



Sustainability Summary 2020

About Ansell

Ansell is a global company employing more than 13,000 employees in 54 countries around the world, including 14 manufacturing sites. Our obligations extend not only to our investors, but also to our customers, employees and wider workforce, suppliers, community and our planet. **Ansell is committed to doing business in an ethical manner which yields long-term, sustainable benefits for the Company and all of our stakeholders. Our goal is to become a leader in sustainability, just as we are in safety.**

The document provides some key highlights from our FY20 Sustainability Report (reporting on the period 1 July 2019 - 30 June 2020).

"We did not lose sight of sustainability in FY20 amidst the pandemic, although we did not progress in all areas as we had planned. Despite disruptions, we completed foundational work to strengthen our program and build momentum for the future. Today our sustainability agenda is a key priority in our COVID-19 response plan as we transition to a 'Back to Better Future,' as we call it."



Magnus Nicolin

Managing Director and Chief Executive Officer












Sustainability at Ansell

Over recent years, we have transformed the way in which sustainability is incorporated into our business practices across the organisation. Our approach is underpinned by sound corporate governance practices and is driven by a belief that changing global, social and environmental factors requires a re-examining of

the way business is done – both within our industry and across the global economy.

Our Responsible and Responsive Strategy and Purpose encapsulates our key stakeholders and areas of focus for sustainability.

A Responsible and Responsive Strategy & Purpose

Better Society	 Employees and wider workforce	 Community	 Business ethics	<ul style="list-style-type: none"> • We care about our people and safety is our top priority • We support our communities • We play fair and conduct business ethically
Better Environment	 Water	 Energy and carbon	 Materials and waste	<ul style="list-style-type: none"> • We use natural resources with care • We work to continually lower our GHG emissions • We respect the local environment
Better Business	 Customers	 Suppliers	 Investors	<ul style="list-style-type: none"> • We provide our customers with safety and productivity solutions • We choose like-minded partners • We reward investors

Employee Health and Safety

Safety is Ansell's core business, so it follows that safety within our own operations is an absolute priority for us. This year, as COVID-19 hit, we grappled with the need to ensure the safety of our employees at the same time as responding to sharply increased demand for our products.

Health and safety is embedded in Ansell at all levels of the organisation from the shopfloor to the Board of Directors. Our approach is set out in the Ansell 5-Point Safety Charter, supported by environmental, health and safety (EHS) policies which apply to all our operations globally, and to contractors as much as to our own employees.

COVID-19 Safety Measures at Ansell



Goal: Sustain the lowest injury rates in the industry, with a continued 10% reduction YOY in lost time injuries and medical treatment injuries.

Labour Rights

Respecting and protecting the rights of workers in our operations and supply chains is one of our core responsibilities. Regrettably, our industry has sometimes failed to protect the rights of workers fully. The underlying issues are complex, but we are working steadfastly to improve how labour rights are managed in our own operations, in our supply chain, and in the industry more broadly.

In FY20, we updated our Labour Standards Policy, Human Rights Statement and Supplier Code of Conduct, which set out our expectations for performance on labour rights. We also engaged a third party to conduct a review of our approach to managing labour rights and risks of modern slavery, and a detailed risk assessment to identify areas of our operations and supply chains with the greatest inherent risk exposure to modern slavery. The findings will be used to guide the development of a risk-based supplier management framework.

Zero-recruitment Fee Policy

Ansell hires migrant workers only through vetted recruitment agents who have signed a contract with us to uphold ethical recruitment standards.

In FY20, we made a decision to retrospectively reimburse recruitment fees that had been paid by some of our migrant workers to home country agents during their recruitment period. In developing our remediation plan, we engaged with affected workers and 'Our Journey' to develop a fair and consistent approach. Our Journey is an independent non-governmental organisation that is the implementation partner of the Ethical Trading Initiative for its Access to Remedy program in Malaysia.

Managing Labour Rights in our Supply Chains

All our suppliers are expected to uphold the labour rights standards set out in our Supplier Code of Conduct. We monitor the performance of our global sourcing suppliers through a range of systems, including direct engagement, regular performance reviews and third-party audits (noting these were impeded during FY20 by COVID-19).

There have been concerning allegations this year regarding the treatment of workers by some of our finished goods suppliers in Malaysia. In line with recommendations of human rights experts, we have not cancelled our contracts with these suppliers, but instead have been engaging with them on improvements and are closely monitoring their performance through regular discussions.

Refer to our FY20 Modern Slavery Statement for further details.

Environmental Impact and Compliance

Ansell's Environmental Policy outlines our commitment to protecting the environment and minimising the impact of our operations.

Climate Risk

Ansell supports the transition to a zero-carbon future in line with the goals outlined by the Paris Agreement. In FY19 we commenced a three-year project to identify, manage and disclose climate-related risks in alignment with the Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

In FY20 we undertook climate change scenario analysis to explore the risks and opportunities for our major manufacturing sites in Malaysia and Sri Lanka. Key physical risks identified included the likelihood of drought disrupting production. As this has occurred in the past, we have invested in water recovery and storage solutions to minimise our exposure to this type of risk at key manufacturing sites. Similarly, we have already invested in a number of solutions that minimise our exposure to transition risk, such as biomass and heat recovery solutions.

Energy and Emission

Ansell looks constantly for opportunities to increase our energy efficiency and shift to renewable energy. Examples include rooftop solar photovoltaic project at Ansell Textiles Lanka, a power purchase agreement for renewable energy in Portugal, and the use of biomass to fuel boilers in our Sri Lanka facilities, and our facility expansion in Thailand.

We are currently taking steps towards understanding our scope 3 emissions, so that we can look for opportunities to reduce this footprint through product and process design, and through collaboration with other organisations in our value chain.

Goal: 25% intensity reduction of Scope 1 and Scope 2 emissions, in tonnes of CO₂ – equivalent/\$M production value, below FY16 baseline by the end of FY25.

Water

Many of Ansell's manufacturing processes are water-intensive, and some of our key manufacturing plants are located in areas that have experienced water stress, such as Sri Lanka and Malaysia. We have a responsibility to minimise withdrawal of water from shared resources, and to ensure that water returned to water sources is free of pollutants.

We aim to reduce our dependency on both direct and indirect water use through:

- Developing new products that require less water to produce
- Optimising production processes for water efficiency
- Water conservation and rainwater harvesting.

Goal: 15% intensity reduction in water usage, measured in m³/\$M production value, below the FY16 baseline by the end of FY25.

Operational Resource Efficiency and Waste

Our goal is to work towards zero waste to landfill from our manufacturing operations. In FY20 we undertook work to better understand our waste profile, and integrated waste volumes into our monthly environmental dashboard.

Our current approach to waste reduction is:

1. **Reduce** – decrease the weight and thickness of products and packages
2. **Reuse** – through an emphasis on closed loop systems
3. **Recycle** – use recyclable packaging materials made with recycled content, and recycle water and latex



Reduce



Reuse



Recycle

Goal: Zero Waste to Landfill from all manufacturing facilities by the end of FY23.

Product Stewardship

Our customers' trust in our products extends to the way our products are sourced and made. Increasingly, they are looking for the highest performance with the lowest environmental impact.

FY20, we began a project to understand and quantify the environmental impact of a suite of products and packaging across our healthcare and industrial ranges. We are using Life Cycle Assessment (LCA) following the ISO14044 standard. This will enable us to better understand impacts at every stage from raw materials through to disposal, and will support us to set data-driven targets and action plans to reduce the environmental footprint of our products, packaging and services.

Performance Snapshot



Conducted a modern slavery risk assessment

over our operations and direct supply chains



Committed to reimburse recruitment fees

that had been paid by some of our migrant workers to home country agents during their recruitment period¹



Health and safety

LTIs 0.081 cases/100 employees/year
MTIs 0.198 cases/100 employees per year
Zero fatalities
Injury rates amongst the lowest of global peers



Professional employee engagement

rose from 56% in 2019 to

65%



Donated close to 4 million

pieces of personal protective equipment (PPE) to 55 organisations around the world



Improved alignment with the TCFD

by undertaking a climate risk assessment



Women in our workforce

50%

at Board level
(Non-Executive Directors)

28%

at Director level
and above

35%

at Manager level through
to Associate Director



We achieved

13%

of our FY25 goal to achieve a 25% GHG emissions intensity reduction below the FY16 baseline



82%

of manufacturing waste diverted from landfill²

1. Note the first payment occurred in September 2020.

2. Seven-month figure; measurement began December 2019.

Click [here](#) to view the full 2020 Sustainability Report.

Click [here](#) to view the FY20 Modern Slavery Statement.