



# Protection in a Pandemic World

Notice of Annual General Meeting 2020

Notice is given that the Annual General Meeting of Ansell Limited will be held at 9:00am on Thursday 5 November 2020.

**Ansell**

# Letter from the chairman

Dear Shareholder

On behalf of the Board of Directors, I am pleased to invite you to the 2020 Annual General Meeting (AGM) of Ansell Limited (Ansell).

The AGM will be held on Thursday 5 November at 9:00am (AEDT).

The health and safety of our shareholders, staff and the wider community is of paramount importance to Ansell. In light of the COVID-19 pandemic and the ongoing social distancing requirements, this year Ansell's AGM will be held virtually.

We are providing shareholders various options to participate in the AGM. An online platform will allow shareholders to view the meeting, and vote and submit questions in real-time. Alternatively, shareholders can vote and submit questions in advance of the meeting. Further details are set out in this Notice of Meeting and the accompanying AGM online meeting guide.

A recording of the AGM will be made available on the Ansell website after the meeting.

The Managing Director and Chief Executive Officer, Magnus Nicolin, and I will provide a review of Ansell's operations and performance during the year to 30 June 2020. Further information on the Company's performance is also provided in our FY20 Annual Report, which is available on Ansell's website. We will then move through the items of business, as detailed in the Notice of Meeting. The Board is recommending that shareholders vote in favour of all resolutions.

In the event that it is necessary for Ansell to give further updates on the arrangements for the AGM, we will inform you through Ansell's website and the ASX Market Announcements Platform. We will not be sending shareholders a hard copy of the Notice of Meeting by post ahead of the AGM. This approach is consistent with the relief provided by the Commonwealth Treasurer in response to the COVID-19 pandemic.

Thank you for your continued support of Ansell and I look forward to welcoming you at our virtual AGM.

Yours sincerely



**John Bevan**  
Chairman  
28 September 2020

# Details on how to participate in the AGM

The Ansell Limited (**Company**) Annual General Meeting (**AGM**) will be held at 9:00am AEDT on Thursday 5 November 2020.

In response to Government restrictions and the potential health risks arising from the COVID-19 pandemic, the Annual General Meeting will be held virtually this year.

To give shareholders a reasonable opportunity to participate, shareholders may attend the AGM virtually using either the Lumi online platform or the Lumi AGM app.

The Lumi platforms enable shareholders to:

- see the AGM presentation materials and listen to the AGM live;
- vote online during the AGM; and
- ask questions and make comments online during the AGM.

Voting on all resolutions will be conducted by a poll.

Shareholders may also cast their votes at the AGM by appointing a proxy (preferably the Chairman of the AGM) by 9:00am (AEDT) on Tuesday 3 November 2020 (see page 4 for how to appoint a proxy).

A recording of the AGM will be made available on the Ansell website after the meeting.

## Participating at the AGM

You will be able to participate in the AGM online using your computer, your mobile phone or device. If you are using your computer, you can participate in the AGM by entering this link in your browser:

**<http://web.lumiagm.com/318429446>**

You can also participate in the AGM using your mobile phone or device by downloading the Lumi AGM app from the Apple App or Google Play Stores by searching for Lumi AGM.

To participate using the Lumi AGM app, you will be required to enter the unique 9 digit Meeting ID provided below.

**Meeting ID: 318-429-446**

Important: To participate and vote online you will need your security holding number (SRN/HIN) and postcode. To participate online, shareholders should register at least 15 minutes before the meeting.

Further information about how to log in to the Lumi platform or the Lumi AGM app, to register for the AGM, and to participate in the Meeting as a shareholder, proxyholder or visitor is available in the Virtual AGM Online Guide, which you can access online on the Ansell website at [www.ansell.com/about-us/investor-center](http://www.ansell.com/about-us/investor-center).

## Asking Questions – Before and at the AGM

You can submit a question or comment prior to the AGM at [www.investorvote.com.au](http://www.investorvote.com.au), or by completing the shareholder question form and returning it with your proxy form.

The shareholder question form can be downloaded from [www.ansell.com/about-us/investor-center](http://www.ansell.com/about-us/investor-center).

Written questions (including questions to the Auditor) should be submitted no later than the fifth business day before the AGM, being Thursday 29 October 2020. Written questions to the Auditor should relate to the content of the Auditor's Report and the conduct of the Audit. The Auditor will also be in attendance at the AGM.

You may also submit your questions and comments online during the AGM via the Lumi platform (if you are participating on your computer), or the Lumi AGM app (if you are participating on your mobile phone or device).

The Chairman of the AGM will endeavour to address as many of the more frequently raised relevant questions and comments as possible during the course of the AGM. However, there may not be sufficient time available at the AGM to address all of the questions and comments raised. Please note that individual responses will not be sent to shareholders.

## Voting at the AGM

Voting on all items of business will be conducted on a poll. You may vote at the AGM in one of two ways:

- live and online during the AGM using the Lumi platform (if you are participating on your computer), or the Lumi AGM app (if you are participating on your mobile phone or device); or
- in advance of the AGM, by appointing a proxy (preferably the Chairman of the AGM) by 9:00am (AEDT) on Tuesday 3 November 2020.

The Chairman of the AGM will open the poll at the beginning of the AGM and the poll will remain open until declared closed at the end of the meeting.

# Details on how to participate in the AGM continued

## Future Alternative Arrangements

If it becomes necessary to make further alternative arrangements for holding the AGM, we will give shareholders as much notice as practicable. Further information will be made available on our website: [www.ansell.com/about-us/investor-center](http://www.ansell.com/about-us/investor-center).

## Technical Issues

Technical difficulties may arise during the course of the virtual meetings. The Chairman has discretion as to whether and how the meetings should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chairman will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where the Chairman considers it appropriate, the Chairman may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, shareholders are encouraged to appoint a proxy and submit a directed proxy vote, even if they plan to attend the meetings online. Similarly, if a shareholder is unable to participate in the virtual meetings, or will not have access to a device or the internet, they are encouraged to appoint a proxy and submit a directed proxy vote via [investorvote.com.au](http://investorvote.com.au). All proxy votes, whether submitted online or in hard copy, must be lodged by 9:00am (AEDT) on Tuesday 3 November 2020 (as described below).

## Proxies

Certain categories of persons (including Directors and the Chairman of the AGM) are excluded from voting on Resolutions relating to the remuneration of Key Management Personnel, including as proxy, in some circumstances and such votes will be disregarded (as per the Voting Exclusion Statement).

If you are appointing a proxy, to ensure that your vote counts, please read the instructions on the proxy form carefully.

1. On a poll, shareholders have one vote for every fully paid ordinary share held.
2. A member entitled to attend and vote is entitled to appoint not more than two proxies.
3. A proxy need not be a member of Ansell Limited (the **Company**).

4. A proxy may be either an individual or a body corporate. If you wish to appoint a body corporate as your proxy, you must specify on the proxy form:
  - the full name and title of the body corporate appointed as proxy; and
  - the full name or title of the individual representative of the body corporate to attend the meeting.
5. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion or number of the member's voting rights and neither proxy is entitled to vote on a show of hands if more than one proxy attends. If it is desired to appoint two proxies, you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy, write both names and the percentage of votes or number of securities for each proxy.
6. Proxy forms must be signed by a member or the member's attorney or, if a corporation, executed under seal or in accordance with section 127 of the *Corporations Act 2001* (Cth) (*Corporations Act*) or signed by an authorised officer or agent.
7. Proxy forms (and if the appointment is signed by the appointer's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be returned prior to 9:00am (AEDT) on Tuesday 3 November 2020 using one of the methods below:

### By mail

C/- Computershare Investor Services Pty Limited,  
GPO Box 242, Melbourne, Victoria, 3001

### By facsimile

on 1800 783 447 (within Australia) or  
(61 3) 9473 2555 (outside Australia)

### Online at

[www.investorvote.com.au](http://www.investorvote.com.au)

### Online at

[www.intermediaryonline.com](http://www.intermediaryonline.com)  
(for Intermediary Online subscribers only)

8. Appointed proxies will need to contact Computershare to obtain a username and password to vote online. Further details are available in the Virtual AGM Online Guide available at [www.ansell.com/about-us/investor-center](http://www.ansell.com/about-us/investor-center)
9. The Board has determined, in accordance with the Company's Constitution and the *Corporations Regulations 2001* (Cth), that a shareholder's voting entitlement at the AGM will be taken to be the entitlement of that person shown in the register of members as at 7:00pm (AEDT) on Tuesday 3 November 2020.

# Business

## 1. Financial Report

To receive and consider the Financial Report and the reports of the Directors and the Auditor of Ansell Limited for the year ended 30 June 2020.

## 2. Election of Directors

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

- (a) *“That Mr Nigel Garrard, who was appointed as a Director on 1 March 2020 pursuant to Rule 33(a) of the Company’s Constitution, and who retires in accordance with Rule 33(b) of the Company’s Constitution, and being eligible, is elected as a Director.”*
- (b) *“That Mrs Christina Stercken, who retires in accordance with Rule 33(c) of the Company’s Constitution, and being eligible for re-election, is re-elected as a Director.”*
- (c) *“That Mr William Reilly, who retires in accordance with Rule 33(c) of the Company’s Constitution, and being eligible for re-election, is re-elected as a Director.”*

Each will be voted on as a separate ordinary resolution.

## 3. Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

*“That the constitution of the Company tabled at the meeting and signed by the Chairman of the meeting for the purposes of identification be adopted as the constitution of the Company in substitution for its existing constitution, which is repealed with effect from the close of the Annual General Meeting.”*

Note: Information about the new constitution appears in Item 3 of the Explanatory Notes to this Notice of Meeting.

## 4. Grant of Performance Share Rights to the Managing Director and Chief Executive Officer

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval be given for the grant of 161,356 Performance Share Rights to the Managing Director and Chief Executive Officer of the Company, Mr Magnus Nicolin, under the rules of the Company’s Long Term Incentive Plan and on the terms summarised in the Explanatory Notes to this Notice of Meeting.”*

## 5. Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

*“That the Remuneration Report for the year ended 30 June 2020 be adopted.”*

The Remuneration Report is set out on pages 43 to 68 of the Company’s Annual Report 2020.

Note: This resolution is advisory only and does not bind the Directors or the Company.

## Voting Exclusion Statement – Resolutions 4 & 5

The Company will disregard:

1. any votes cast in favour of Resolution 4 by:
  - Mr Nicolin or by his associates; or
  - a member of the Company’s Key Management Personnel (KMP), or a closely related party of a KMP, as proxy where the person’s appointment as proxy does not specify the way the proxy is to vote on the Resolution; and
2. any votes cast on Resolution 5 by any KMP as disclosed in the Remuneration Report, or by a closely related party of such a KMP.

However, such restrictions do not apply if the vote is cast:

- (a) live and online during the AGM using the Lumi platform (if you are participating on your computer), or the Lumi AGM app (if you are participating on your mobile phone or device); or
- (b) in advance of the AGM, by appointing a proxy (preferably the Chairman of the AGM) by 9:00am (AEDT) on Tuesday 3 November 2020.
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Shareholders should note that the Chairman intends to vote any undirected proxies in favour of all resolutions.

By order of the Board,



**Catherine L E Stribley**  
Company Secretary  
Ansell Limited  
Melbourne  
28 September 2020

# Explanatory Notes to Shareholders

## Item 1 – Financial Report

In accordance with the Corporations Act, the Financial Report and the Directors' and Auditor's Reports for the year ended 30 June 2020 will be put before the Annual General Meeting. These reports are contained within the Company's Annual Report 2020.

Shareholders can access a copy of the Annual Report 2020 on the Company's website at [www.ansell.com](http://www.ansell.com). A printed copy of the Annual Report 2020 has been sent only to those shareholders who have elected to receive a printed copy.

There is no requirement for a formal resolution on this matter. Accordingly, there will be no formal resolution put to this Annual General Meeting.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to raise questions on these reports or make comments on Company matters.

## Item 2 – Election of Directors

Rule 33(b) of the Company's Constitution provides that a Director appointed by the Directors only holds office until the conclusion of the next annual general meeting following his/her appointment.

Rule 33(c) of the Company's Constitution provides that a Director cannot hold office beyond the third annual general meeting following the meeting at which the Director was elected or last re-elected.

Mr Nigel Garrard was appointed as a Director on 1 March 2020 pursuant to Rule 33(a) of the Company's Constitution and retires in accordance with Rule 33(b) of the Company's Constitution. Being eligible, Mr Garrard offers himself for election as a Director.

Mrs Christina Stercken was last elected at the 2017 Annual General Meeting and retires in accordance with Rule 33(c) of the Constitution. Being eligible, Mrs Stercken offers herself for re-election.

Mr William Reilly was last elected at the 2017 Annual General Meeting and retires in accordance with Rule 33(c) of the Constitution. Being eligible, Mr Reilly offers himself for re-election.

The following are the backgrounds of the Directors who are seeking election and re-election:



**Nigel Garrard**  
Non-Executive Director  
B.Econ (Adelaide), CA

Appointed Non-Executive Director in March 2020.

Member of the Sustainability & Risk Committee, Human Resources Committee and Share Buyback Sub-Committee.

Current Directorships: Chairman of McMahon Services (2019 to present), Non-Executive Director of Hudson Institute of Medical Research (2016 to present).

Previous Directorships: Managing Director of Orora Limited (2013 to 2019), Managing Director of Amcor Australasia and Packaging Distribution (2009 – 2013), Managing Director of SPC Ardmona Limited (2000 to 2007), Managing Director of Chiquita Brands South Pacific Ltd (1994 to 2000).

Mr Garrard is an experienced executive with a successful track record across FMCG and Industrial/Manufacturing sectors. Mr Garrard has 20 years' experience as an ASX-listed CEO across three companies. In 2019, Mr Garrard retired as Managing Director and CEO of Orora Limited. Mr Garrard led the demerger of Orora from Amcor, and subsequent listing on the ASX in 2013. Prior, Mr Garrard was President of the Australasia and Packaging Distribution business group, Managing Director of Coca-Cola Amatil's Food and Services Division, Managing Director of SPC Ardmona and has held a range of positions in Australia and New Zealand with US-based Chiquita Brands International, including as Managing Director of Chiquita Brands and South Pacific Limited. Mr Garrard commenced his career with Peat Marwick Mitchell & Co (now KPMG) and remains a qualified Chartered Accountant. Mr Garrard brings broad international experience across listed, not-for-profit, government and private entities.

The Board considers Nigel Garrard to be an independent Director.



**Christina M. Stercken**  
B.Econ & M.Econ (Univ. of Bonn),  
EMBA (Duke)

Appointed Non-Executive Director in October 2017.

Member of the Audit & Compliance Committee and Sustainability & Risk Committee, Chair of the M&A Sub-Committee.

Current Directorships: Landis & Gyr Group AG (2017 to present), Myanmar Foundation (Vice Chairman).

Previous Directorships: Ascom Holding AG (2014 – 2020).

Mrs Stercken was a partner at Euro Asia Consulting PartG (EAC) until the end of 2017. In this function, Mrs Stercken advised customers in Machinery, Automotive, Chemical, Healthcare and Infrastructure industries in strategy, M&A and operational excellence in growth markets. Before joining EAC, Mrs Stercken served as Managing Director Corporate Finance M&A of Siemens AG. Among other management positions within Siemens AG, she was responsible for the Siemens Task Force China and Head of Public Sector Business Unit at Siemens Business Services. Mrs Stercken started her career in Marketing at BMW Pty. Ltd, South Africa. Mrs Stercken brings a broad range of competencies relevant to Ansell's strategies, including mergers and acquisitions, broad industry background and business building in developing markets. In her function as Vice Chairman of Myanmar Foundation, Munich, Mrs Stercken supports social projects in Myanmar.

The Board considers Christina Stercken to be an independent Director.



**William G. Reilly**  
BA (Fairfield), J.D (Seton Hall)

Appointed Non-Executive Director in October 2017.

Member of the Sustainability & Risk Committee, Human Resources Committee, Governance Committee & M&A Sub-Committee.

Mr Reilly has over 35 years' experience as an in-house lawyer. Mr Reilly was appointed as General Counsel of Ansell Healthcare in 2000 when it was a division of Pacific Dunlop Limited, subsequently becoming General Counsel of Ansell Limited in 2002. Mr Reilly has served with three Ansell Chief Executive Officers and has played pivotal roles leading many of Ansell's corporate strategic and legal initiatives, including mergers and acquisitions, litigation and the successful intellectual property strategy. He has also overseen the Global Compliance and Risk functions, acted as interim head of Human Resources, leader of the Regulatory function and joint Company Secretary. Prior to joining Ansell, Mr Reilly held senior legal positions at C. R. Bard, Inc., The Hertz Corporation and McKesson Corporation. In 2016, Mr Reilly was named to the *Financial Times* first ever Global GC 30 List.

Since his initial appointment in October 2017, Mr Reilly has not been considered an independent Director. This view was based on the fact that Mr Reilly was a recently retired executive. As of 1 July 2020, however, the Board considers that sufficient time has elapsed since Mr Reilly was employed by the Company as an executive that he can now be considered an independent Director. Importantly, the Board notes that Mr Reilly no longer participates in any employee incentive plans or receives any other ongoing benefits in connection with his role as an executive.

### Board Recommendation

The Board has considered the skills and experience of Mr Garrard. As part of its ongoing performance review process, the Board has also formally considered the contributions of Mrs Stercken and Mr Reilly to the Board and its Committees. The Board (with Mr Garrard, Mrs Stercken and Mr Reilly abstaining in respect of their own election/re-election) unanimously supports the election of Mr Garrard and the re-election of Mrs Stercken and Mr Reilly as Directors, and recommends that shareholders vote in favour of these Resolutions.

# Explanatory Notes to Shareholders continued

## Item 3 – Constitution

It is proposed that the Company adopt a new constitution. The Company's current constitution was last amended at the 2010 Annual General Meeting. The purpose of the proposed new constitution is to update for recent developments in law, corporate governance principles and general corporate and commercial practice for ASX listed companies. The proposed new constitution will also accommodate developments in technology and its use for shareholder and Board meetings (including voting at such meetings).

### Access to a copy of the proposed new constitution

Copies of the Company's existing constitution and the proposed new constitution are available on the Company's website at [www.ansell.com/about-us/investor-center](http://www.ansell.com/about-us/investor-center).

The Company will send a copy of its existing constitution and the proposed new constitution (at the Company's expense) to any shareholder upon request. Shareholder requests should be made to:

#### Ansell Limited Share Registry

C/-Computershare Investor Services Pty Limited  
Yarra Falls  
452 Johnston Street  
Abbotsford Victoria 3067  
AUSTRALIA

**Tel within Australia:** 1300 850 505

**Tel outside Australia:** +61 3 9415 4000

**Email:** [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

An overview of the proposed new constitution's more significant changes (compared to the current constitution of the Company) is set out below. References to rule numbers are to numbers in the proposed new constitution. Shareholders should note that this is a summary only and consideration should be given to the full text of the proposed new constitution.

## SHARE CAPITAL

### Convertible preference shares

Rule 4.2 expands the equivalent provision in the existing constitution. Subrule 4.2(k) been included to deal with the rights and ranking of ordinary shares issued upon the conversion of preference shares (in accordance with their terms). In addition, subrule 4.2(l) has been added to clarify that conversion has the effect of varying the rights of a preference share (and does not constitute a cancellation, redemption, issue, allotment or creation of new shares).

### Joint holders of shares

Rule 6 expands on the equivalent provision in the Company's existing constitution. The changes deal with the rights of joint holders and the obligations of the Company in relation to the treatment of joint holders. The new subrules clarify that:

- (a) in respect of a joint holding, only the first name in the register is entitled to receive a share certificate or notices; and
- (b) joint holders of shares will be counted as one shareholder for the purposes of the Corporations Act.

## TRANSFERRING SHARES

### Transferring shares and power to decline to register transfers

The procedures for the transfer of shares (rule 17) and the right to refuse registration of transfers of shares (rule 18) have been updated to reflect current market practice and applicable market rules, including that the Company must not charge a fee for registering a transfer unless permitted by the ASX Listing Rules. Provisions have also been included relating to the application of holding locks.

### Selling non-marketable parcels

Rule 20 relates to the Company's ability to compulsorily sell non-marketable parcels of shares, being parcels valued at under \$500. These rules have been updated to extend the Company's power to sell non-marketable parcels where a transfer is initiated. These rules assist in reducing administrative costs associated with maintaining the share register.



## GENERAL MEETINGS

### Use of technology at general meetings

Rules 22 and 23, together with relevant subrules in rules 24 (Notice of general meetings), 25 (Admission to general meetings) and 28 (Conduct at general meetings), enable and more clearly set out the Company's ability to hold a general meeting by technology and electronic means. The changes also:

- (a) add a new subrule confirming that a meeting will be duly convened if the chair of the meeting is satisfied that adequate facilities are available throughout the meeting such that shareholders attending have a reasonable opportunity to participate;
- (b) clarify the process by which the Company may hold general meetings in more than one place (including holding hybrid meetings or virtual meetings); and
- (c) allow the Board, by notice to the ASX, to change or remove the offering of any venue or technology for a general meeting.

To promote the interests of shareholders and facilitate their participation in general meetings, the proposed new rules provide for the holding of meetings using technology, including:

- (a) giving of notices and documents electronically where the shareholder so nominates, and by means of accessing a link to the place at which the relevant document or notice can be viewed;
- (b) the chair having powers to ensure general meetings are conducted in an appropriate and efficient manner, including restricting access to meetings, verification of attendance, security of meetings, validity of proxies, calling for a poll, discussion on resolutions and decisions or determinations regarding certain matters such as dealing with technical difficulties arising during a meeting; and
- (c) where a resolution is voted on at a general meeting and where shareholders are participating using technology as well as at a physical meeting, the resolution will be decided on a poll unless the chair determines that it will be decided on a show of hands.

### Notice of general meetings

In addition to the power for notices of meeting to be given through electronic means (see above), rule 24 also expands on the equivalent provisions in the Company's existing constitution by allowing any person to waive notice of any general meeting. It also clarifies that a person's attendance at general meetings will be deemed to be a waiver of any objection that person might have to (i) failure to give notice or where there has been defective notice, and (ii) consideration of a particular matter which is not included in the notice of the meeting (unless that person objects to considering the matter when it is presented).

### Direct voting

Rule 30 is a new provision to allow direct voting by shareholders at general meetings (i.e. where shareholders may lodge a vote directly with the Company by way of post or electronic means prescribed by the Board, without having to attend a meeting or appoint a proxy or representative). Direct voting facilitates greater voting participation and reduces the potential risks of a proxy vote not being cast.

The Board may decide that, at any general meeting or class meeting, a member who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution. A direct vote will have the same effect as a vote cast in person at a meeting.

To facilitate the direct voting arrangements, the Board may prescribe regulations, rules and procedures in relation to direct voting.

### Voting rights

Rule 31 expands on the current constitution to reflect current law and provides for direct voting. New subrules have also been included to clarify that any votes of shareholders who are not entitled to vote on a resolution are disregarded.

### Representation at general meetings

Rule 32 expands on the Company's existing constitution to provide more clarity around the proxy appointment process and validity of proxies, including a proxy's right to vote on motions or resolutions that are not covered in the appointment, or where the meeting is rescheduled, adjourned or postponed. In addition, the changes confirm the ability of the Company to clarify with a shareholder (by written or verbal communication) any instruction on a proxy form that is incomplete or unclear and make any necessary amendments to ensure the proxy appointment is valid and reflects the shareholder's intended instructions. Such provisions will give the Company more flexibility to accept proxy appointments, as proxies that would otherwise be invalid can be counted if the Company completes the proxy form based on further instructions from the shareholder.

## DIRECTORS

### Number of Directors

Rule 33 leaves the minimum number of Directors (four) unchanged. The maximum number of Directors, however, has been increased from 8 to 10 (unless the Company resolves otherwise).

### Vacating office

Rule 35 refreshes the equivalent rule in the Company's existing constitution and includes an updated list of circumstances where the office of Director becomes vacant. Added circumstances include where the Director is: (i) bankrupt or insolvent; (ii) convicted of an indictable offence and the Board does not within one month of that conviction resolve to confirm the Director's appointment or election (as the case may be) to the office of Director; (iii) disqualified from holding office as a Director of the Company under applicable law; and (iv) absent from Board meetings for three consecutive months, without a leave of absence.

# Explanatory Notes to Shareholders continued

## Remuneration

Rule 36 clarifies the basis on which Directors are remunerated to bring the constitution in line with recent developments in law and to clarify which components of remuneration paid to Non-executive Directors count for the purposes of the shareholder-approved cap.

Fees for services on the Board, any Board committee and acting as Directors of subsidiaries are included in the shareholder-approved cap, as are statutory superannuation contributions paid on behalf of Directors. Share based payments (issued with approval by shareholders) and payment of directors insurance premiums are excluded. Remuneration for any extra services rendered or special exertions made may be excluded from the shareholder-approved cap, consistent with developments in the law and the ASX Listing Rules.

Rule 36 also provides for payments to Directors' legal personal representative, spouse, relative or dependant where a Director dies or ceases to hold office.

## Board meetings

Rule 42 has been added to clarify how notice of Board meetings is to be given and to prescribe the content, recipients and delivery methods for notices. It also provides for electronic means of delivery and the holding of Board meetings using technology.

Rule 44 expands on provisions in the Company's existing constitution to cover proceedings of Board meetings where a deputy chair is appointed. While the Board does not currently have a deputy chair, this rule provides certainty and clarity should a deputy chair be appointed in the future.

## Written resolutions

Rule 46 expands on the existing corresponding rule in the Company's current constitution and allows Directors to pass written resolutions where (i) a majority of Directors (other than those excluded as described below) sign or consent to the resolution, and (ii) the Directors who sign or consent to the resolution would have constituted a quorum at a physical meeting.

Directors will be excluded where (i) they are on a leave of absence approved by the Board; (ii) they have notified the chair or the secretary they may be uncontactable during the period the resolution is being considered; (iii) they would be prohibited under the Corporations Act or other laws or regulations from voting on the resolution; (iv) they are incapacitated (e.g. due to ill health); or (v) they have disqualified themselves from considering the resolution. Ansell notes for completeness that all Directors are expected to attend all Board meetings and participate in Board decisions.

## DISTRIBUTIONS TO MEMBERS

### Dividends

Rule 54 expands on the corresponding rule in the current constitution and sets out the process and methods for paying dividends, including by electronic funds transfer into a shareholder's nominated account. If no bank account is nominated, the dividend can be withheld or paid into a separate account until the member nominates a valid account. Rule 54(m) extends this concept to where a shareholder is uncontactable. The money may be used for the benefit of the company until claimed, reinvested under rule 54(p) or disposed of in accordance with the laws relating to unclaimed monies.

Rule 54(p) introduces power for the Company to reinvest unclaimed dividends, for the benefit of the relevant shareholder, into shares in the Company after a period of time has elapsed.

### Dividend reinvestment plan

Rule 55 is included to clarify the Board's power to implement, amend, suspend or terminate the Company's dividend reinvestment plan, under which the whole or any part of a dividend due to shareholders who participate in the plan may be applied in subscribing for securities of the Company or of a related body corporate.

## NOTICES

Rule 64 updates the equivalent provisions in the Company's existing constitution in relation to notices. Updates have been made in relation to the giving of notices by electronic means and rules 64.2 and 64.3 are added to provide for notices sent by the Company to Directors and Directors to the Company. Rule 65 adopts a standard ASX listed company approach to shareholders' notices and simplifies administration by providing that a notice from the Company properly addressed and posted, is taken to be served at 10 am Melbourne time on the day after the date it is posted (and in the case of electronic transmissions, the date on which the shareholder is notified that the notice is available).

## PROPORTIONAL TAKEOVERS

The Corporations Act permits Ansell to include a provision in its constitution enabling the Company to refuse to register the transfer of any shares acquired under a proportional takeover bid (i.e. an offer to each shareholder to acquire only a proportion each shareholder's shares), unless shareholders approve the bid. Rule 71 is largely consistent with the equivalent provision previously included in the Company's existing constitution but has been updated to reflect current market practice.

This provision must be renewed by shareholders every three years if it is to continue in effect.

# Explanatory Notes to Shareholders continued

## Effect of a proportional takeover provisions

If a proportional takeover bid is made, the Directors must ensure that a meeting is held, more than 14 days before the last day of the bid period, at which shareholders will consider a resolution to approve the takeover bid. Each shareholder has one vote for each fully paid share held. The vote is decided on a simple majority. The bidder and its associates are not allowed to vote.

If the resolution is not passed, no transfer will be registered as a result of the takeover bid and the offer will be taken to have been withdrawn. If the resolution is not voted on, the bid is taken to have been approved. If the bid is approved (or taken to have been approved) all valid transfers must be registered.

## Knowledge of any acquisition proposals

As at the date this Notice of Meeting was prepared, the Directors are unaware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

## Reasons for and potential advantages and disadvantages of proportional takeover provisions

The Directors believe the possible advantages for shareholders outweigh the disadvantages for shareholders of the proportional takeover provisions operating for the next three years. These advantages and disadvantages include:

- (a) shareholders have the right to decide by majority vote whether to allow a proportional takeover bid to proceed;
- (b) it may help shareholders avoid being locked in as a minority and reduce the risk of a bidder acquiring control of the Company without paying an adequate control premium (i.e. paying for all of their shares);
- (c) it increases shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) knowing the view of the majority of shareholders may help each individual shareholder to form an opinion on whether to accept or reject an offer under the bid.

The potential disadvantages for shareholders of the proportional takeover provisions include:

- (a) proportional takeover bids for shares in the Company may be discouraged;
- (b) shareholders may lose an opportunity to sell some of their shares at a premium; and
- (c) the likelihood of a proportional takeover succeeding may be reduced.

The Directors consider that the proportional takeover provisions have no (and, during the time they were previously in effect, have had no) particular potential advantages or disadvantages for them (other than the above advantages and disadvantages in their capacity as shareholders of the Company). The Board will continue to remain free to make a recommendation to the shareholders of the Company on whether an offer under a proportional takeover bid should be accepted.

## GENERAL UPDATES

Other rules in the Company's existing constitution which are outdated or simply restated Corporations Act or ASX Listing Rule requirements have been updated or removed. Rule 2(c) has been included to simplify the constitution and to minimise the need for updates to the constitution in the event of ASX Listing Rule changes. Certain rules have been updated to reflect changes in terminology now contained in the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules.

## Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

## Item 4 – Grant of Performance Share Rights to the Managing Director and Chief Executive Officer

ASX Listing Rule 10.14 provides that a company must not issue shares to a director under an employee incentive scheme unless shareholder approval is first obtained. Shareholder approval is therefore sought for the grant of 161,356 Rights to the Managing Director and Chief Executive Officer (CEO), Mr Magnus Nicolin, under the LTIP in accordance with ASX Listing Rule 10.14.

The Long Term Incentive Plan (LTIP) award for the CEO operates by way of a grant of performance share rights (Rights) which, subject to the satisfaction of various performance conditions detailed below, entitles the CEO to the grant of one ordinary share in Ansell Limited per Right.

It is currently intended that Mr Nicolin will retire on or before 31 December 2021. Accordingly, approval is also sought under sections 200B and 200E of the Corporations Act to allow for the Board to determine full vesting of the Rights in the event of Mr Nicolin's retirement (which would otherwise be deemed,

and treated as, a termination benefit), to provide the Board with flexibility to determine the treatment of the Rights on his retirement in accordance with the terms of the LTIP award (including discretions under such terms). It is currently intended that all of Mr Nicolin's unvested LTI awards will remain on foot following his retirement and be tested against the applicable performance conditions at the end of the relevant performance period (to ensure the Company's and shareholders' long term interests and Mr Nicolin's continue to be aligned in the lead up to and post his retirement). The Board does not intend to exercise this discretion should Mr Nicolin be terminated for cause, in which event all unvested Rights would immediately lapse.

Shareholders should note that the CEO may also earn a right to receive Shares in Ansell Limited through the Company's Short Term Incentive Program. This is detailed in the Company's Remuneration Report. As such Shares are intended to be acquired on-market, shareholder approval is not required, however the Company discloses this information for completeness and transparency. Any such Shares may not be sold or otherwise disposed of for two years, subject to limited exceptions.

An overview of the details of the proposed grant is set out below.

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### Number of Rights

Subject to shareholder approval, Mr Nicolin will be granted 161,356 Rights. Each Right entitles Mr Nicolin, upon vesting, to one fully paid ordinary share in the Company.

The number of Rights granted was calculated by reference to the average price of Ansell Limited Shares on the ASX over a 90-day period to 18 August 2020, this being A\$34.95. The Board has not incorporated any discount to that average share price (e.g. the expected dividend yield or any other factors) for the purposes of determining the number of Rights granted to Mr Nicolin (i.e. calculated by way of a purely 'face value' methodology).

Mr Nicolin's maximum opportunity under the LTIP is 360% of his base salary. The full amount of the award will only vest if the specified maximum thresholds for each of the three performance measures are achieved or surpassed.

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### Date of grant of Rights

If shareholder approval is obtained, the Rights will be granted to Mr Nicolin shortly after this meeting, but in any event no later than 12 months after this meeting.

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### Performance conditions

53,785 Rights will be subject to the Earnings Per Share (EPS) Growth vesting condition. These Rights are also subject to the Return on Capital Employed (ROCE) gateway condition.

53,785 Rights will be subject to the Organic Revenue Growth vesting condition.

53,786 Rights will be subject to the ROCE vesting condition.

For vesting to occur under each condition, a minimum level of performance must be achieved over the three-year period of the LTIP (FY21–FY23).

The EPS and Organic Revenue Growth measures:

- will be assessed based on total growth over the three-year period of the LTIP. Once the relevant minimum level of performance is met (as described below), the vesting schedule will be a straight line from zero to maximum; and
- will be tested on a constant currency basis (to remove foreign exchange fluctuations which may either favour or penalise management). For more information about the manner in which Ansell uses constant currency measurements, please refer to page 5 of the Annual Report 2020.

Further information on the meanings and definitions of EPS Growth, Organic Revenue Growth and ROCE measures and calculation of constant currency are included in the Remuneration Report.

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## Explanatory Notes to Shareholders continued

<b>Earnings Per Share performance condition</b>	The following EPS growth targets will apply for the grant of 53,785 Rights (being one-third of overall maximum award).								
	<table border="1"> <thead> <tr> <th data-bbox="384 400 831 427">EPS Growth during three-year award period</th> <th data-bbox="932 400 1374 427">Rights subject to this condition that vest (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 439 512 465">Up to 15.8%</td> <td data-bbox="932 439 963 465">0%</td> </tr> <tr> <td data-bbox="384 477 655 504">Between 15.8% and 36.8%</td> <td data-bbox="932 477 1238 504">Sliding scale from 0% to 100%</td> </tr> <tr> <td data-bbox="384 515 560 542">36.8% and above</td> <td data-bbox="932 515 991 542">100%</td> </tr> </tbody> </table>	EPS Growth during three-year award period	Rights subject to this condition that vest (%)	Up to 15.8%	0%	Between 15.8% and 36.8%	Sliding scale from 0% to 100%	36.8% and above	100%
EPS Growth during three-year award period	Rights subject to this condition that vest (%)								
Up to 15.8%	0%								
Between 15.8% and 36.8%	Sliding scale from 0% to 100%								
36.8% and above	100%								
	The performance condition for EPS Growth will be measured against the FY20 statutory EPS adjusted for FX gain, amortisation of previously adjusted Transformation Program expenses and other Board approved adjustment leading to 108.8 cents. Over the three-year period (FY21–FY23), the EPS Growth measure will continue to be subject to constant currency adjustment and other Board-approved adjustments as applicable.								
	The gateway condition to the EPS performance condition requires that Ansell’s ROCE as at 30 June 2023 must be at least 13.5% at the end of the three-year period of the LTIP. If the gateway condition is not satisfied, these Rights will lapse regardless of the EPS Growth achieved.								
<b>Organic Growth performance condition</b>	The following Organic Growth targets will apply for the grant of 53,785 Rights (being one-third of overall maximum award).								
	<table border="1"> <thead> <tr> <th data-bbox="384 925 871 952">Organic Growth during three-year award period</th> <th data-bbox="932 925 1374 952">Rights subject to this condition that vest (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 963 504 990">Up to 9.3%</td> <td data-bbox="932 963 963 990">0%</td> </tr> <tr> <td data-bbox="384 1001 639 1028">Between 9.3% and 19.1%</td> <td data-bbox="932 1001 1238 1028">Sliding scale from 0% to 100%</td> </tr> <tr> <td data-bbox="384 1039 560 1066">19.1% and above</td> <td data-bbox="932 1039 991 1066">100%</td> </tr> </tbody> </table>	Organic Growth during three-year award period	Rights subject to this condition that vest (%)	Up to 9.3%	0%	Between 9.3% and 19.1%	Sliding scale from 0% to 100%	19.1% and above	100%
Organic Growth during three-year award period	Rights subject to this condition that vest (%)								
Up to 9.3%	0%								
Between 9.3% and 19.1%	Sliding scale from 0% to 100%								
19.1% and above	100%								
	The performance condition for Organic Revenue Growth will be measured against the FY20 statutory sales of US\$1,613.7 million. Over the three-year period (FY21–FY23), the Organic Revenue Growth measure will continue to be subject to constant currency adjustment.								
<b>Return on Capital Employed performance condition</b>	The following ROCE targets will apply for the grant of 53,786 Rights (being one-third of overall maximum award).								
	<table border="1"> <thead> <tr> <th data-bbox="384 1274 767 1301">ROCE during three-year award period</th> <th data-bbox="932 1274 1374 1301">Rights subject to this condition that vest (%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 1312 512 1339">Up to 13.9%</td> <td data-bbox="932 1312 963 1339">0%</td> </tr> <tr> <td data-bbox="384 1350 655 1377">Between 13.9% and 15.5%</td> <td data-bbox="932 1350 1238 1377">Sliding scale from 0% to 100%</td> </tr> <tr> <td data-bbox="384 1388 560 1415">15.5% and above</td> <td data-bbox="932 1388 991 1415">100%</td> </tr> </tbody> </table>	ROCE during three-year award period	Rights subject to this condition that vest (%)	Up to 13.9%	0%	Between 13.9% and 15.5%	Sliding scale from 0% to 100%	15.5% and above	100%
ROCE during three-year award period	Rights subject to this condition that vest (%)								
Up to 13.9%	0%								
Between 13.9% and 15.5%	Sliding scale from 0% to 100%								
15.5% and above	100%								
	The performance condition on ROCE will be measured as the amount of Earnings Before Interest and Tax (EBIT) returned as a percentage of the average funds that are employed (both equity and debt used in the business). ROCE for remuneration outcomes is adjusted for acquisitions.								
<b>Price payable on grant or vesting</b>	No amount will be payable in respect of the grant or upon vesting of the Rights.								
<b>No dividends and voting rights on unvested awards</b>	There are no voting rights or entitlements to dividends on unvested Rights under the LTIP.								
<b>Trading restrictions</b>	Shares allocated under the LTIP on vesting of Rights will not be subject to additional trading restrictions (aside from complying with the Company’s Securities Trading Policy).								
<b>Cessation of employment</b>	The Board has a general discretion to treat awards as it sees fit on cessation of employment. As previously advised, it is currently intended that Mr Nicolin will retire on or before by 31 December 2021. It is the Board’s intention that all of Mr Nicolin’s unvested LTI awards will remain on foot following his retirement and be tested against the applicable performance conditions at the end of the relevant performance period. This will ensure that leading up to, and post, Mr Nicolin’s retirement, the Company’s and shareholders’ long-term interests and Mr Nicolin’s interests continue to be aligned. The Board does not intend to exercise this discretion should Mr Nicolin be terminated for cause, in which event all unvested Rights would immediately lapse.								

## Explanatory Notes to Shareholders continued

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### Board discretion

The Board has retained its discretion to make adjustments in calculating the applicable performance conditions to:

- exclude matters that are beyond the reasonable control or foresight of management; and
- include matters that management control or should reasonably have foreseen

Discretion may be exercised when events or accounting rules create a favourable or unfavourable effect on earnings for a single year that may cause a misalignment between incentive outcomes and shareholder value creation.

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### Other information (including for the purposes of section 200E of the Corporations Act)

Mr Nicolin is the only Director of the Company entitled to participate in the FY21 LTIP.

The value of any of the Rights that may vest on ceasing employment cannot currently be ascertained. The maximum number of Rights that may vest under this FY21 LTI plan is 161,356.

Shareholder approval was obtained at the 2019 Annual General Meeting for a grant of 207,893 Rights to Mr Nicolin. These Rights were allocated at the Board meeting following the 2019 Annual General Meeting.

No loans are being provided to Mr Nicolin under the FY21 LTIP.

The ASX Listing Rules require this Notice of Meeting to include details of the CEO's current total remuneration package and the number of Performance Share Rights previously granted to the CEO under the LTIP.

The full details of Mr Nicolin's total realised remuneration for FY20, as set out in the Company's Remuneration Report, was US\$6,983,039.

Mr Nicolin's remuneration for the current financial year, FY21, will continue to consist of a base salary, retirement and other benefits, as well as variable components relating to his STI and LTI outcomes:

- Fixed Remuneration: US\$1,066,000
- Retirement and other benefits: Variable, including contribution to pension/retirement saving plans, motor vehicle, insurance etc).
- Short Term Incentive (at-risk): 112.5% of fixed remuneration at target, 225% of fixed remuneration at maximum
- Long Term Incentive (at-risk): 360% of fixed remuneration on a face value basis

Refer to the Remuneration Report (found in the Annual Report) for full details of the CEO's remuneration.

Since being appointed as CEO in 2010, Mr Nicolin has been granted 1,981,528 Performance Share Rights under the LTIP. No price was paid for these Rights.

Details of any Rights granted under the LTIP will be published in the Company's Annual Report relating to the period in which they were granted, along with a statement that approval for the grant was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in a grant of Rights under the LTIP after shareholder approval of this resolution will not participate in the LTIP until approval is obtained under that rule.

For the settlement of the Performance Share Rights on vesting, shares may be issued or acquired on market.

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### Board Recommendation

The Board believes that an equity based LTIP, in the form of Rights over Ansell shares, is an important component of executive remuneration to ensure an appropriate part of reward is linked to generating long-term returns for shareholders.

The approval being sought from shareholders arises as Ansell is electing to provide the LTIP through the grant of equity, rather than cash, to ensure alignment with shareholder interests and Company performance over the long term. If shareholders do not approve the grant of Rights as a long-term incentive for the CEO, his total remuneration package may not be competitive with the market, there may be misalignment of rewards with other senior executives and Ansell may be in breach of contractual obligations to the CEO. In these circumstances, the Board would provide Mr Nicolin with an equivalent cash incentive subject to the same performance conditions and performance period as described above.

The Board (Mr Nicolin abstaining) unanimously recommends that shareholders vote in favour of the awarding of the Rights to the CEO.

### Item 5 – Remuneration Report (non-binding advisory vote)

Shareholders are asked to adopt the Company's Remuneration Report for the year ended 30 June 2020. The Remuneration Report is set out on pages 43 to 68 of the Company's Annual Report 2020.

The Remuneration Report sets out, in detail, the Company's policy for determining remuneration for Directors and Senior Executives. It includes information on the elements of remuneration that are performance based, the performance conditions that apply and the methodology used to assess the achievement of these performance conditions.

The vote on Resolution 5 is advisory only, and does not bind the Directors or the Company. However, a reasonable opportunity for discussion of the Remuneration Report will be provided at the Annual General Meeting. The Human Resources Committee will take into account the discussion on this Resolution and the outcome of the vote when considering the future remuneration arrangements of the Company.

Ansell trusts that the 2020 Remuneration Report explains its remuneration strategy in the context of the markets in which it competes for executive talent, how the elements of its remuneration are intended to underpin its long-term strategies and how Ansell's performance dictates executive remuneration outcomes.

### Board Recommendation

The Board unanimously recommends that shareholders vote in favour of this non-binding Resolution.



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