of these meetings coincide with site visits, in order to continue the education and information provided to directors regarding the Company's various businesses.

Additional meetings are held as required to address specific issues.

Senior executives will be invited to attend Board or Committee meetings (or parts of meetings) from time to time where the Board or Committee considers their involvement of assistance to the consideration of items of business before the meeting.

All directors and other attendees at Board or Committee meetings are, as officers and/or fiduciaries, required to keep all information presented to (whether written or oral) or discussed at Board meetings confidential.

6 Review

The Board of the Company will, at least once in each year, review the membership and charters of the Board to determine their adequacy in the then current circumstances and to determine that the Board's processes are adequate to ensure it is able to carry out its functions in the most effective manner.