



Audit and Compliance Committee Charter

Ansell Limited
ACN 004 085 330

Adopted by the Board on 20 June 2019

Last reviewed and updated by the Board on 4 December 2023

1 Role and authority of the Committee

- 1.1 The Audit and Compliance Committee (the “**Committee**”) is a committee of the board (the “**Board**”) of Ansell Limited (“**Ansell**” or “**Company**”) established in accordance with clause 46 of Ansell’s constitution (“**Constitution**”) and authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time. The Committee is accountable to the Board for its performance.
- 1.2 Proceedings and meetings of the Committee will be governed by the provisions of the Constitution for regulating the meetings and proceedings of the Board in so far as they are applicable and not inconsistent with this Charter.
- 1.3 The role of the Committee is to assist the Board in fulfilling its corporate governance responsibilities, including:
 - (a) overseeing all matters related to the financial and corporate reporting, tax and regulatory compliance and risk management and associated internal controls ;
 - (b) monitoring the processes which are undertaken by management and both external and internal auditors;
 - (c) ensuring that the Company meets all its financial and corporate governance obligations and requirements; and
 - (d) in conjunction with the Sustainability & Risk Committee, providing oversight over Ansell’s risk profile, policies and management, including the key strategic and financial risks identified during the annual risk management review process. Climate change is treated as a material business risk and its related risks and opportunities are incorporated into Ansell’s broader corporate strategy, planning and risk management.
- 1.4 The Committee has the responsibility to maintain free and open communication with the external auditor, the head of internal audit and the Company’s management.
- 1.5 The Committee is empowered to investigate any matter as it determines necessary to carry out its duties, with full access to all books, records, company operations and employees of Ansell.
- 1.6 The Committee will refer to the Sustainability & Risk Committee or the Human Resources Committee any matters that have come to the attention of the Committee that are relevant for those other committees.
- 1.7 The Committee may, in its discretion, delegate some of its duties and responsibilities to a sub- committee or individual member of the Committee.

2 Duties and responsibilities

The Committee has the following duties and responsibilities:

2.1 Reporting and Disclosures

- (a) Reviewing, prior to its release, publicly issued corporate reports, adequacy of financial controls and the annual audit arrangements and any other material public documents.
- (b) Reviewing the policies, processes and procedures in place for the identification, management and reporting of financial risk, and reviewing the findings reported.
- (c) Reviewing, approving and monitoring the Group’s policy in relation to the approval of all non-audit services which may be provided by the external auditors. Non-audit services that may impact the impartiality or objectivity or undermine the general principles relating to auditor independence, including but not limited to, the Corporations Act 2001 (Cth) and the APES 110 Code of Ethics for Professional Accountants, should not be provided by the external auditor.

- (d) Reviewing periodic financial statements or periodic corporate reports and any other financial disclosures necessitated by statute or continuous disclosure rules, as delegated by the Board, including considering the appropriateness of the accounting judgements or choices exercised by management in preparing the financial statements.

2.2 Risk Management and Internal Controls

- (a) Reviewing the Company's significant financial, tax and treasury risks and financial, tax and treasury risk appetite.
- (b) Monitoring internal controls and financial reporting systems, and assessing and monitoring the adequacy of the Company's policies relating to financial reporting and controls, including compliance with national and international accounting standards, and other regulatory or statutory requirements.
- (c) Reviewing reports from management concerning the Company's financial risk management principles and practices and providing recommendations to the Board in respect to the adoption of policies and procedures on financial risk oversight and management so as to establish an effective and efficient system for:
 - (i) identifying, assessing, monitoring and managing financial risk;
 - (ii) ensuring accountability at a senior management level for financial risk oversight and management; and
 - (iii) ensuring appropriate disclosure.
- (d) Discussing with management and external auditors on all aspects which will affect the level of internal controls within the Group, and reviewing the corporate governance self-assessment checklists, the Chief Executive Officer (**CEO**) and Chief Financial Officer (**CFO**) internal control certification and the reports of auditors. This is so the Committee can understand the level of corporate reporting risk prevailing in the Group, allowing it to consider actions necessary to minimise fraud or other inappropriate behaviour and assess the effectiveness of the internal control environment within the Group.
- (e) Approving procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls and auditing matters, and procedures for the confidential, anonymous submission of concerns by employees regarding corporate reporting and auditing matters.
- (f) Reviewing the Company's annual assessment of the effectiveness of its internal controls over financial reporting and financial risk management.
- (g) Monitoring management's responsiveness to significant internal control and other recommendations made by the internal audit function and the external auditors.
- (h) Communicating, to the Board, of determinations made in the conduct of the Committee's activities.
- (i) Investigating any matter, which the Committee wishes to pursue further, with access to outside counsel or financial expertise if necessary.

2.3 External and Internal Auditors

- (a) Reviewing and approving of external and internal audit plans.
- (b) Liaising with the Company's external auditors, reviewing the scope and adequacy of the external auditor's activities, reviewing and approving the external auditor's remuneration, performance and independence, reviewing the procedures for the rotation of the external auditor engagement partners and advising the Board on the external auditor's appointment and removal. The lead audit partner and review partner are not permitted to serve for more than five consecutive years (unless otherwise approved by the Board).

- (c) Liaising with the Company's internal auditor, reviewing the scope and adequacy of the internal audit work plan, reviewing the independence, objectivity and performance of the internal audit function and advising the Board on the internal auditor's appointment and removal.
- (d) Consulting with internal and external auditors, in the absence of management where necessary, to ensure that the Committee understands not only the acceptability of accounting practices in the Company and its subsidiaries and affiliates (the **Group**), but also the quality of these practices. This is so that the Committee can form an opinion on the quality of the reported earnings and balance sheet values, not merely their compliance with accounting standards and law.

2.4 People

- (a) Assessing, through observation, discussion and external reference, the caliber and quality of senior financial management of the Group and similar assessment of both internal and external auditors, as well as determining whether they are appropriately objective and independent. This is so that the Committee can advise the full Board, as the shareholders' representative, of any actions that might be necessary to ensure that the Group is properly resourced and served in order to meet its fiduciary duties.

2.5 Financial Management

- (a) Undertaking an annual review of the debt profile of the Company.
- (b) Reviewing any M&A accounting, including PPA and provisioning (if required).
- (c) Receiving a post-audit of major capital investments (over \$2 million) (if applicable).
- (d) Undertaking an annual review of the methodology and outcomes of the use of constant currency reporting.
- (e) Providing confirmation to the Human Resources Committee of the methodology and outcomes of any recommended adjustments to remuneration outcomes for the Company's Short-Term Incentive and Long-Term Incentive plans.

2.6 Ethics, compliance, and legal proceedings

- (a) Within the domain of the Committee's financial accounting, corporate reporting and audit oversight responsibilities:
 - (i) reviewing and discussing with management, the internal auditors, and the external auditors, the overall adequacy and effectiveness of the Company's legal, regulatory and ethical compliance programs, conflicts of interest and related party transactions, the compliance with the Company's values and related behaviours and the global Code of Conduct; and
 - (ii) reviewing the adequacy of the Company's policies and practices for detecting, reporting and preventing fraud and serious breaches of business conduct and the Company's whistleblowing procedures, and reporting to the Committee.
- (b) Receiving and reviewing the litigation report to ascertain any implications for internal controls and reporting obligations;
- (c) Receiving reports from the Company's Compliance Officer in respect to actual or suspected violations of the Company's policies or any law or regulation.
- (d) The Sustainability & Risk Committee has responsibility for overseeing the risk management framework, risk appetite and risk tolerance levels of the Company by monitoring and advising on the management of all material business risks. The Committee will refer to the Sustainability & Risk Committee any matters that come to its attention that are the domain of or relevant to the Sustainability & Risk Committee.

2.7 Climate

- (a) Reviewing management's estimates and judgements when applying key accounting standards, including valuations, impairments and depreciation rates for assets that may be impacted by climate change.
- (b) Monitoring internal and external audit activities in the area of sustainability assurance.
- (c) Reviewing management's business strategy and the impact of climate-related scenario analysis on the financial planning process, including consideration of operating costs and revenues, capital expenditures and capital allocation, acquisitions or divestments, and access to capital.
- (d) Ensuring management's disclosures in the company's financial statements are in alignment with the Task Force on Climate related Financial Disclosures (**TCFD**) framework. The Committee and the Sustainability & Risk Committee will work collaboratively to ensure linkage and alignment between climate and climate-related mitigation activities (which is the domain of the Sustainability & Risk Committee), TCFD and any other corporate reporting disclosures (which is the domain of this Committee).

3 Membership

- 3.1 The Committee should have at least three members and will comprise only Non-Executive Directors, with a majority of directors who are assessed as independent by the Board.
- 3.2 Membership of the Committee, including appointment and removal of Committee members, is determined by the Board.
- 3.3 The chair of the Committee (**Committee Chair**) should be nominated by the Board and be an independent non-executive director. The Committee Chair should not be the same person as the Chair of the Board or the Chair of the Sustainability & Risk Committee, and the members of the Committee should not be exactly the same as the members of the Sustainability & Risk Committee.
- 3.4 The Committee should be of a sufficient size and independence, and its members between them, should have an understanding of the industry in which the Company operates and have expertise in financial accounting and reporting. All Committee members should be financially literate (i.e. able to read and understand financial statements) and have a sufficient understanding of the Company's businesses and the industries in which it operates, for the purpose of discharging the role of the Committee effectively and assessing and questioning information presented by management, by internal and external auditors and in Committee meetings.
- 3.5 A Committee member may resign as a member of the Committee upon reasonable notice in writing to the Committee Chair and the Board (or in case of resignation of the Committee Chair, upon reasonable notice to the other members of the Committee). If a Committee member ceases to be a director of the Company their appointment as a member of the Committee is automatically terminated with immediate effect.
- 3.6 Ansell's company secretary is secretary to the Committee (**Committee Secretary**).

4 Meetings

- 4.1 The Committee will meet at least four times annually or as frequently as is required to undertake its role effectively. The Committee will meet with the internal and external auditors at least twice annually without the presence of management.
- 4.2 Any Committee member may, and the Committee Secretary must upon request from any member, convene a meeting of the Committee.
- 4.3 A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee (with a copy to all Board members) at least seven days prior to the date of the meeting. The notice for members will include relevant supporting papers for the agenda items to be discussed.
- 4.4 In addition to the members of the Committee, all other directors of the Board are encouraged to attend Committee meetings. The Committee may invite any executive director, executive or other staff member to attend all or part of

a meeting of the Committee. However, any such person attending a meeting of the Committee must not be present during discussions on matters in which they could have an interest or potential conflict of interest.

- 4.5 The Committee meeting agenda and Committee papers will be provided to each member of the Committee (with a copy to all directors of the Board) at least seven days prior to the date of the meeting.
- 4.6 Each Committee member will have one vote. If any equal number of votes is cast for and against a resolution, the Committee Chair does not have a casting vote in addition to their vote as a Committee member and the resolution is not passed.
- 4.7 The Company Secretary will prepare minutes of meetings and have them approved by the Committee Chair. Once approved, minutes of meetings will be distributed to all directors and confirmed at the next meeting of the Committee.
- 4.8 A quorum for any meeting will be at least two Committee members, either in person or via telephone, video conference or any other technology as considered appropriate by the Committee Chair.
- 4.9 The Committee may, in its discretion, delegate some of its duties and responsibilities to a sub-committee or individual member of the Committee.

5 Reporting

- 5.1 The Committee will:
 - (a) regularly report to the Board on all matters relevant to the Committee's role and responsibilities;
 - (b) report and, as appropriate, make recommendations to the Board after each Committee meeting on matters dealt with by the Committee;
 - (c) advise the Board in a timely manner of any matters or recommendations requiring the attention of the Board and will ensure that the Board is made promptly aware of any matters brought to the attention of the Committee that may significantly impact the Company; and
 - (d) as and when appropriate, seek direction and guidance from the Board on audit, corporate reporting and tax risk management and compliance matters.
- 5.2 Minutes of Committee meetings and/or reports of the actions of the Committee (as appropriate) will be included in the papers for the next Committee meeting.
- 5.3 All Committee papers and minutes of Committee meetings will be available for inspection by any director of the Company on request.

6 Communication

- 6.1 The Committee has established procedures for dealing with:
 - (a) complaints received by the Company (including receipt, retention and effective treatment of these complaints) regarding accounting, internal accounting controls or auditing matters; and
 - (b) submissions by employees of the Company (including anonymous submissions) of concerns regarding questionable accounting or auditing matters.

7 Access to information and independent advice

- 7.1 The Committee may seek any information or advice it considers necessary to fulfil its responsibilities.
- 7.2 The Committee has access to:
- (a) the Company's management, to seek explanations and information from them; and
 - (b) the external auditor and head of internal audit, to seek explanations and information from them with or without the Company's management being present.
- 7.3 The Chief Financial Officer and Committee Secretary shall have access to the Committee as they require.
- 7.4 Each Committee member may obtain independent professional advice at the Company's expense on matters arising in the course of their Committee duties, provided such advice is necessary or appropriate, after obtaining the Committee Chair's approval (or where the Committee member seeking such advice is the Committee Chair, after obtaining the approval of the Chair of the Board). The Committee Chair will consider the request for independent professional advice in consultation with the Chair of the Board and the CEO/Managing Director. Whenever practicable, the advice must be commissioned in the joint names of the Committee member and the Company, and a copy of any such advice must be provided to the entire Committee (unless the Board Chair agrees otherwise). The other Committee members must be advised if the Committee Chair's approval (or approval of the Chair of the Board, as applicable) is withheld.
- 7.5 The Committee has authority to reasonably require management or others to attend Committee meetings and to provide any information or advice that the Committee requires.

8 Education

The Company will assist the Committee in maintaining appropriate financial literacy by providing Committee members with appropriate educational opportunities and resources relating to accounting principles and procedures, current accounting topics and other financial, corporate reporting or governance matters pertinent to the Company, and any other resources as reasonably requested by the Committee.

9 Reviews, changes to and publication of Charter

- 9.1 The Committee will review this Charter and activities of the Committee as often as it considers necessary (but at least every year) to ensure it remains effective, relevant to the current needs of the Company, and complies with changes in the corporate governance environment. The Committee will recommend any amendments to the Board for formal adoption.
- 9.2 The Board may change this Charter (including the responsibilities of the Committee) from time to time by resolution.
- 9.3 The Charter will be made available on the Company's website.

10 Committee performance review and evaluation

- 10.1 The Board will, at least once in each year, review the membership of the Committee, and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.
- 10.2 The Committee shall evaluate its performance at least once every year to determine whether it is functioning effectively by reference to current best practice. Such evaluation will have regard to, amongst other matters, the extent to which the Committee has met its responsibilities in this Charter.