

# Chairman's Review

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Dear Fellow Shareholders,

Global markets in 2019 were frequently volatile, uneven and unpredictable, and Ansell and its customers were not immune to this instability. I am pleased to say that your Company met these challenges with strength and resilience, maintaining organic growth while at the same time completing the core elements of our ambitious Transformation Program.

Our core manufacturing base is now consolidated, scaled for globally leading performance and closely connected to our R&D centres. We have fewer plants, producing more output, utilising better technology. The final phase of our Transformation Program, which will see our global logistics systems streamlined and modernised for faster and more comprehensive delivery to customers, is also well underway. Management is also making sound progress in the planning, testing and implementation of elements of the Company's digital transformation to take advantage of the opportunities offered by the latest potential networking advances in smart production, logistics and distribution so profound that analysts have christened them collectively as the Industrial Revolution 4.0.

This year we made significant steps to prepare for the CEO succession in 2021. The Senior Executive Team was strengthened with a number of executive appointments. Selected internal candidates for the CEO role have been given new opportunities to gain broader experience and the Board is taking a keen interest in their progress.

As well, Board renewal has continued apace. Christine Yan, a highly experienced US and China-based manufacturing executive, joined the Board this year. This brings a 44/56 gender balance to the Board, which will increase to 50/50 upon my retirement later in the year – a target we committed to as a priority some years ago.

Ansell takes its social responsibility commitments seriously. I urge shareholders to read closely the Corporate Social Responsibility (CSR) and Sustainability section of this Annual Report, as well as our FY19 CSR and Sustainability Report, which will be released later this year. I welcome the impact of CSR reporting. It has given clear standing to issues such as working conditions, gender equality and protection of the environment, and where we fall short we can measure how much we need to improve and do better.

This year a number of labour standards issues in our industry came to the attention of global observers. We committed to a comprehensive global review of labour standards in the Ansell supply chain, with a focus on safe working hours and sensible utilisation of rest days. The review covered both third-party suppliers and Ansell's own facilities. Our foremost responsibilities are to provide a safe working environment and to meet the legally required standards of the countries in which we operate. We also assessed the appropriateness of guidelines of the International Labour Organization (ILO) and other recognised organisations. This review is now complete and we have delineated the appropriate standards to ensure the health and safety of our people. Further details regarding our labour standards can be found in this Annual Report and in our 2019 CSR & Sustainability Report.



In closing I would like to reflect for a moment on Ansell Limited and its journey over the recent years of my association with the Company.

Ansell Limited is part of a very select group of companies that have managed to survive for over 125 years. Upon reflection, I think the major factors that have contributed to this are a clear sense of purpose, quality products and sound professional values.

In saying this, I do not wish to ignore the fact that the Company has been through its share of challenges, both externally and internally generated. However, it is the way the Company and its people have addressed the challenges, and continually sought better ways of serving our customers and end users, that has underpinned our ability to sustain and grow the enterprise.





Since joining the Ansell Board in 2005, I have seen the Company rebuild its balance sheet, renew its management team and re-cast the strategies to underpin future success. The journey has been a long and challenging one, as the Company had been through a prolonged period of under-investment in people and their capabilities, modern processes and equipment, and R&D. In contrast to the relatively quick turnarounds that dot-com or financial services companies can achieve, fundamentally remediating a multi-faceted manufacturing company takes considerable time, effort and focus.

Modern business finds itself today in one of the most dynamic periods of economic history, with geopolitical, technological, demographic, climatic, social and economic challenges all intensifying. This makes planning and running a global company extremely complex and demanding. Our management bench is both resourceful and resilient and continues to develop in capability as it steps up to face the demands of today's and tomorrow's environment. The Ansell Board continues to review the required capabilities of its members as well as those for the senior management of the Group – and seeks to build and import capability as required.

It has been my privilege to be involved with Ansell over the past 14 years. I would like to thank the customers, shareholders and staff of the past and present for their role in making this possible. In particular, I would like to thank my Board colleagues over the years for creating a challenging environment where

the 'appropriate' outcome was always the objective, and professionalism and a sense of humour were maintained in the face of all situations. Finally, I would like to thank Magnus Nicolin for his insightful, courageous and energetic leadership of Ansell through one of the biggest transformations in the Company's history.

In summary, Ansell Limited is well placed to face the future with a clear purpose and strategy. It has a capable Board to be led by John Bevan, and management team being led by Magnus Nicolin. My thanks to all associated with the Company and I wish you well.

Glenn L L Barnes  
Chairman