



Sustainability & Risk Committee Charter

Ansell Limited
ACN 004 085 330

Adopted by the Board on 11 February 2020
Last reviewed and updated by the Board on 26 April 2023

1. Role and authority of the Committee

- 1.1. The Sustainability and Risk Committee (the “**Committee**”) is a committee of the board (the “**Board**”) of Ansell Limited (“**Ansell**” or the “**Company**”) established in accordance with clause 46 of Ansell’s constitution (the “**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 this Committee is to assist the Board in fulfilling its responsibilities in relation to the oversight of:
 - (a) the Company’s Environment, Social, Governance (**ESG**) and sustainability objectives, practices and performance; and
 - (b) the Company’s risk management framework, principles, processes and practices, and material business risks (including strategic, operational, reputational, ethical, social and environmental, legislative or regulatory and market-related risks).
- 1.4. The Committee’s principal function is one of review, oversight and monitoring.
- 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 Audit & Compliance Committee and 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
- 1.8. The Company’s Compliance Officer has a direct reporting line to the Committee and will provide updates to the Committee in respect to compliance matters.

2. Duties and responsibilities

The Committee has the following duties and responsibilities:

Sustainability

2.1. ESG and Sustainability strategies, policies and objectives

- (a) Oversee the establishment of, and periodically monitor and review the effectiveness of, the Company's ESG and sustainability strategies, standards, policies, programs, objectives and targets.
- (b) Oversee the reputational impacts of the Company's ESG and sustainability programs, initiatives and issues.
- (c) Monitor ESG perspectives from external stakeholders and emerging key sustainability developments, trends and risk areas.

2.2. People

- (a) Oversee the effectiveness of the Company's Employee Health & Safety (**EHS**) programs and monitor performance against objectives and targets.
- (b) Oversee development, monitor execution and review effectiveness of strategies, policies, frameworks and initiatives relating to human rights, including modern slavery and the responsible sourcing.
- (c) Review social/labour compliance issues and audit results at Ansell's inhouse operations and Ansell's suppliers.
- (d) Monitor the Company's community engagement activities and philanthropy program.
- (e) The Human Resources Committee oversees the balance of the Company's People objectives, including Diversity, Equity & Inclusion.

2.3. Planet

- (a) Oversee development, monitor execution and review effectiveness of strategies, policies, frameworks and initiatives relating to the Company's environmental performance and its operational (including supply chain) impact on the environment (including reduction in emissions (Scope 1, 2 & 3), waste and water withdrawals).
- (b) Work collaboratively with the Audit & Compliance Committee to ensure linkage and alignment between climate and climate-related mitigation activities (which is the domain of this Committee) and Task Force on Climate-related Financial Disclosures (**TCFD**) and any other finance-required disclosures (which is the domain of Audit & Compliance Committee).

2.4. Product

Oversee development, monitor execution and review effectiveness of strategies, policies, frameworks and initiatives relating to product stewardship.

2.5. Reporting and disclosure

Review and make appropriate recommendations to the Board as to whether the Sustainability Report and Modern Slavery Statement should be approved.

Risk

2.6. Risk management and monitoring

- (a) Oversee, agree and recommend to the Board a risk management framework consistent with the Company's agreed risk appetite and risk tolerance levels (for material business risk exposures) and review such framework annually.
- (b) Oversee the establishment of processes and procedures for the monitoring and evaluation of the Company's risk management systems to assess the effectiveness of those systems in minimising material risks that may impact adversely on the business objectives of the Company.
- (c) Regularly review the Company's risk registers and monitor management's performance against the risk management framework, the effectiveness of the control environment, implementation of risk reduction measures and whether the Company is operating within the risk appetite set by the Board, including providing recommendations in relation to changes to risk capacity, appetite and risk limits.
- (d) Review material risk exposures and any material incident or breakdown of risk controls, internal audit review findings and the "lessons learnt" for material risk areas not directly overseen by the other Board Committees, including conduct risk (i.e. the risk of inappropriate, unethical or unlawful behaviour on the part of Ansell's management or employees), environmental and social risks, the risk of digital disruption, cyber-security, privacy and/or data breaches and risks relating to product safety and supply chain and suppliers.
- (e) Monitor changes anticipated for the economic, regulatory and business environment, including consideration of emerging trends in order to assess and evaluate the potential impact on the strategy and business objectives of the Company. Receive reports from management on new and emerging risks, and associated controls and mitigation measures.
- (f) Review the business continuity and disaster recovery planning process.
- (g) Review and make recommendations on the strategic direction, objectives and effectiveness of the Company's risk management policies.

2.7. Ethics, compliance and legal proceedings

- (a) Monitor the effectiveness of the Company's policies and practices that relate to compliance with laws and regulations not directly overseen by the other Board Committees.
- (b) Receive reports from the Company's Compliance Officer in respect to actual or suspected violations of the Company's policies or any law or regulation.

- (c) In conjunction with the Audit & Compliance Committee:
 - i. review and discuss with management 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. review 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; and
 - iii. receive and review the litigation report to ascertain any implications for internal controls and reporting obligations,

within the domain of the Committee's risk oversight responsibilities.
- (d) Evaluate the Company's exposure to fraud and overseeing investigations of **allegations** of fraud or malfeasance.

2.8. Insurance and business continuity

- (a) Monitor the adequacy of the Company's insurance program (at least annually), having regard to the Company's business and the insurable risks associated with the Company's business.
- (b) Monitor the adequacy of Ansell's business continuity plans.

2.9. Link with the Audit & Compliance Committee

The Audit & Compliance Committee has responsibility for oversight of matters related to the financial accounting, financial reporting, external auditor and internal audit processes, internal control system and financial and tax risk management practices of the Company. The Committee will refer to the Audit & Compliance Committee any matters that come to its attention that are the domain of, or relevant to, the Audit & Compliance Committee. In particular:

- (a) The chair of the Committee ("**Committee Chair**") shall coordinate with the Chair of the Audit & Compliance Committee to assist the Audit & Compliance Committee in its review of the Company's risks that have been delegated to the Audit & Compliance Committee in its charter. The Audit & Compliance Committee shall report to the Committee in that regard.
- (b) All compliance issues considered by the Committee shall be reported to the Audit & Compliance Committee for review from a financial accounting and reporting perspective.

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 Committee Chair should be nominated by the Board and be an independent non-executive director and a member of the Committee. The Committee Chair should not be the same person as the Chairman of the Board or the Chair of the Audit & Compliance Committee and the members of the Committee should not be exactly the same as the members of the Audit & Compliance Committee.
- 3.4. The Committee should be of sufficient size and independence, and its members between them should have the necessary technical knowledge and a sufficient understanding of the industry in which the Company operates, to be able to discharge the Committee's duties and responsibilities effectively.
- 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.
- 4.2. Any Committee member may, and the Committee Secretary must upon request from any member, convene a meeting of the Committee.
- 4.3. In addition to the members of the Committee, all other directors of the Board are encouraged to attend Committee meeting. The Committee may also 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.
- 4.4. 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.
- 4.5. 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.

- 4.6. The Committee 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.
- 4.7. 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.
- 4.8. The Committee may, in its discretion, delegate some of its duties and responsibilities to a sub-committee or individual member of the Committee.

5. Committee Powers

The Committee has the power to:

- 5.1. approve, review, and recommend changes/amendments to principles, policies, strategies, processes and control frameworks for the management of risks of the Company;
- 5.2. approve, review, and recommend changes/amendments to principles, policies, strategies, processes and frameworks in respect of the Company's risk and corporate social responsibility policies and practices;
- 5.3. approve, or recommend any changes to, the Company's risk appetite and risk tolerance levels, as appropriate;
- 5.4. sub-delegate, for clearly specified corporate social responsibility or risk focus sub-areas, the powers and discretions of the Committee to another Committee of the Board; and
- 5.5. sub-delegate the powers and discretions of the Committee to executives of the Company.

6. Reporting

- 6.1. The Committee will:
 - (a) regularly report to the Board on all matters relevant to the Committee's role and responsibilities; and
 - (b) report and, as appropriate, make recommendations to the Board after each Committee meeting on matters dealt with by the Committee; and
 - (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.
- 6.2. 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.
- 6.3. All Committee papers and minutes of Committee meetings will be available for inspection by any director of the Company on request.

- 6.4. If, from time to time, circumstances dictate that the Company needs to operate outside of the current risk appetite set by the Board, the circumstances and relevant operations should be promptly brought to the attention of the Board.

7. Access to information and independent advice

- 7.1. The Committee shall have access to any information or advice it considers necessary to fulfil its responsibilities.
- 7.2. The Committee has access to the Company's management, to seek explanations and information from them.
- 7.3. The Chief Financial Officer and Committee Secretary shall have access to the Committee as the Chief Financial Officer or the Committee Secretary requires.
- 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 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 approval to obtain independent advice 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 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.

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 will 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.