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# Human Resources Committee Charter

Ansell Limited ACN 004 085 330

Adopted by the Board on 14 February 2019

## 1 Role of the Committee and Authority

- (a) The Human Resources Committee (**Committee**) is a committee of the board (**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.
- (b) 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.
- (c) The Committee assists the Board in fulfilling its corporate governance responsibilities including:
  - (i) determining executive remuneration policy;
  - (ii) determining the remuneration of executive directors;
  - (iii) reviewing and approving the remuneration of direct reports to the Managing Director, and as appropriate, other senior executives;
  - (iv) reviewing the performance of the Managing Director and overseeing the performance review of the senior executives by the Managing Director; and
  - (v) reviewing and approving all cash and equity based plans.
- (d) 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.
- (e) The Committee will refer to the Audit & Compliance Committee or the CSR & Risk Committee any matters that have come to the attention of the Committee that are relevant for those other committees.
- (f) The Committee may, in its discretion, delegate some of its duties and responsibilities to a sub-committee or individual member of the Committee.

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## 2 Membership

- (a) The Committee should to the extent practicable given the size and composition of the Board from time to time, comprise of:
  - (i) at least three members;
  - (ii) non-executive directors; and
  - (iii) a majority of directors who are independent (and must satisfy this description to the extent required by statute or regulation).
- (b) Membership of the Committee is as approved by the Board.

- (c) The chair of the Committee (**Committee Chair**) should be nominated by the Board and be an independent director who is not the Chairman of the Board (and must satisfy this description if required by statute or regulation).
  - (d) Members will be appointed for a fixed period of no more than three years, with Committee members generally being eligible for re-appointment for so long as they meet the relevant criteria established in paragraph 2(a) above.
  - (e) The appointment and removal of Committee members is the responsibility of the Board.
  - (f) A Committee member may resign as a member of the Committee upon reasonable notice in writing to the Committee Chair.
  - (g) 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.
  - (h) Ansell's company secretary is secretary to the Committee (**Committee Secretary**).
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### 3 Meetings

- (a) The Committee will meet at least four times annually or as frequently as is required to undertake its role effectively. The Committee will disclose as at the end of each reporting period the number of times the Committee met throughout that period and the individual attendances of Committee members at those meetings.
- (b) Any Committee member may, and the Committee Secretary must upon request from any member, convene a meeting of the Committee.
- (c) 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.
- (d) In addition to the members of the Committee, other independent directors of the Board are encouraged to attend Committee meetings and will receive copies of each notice of meeting and relevant supporting papers for the items to be discussed at the meeting upon request.
- (e) The Committee may invite any executive director, executive, other staff member or any external party to attend all or part of a meeting of the Committee. However, any executive director, executive or other staff member invited to attend 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.
- (f) The proceedings of all meetings will be minuted by the Committee Secretary. The Committee Secretary shall distribute full minutes to all Committee members, non-executive directors and the Chairman of the Board, after preliminary approval has been received from the Committee Chairman. Extracts of minutes and supporting schedules will be provided to management as required for action. Agendas and supporting papers will be made available to any director upon request to the Committee Secretary, providing no conflict of interest exists.
- (g) 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.
- (h) The Committee may, in its discretion, delegate some of its duties and responsibilities to a sub-committee or individual member of the Committee.

- (i) The Committee must obtain approval from the Committee Chair before obtaining advice from external consultants or professional advisers.
  - (j) The Committee may request the Chief Human Resources Officer (and her successor in title) to provide any information or carry out any task that may be necessary to enable the Committee properly to carry out its functions and meet its objectives.
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## 4 Education

The Company will assist the Committee in maintaining the appropriate level of skills and knowledge amongst the Committee members by providing Committee members with appropriate educational opportunities and resources, as reasonably requested by the Committee.

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## 5 Duties and responsibilities

The Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities in relation to Ansell's corporate governance responsibilities as set out below:

- (a) Executive remuneration policy, including:
  - (i) reviewing and approving the Company's policy for determining executive remuneration including, but not limited to, superannuation, pension and compensation payments, and any amendments to that policy proposed from time to time;
  - (ii) reviewing the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs, including a review of the Company's recruitment, retention and termination policies and procedures for senior management;
  - (iii) considering whether to seek shareholder approval of the executive remuneration policy; and
  - (iv) overseeing the implementation of this remuneration policy within the Group.
- (b) Executive Directors and senior management remuneration including:
  - (i) considering and making recommendations to the Ansell Board on the entire specific remuneration for each Executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy. The Committee will need to determine whether any shareholder approvals are required;
  - (ii) reviewing and approving the proposed remuneration arrangements (including incentive awards, equity awards and service contracts) for the direct reports of the Managing Director; and
  - (iii) reviewing any proposed "expat" compensation arrangements in respect to any ELT member. If management has concerns as to any expat arrangement, management should speak to the Committee Chair;
- (c) Executive Incentive Plans including:
  - (i) reviewing and approving the design of all executive incentive plans; and
  - (ii) reviewing and approving the total proposed payments from each executive incentive plan.

- (d) Equity Based Plans including:
  - (i) reviewing and approving the design of all equity based plans;
  - (ii) keeping all plans under review in the light of legislative, regulatory and market developments;
  - (iii) for each equity based plan, determining each year whether awards will be made under that plan;
  - (iv) reviewing and approving total proposed awards under each plan;
  - (v) In addition to considering awards to Executive Directors and direct reports to the Managing Director, reviewing and approving proposed awards under each plan on an individual basis for executives as required under the rules governing each plan or as determined by the Committee; and
  - (vi) Reviewing, approving and keeping under review performance hurdles for each equity-based plan.
- (e) Non-Executive Director Remuneration including:
  - (i) requiring that remuneration of non-executive Directors is determined by the Ansell Board. The Committee may, with the approval of the Committee Chair, request management or external consultants to provide necessary information upon which the Board may make its determination.
- (f) Advising the Board on the performance review of the Managing Director and overseeing the performance review of the senior executives by the Managing Director;
- (g) Senior leadership and talent management:
  - (i) on an as needs basis, assessing the skills, gaps and development needs of the Senior Management team and overseeing the succession planning for the Senior Management team.
- (h) Remuneration reporting including:
  - (i) overseeing the preparation of any reports required by law or listing rules or requested by the Board, including the annual remuneration report for inclusion in the annual report and other shareholder documents; and
  - (ii) recommending the annual remuneration report to the Board for approval.
- (i) Evaluation of diversity including:
  - (i) reviewing and make recommendations to the Board to ensure there is no gender or other inappropriate bias in the remuneration of directors, executives or other employees; and
  - (ii) overseeing management's annual review of the Company's Diversity Policy and recommending any proposed changes to the Board.
- (j) Culture and engagement:
  - (i) on an as needs basis and in consultation with the CSR & Risk Committee, reviewing the Company's culture and employee engagement and making any recommendations for improvement.

- (k) The Committee shall perform other duties and activities that it or the Ansell Board considers appropriate in the context of these terms of reference. These may include, but are not limited to the retirement plans of the Company.
  - (l) The Committee must also review all remuneration related disclosures required in annual statutory reporting and provide advice to the Board on approval of those disclosures. Such disclosures may include the Company's policies and practices regarding the remuneration of Directors and senior executives. This includes reviewing and endorsing the form of the Company's annual remuneration report, and making recommendations to the Board for the inclusion of such remuneration report in the Company's annual report.
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## 6 Reporting

- (a) The Committee will:
    - (i) report to the Board on all matters relevant to the Committee's role and responsibilities; and
    - (ii) report and, as appropriate, make recommendations to the Board after each Committee meeting on matters dealt with by the Committee;
    - (iii) 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;
    - (iv) review and make recommendations to the Board in relation to remuneration related disclosures required in annual statutory reporting, as described in section 5(l); and
    - (v) as and when appropriate, seek direction and guidance from the Board on remuneration and human resource risk management and compliance matters.
  - (b) Minutes of Committee meetings will be included in the papers for the next full Board meeting.
  - (c) All minutes of the Committee are available for inspection by any director of the Board.
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## 7 Approvals

- (a) The Committee must approve the following prior to implementation:
  - (i) changes to the remuneration or contract terms of Executive Directors and direct reports to the Managing Director;
  - (ii) the design of new, or amendments to current, equity plans or executive cash-based incentive plans;
  - (iii) total level of award proposed from equity plans or executive cash-base incentive plans; and
  - (iv) termination payments to Executive Directors or direct reports to the Managing Director. Termination payments to other departing executive management team members should be reported to the Committee at its next meeting.
- (b) The Committee must consider and make recommendations to the Board prior to the exercise of any discretion of the Board in respect of the remuneration of any Executive Director or direct report

to the Managing Director, or the exercise of any discretion of the Board under any incentive or equity based plan.

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## **8 Access to information and independent advice**

- (a) The Committee may seek any information or advice it considers necessary to fulfil its responsibilities.
  - (b) The Committee has access to the Company's management, to seek explanations and information from them.
  - (c) The Chief Financial Officer and Company Secretary of the Company shall have access to the Committee as the Chief Financial Officer or the Company Secretary requires.
  - (d) 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 Chairman of the Board). The Committee Chair will consider the request for independent professional advice in consultation with the Chairman 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 should be provided to the entire Committee. 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.
  - (e) 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.
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## **9 Committee performance and review**

- (a) 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.
  - (b) The Committee shall make an evaluation of its performance annually to determine whether it is functioning effectively by reference to current best practice. The Governance Committee shall oversee this assessment, with a view to ensuring that the evaluation processes accord with best practice. Such evaluation will have regard to, amongst other matters, the extent to which the Committee has met its responsibilities in this Charter.
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## **10 Reviews, changes to and publication of Charter**

- (a) 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.
- (b) The Board may change this Charter (including the responsibilities of the Committee) from time to time by resolution.