



Modern Slavery Statement 2021
Respecting Human Rights

Ansell

Modern Slavery Statement FY21

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About this Modern Slavery Statement

This Statement applies to Ansell Limited, in addition to all entities over which Ansell has majority ownership or control (or significant influence) (collectively 'Ansell'), unless expressly stated otherwise.

This Statement is made on behalf of the reporting entity Ansell Limited (ABN 89 0040 853 30) pursuant to the Australian Modern Slavery Act 2018, s54(1) of the United Kingdom Modern Slavery Act 2015 and the California Transparency in Supply Chains Act 2010. This Statement sets out the steps taken by Ansell to assess and address the risks of modern slavery and human trafficking within our operations and supply chain during the 12 months ending 30 June 2021 (referred to throughout as 'FY21').

This year, we made the following changes to our operational footprint:

- In June, our new manufacturing plant in the Tula region of western Russia began commercial production for the Industrial Global Business Unit.
- In December 2020, we acquired the Primus brand and related assets that constitute the Life Science business belonging to Primus Gloves and Sanrea Healthcare Products ("Primus"). In addition, Ansell and Primus entered into a long-term supply partnership to take advantage of growth in India's pharmaceutical sector.

More details on these activities can be found in our 2021 Annual Report.

1. Introduction



Ansell's Modern Slavery Statement is made on behalf of the reporting entity Ansell Limited pursuant to the Australian Modern Slavery Act 2018, the United Kingdom Modern Slavery Act 2015 and the California Transparency in Supply Chains Act 2010.

This statement applies to and describes the steps taken by Ansell during FY21 to identify, mitigate and manage the risk of modern slavery and human trafficking in our business and supply chains. Modern slavery includes slavery, servitude, forced marriage, child labour, debt bondage, deceptive recruiting for labour or services, and human trafficking.

Ansell recognises that freedom from slavery is a human right, and that modern slavery can arise as a consequence of a multitude of factors with comprehensive solutions therefore required. A real risk globally, modern slavery forms part of other complex challenges and systems, including gender, religious and racial discrimination, and the weak rule of law. We know that there is a risk of modern slavery at multiple tiers in our supply chain and that our responsibility to address this goes beyond Ansell's in-house operations.

Our core mission is to protect workers and workplaces from injury and contamination and that responsibility to protect also extends to our employees and the employees of our suppliers (including contractors and agents). In addition to setting high standards, knowledge sharing, training, and collaboration are vital to ensure we go beyond labour standards and that our work remains effective for the long run. To manage the risk of modern slavery, Ansell collaborates with industry-wide initiatives, governments, and non-government organisations to scale impact and promote a coordinated approach to tackling complex and often profoundly entrenched modern slavery issues in the countries where we operate.

The adverse economic impacts of the pandemic have heightened the risk of labour exploitation and enslavement, particularly in geographies already most vulnerable to human rights abuses. This ongoing situation reinforces the importance of further developing and strengthening our management of modern slavery, particularly when assessing suppliers and in industries and countries rated at high risk.

In this statement, we outline our structure, business, and supply chains, including the policies, standards, and processes that contribute to the management of labour standards within our operations and our new supplier management framework to respect human rights and help protect against our involvement in modern slavery. We identify where we may be exposed to modern slavery risks in our business and supply chains. We also explain the due diligence processes we use to assess and mitigate modern slavery risks, including training and capacity building, and how we engage and collaborate with stakeholders. We describe our grievance mechanisms and remediation process and explain how we monitor and assess the effectiveness of our actions taken, and outline the process of consultation undertaken across our business, as well as our future ambitions. We have focused on systematising and strengthening our controls as part of our long-term strategy in these areas. We are committed to improving our approach as we transition toward leading practice in managing the risk of modern slavery and creating value for our stakeholders.

This statement was approved by the Board of Directors of Ansell Limited on 4 November 2021 and is hereby signed by the Managing Director and Chief Executive Officer.

A handwritten signature in black ink that reads "Neil Salmon". The signature is fluid and cursive, written over a light blue background.

Neil Salmon
Managing Director and Chief Executive Officer

1. Introduction

Our modern slavery and labour rights journey

Phase	Preliminary	Define	Implement	Extend	Lead
Period	Prior to 2015	2015 – 2016	2017 – 2019	2020 – 2021	2022 and beyond
Focus	Identification of labour rights and modern slavery as an area requiring increased focus.	Developed a baseline to understand our labour rights position.	Established an improved labour rights management program via policies, training, and capacity building.	Enhanced our approach through a focus on compliance, with independent reviews to ensure we effectively mitigate risks of modern slavery.	Consistently achieving a long-term positive impact on workers in our operations and supply chain through proactive engagement.

Consultation with owned and controlled entities

Ansell and its subsidiaries are operated and managed as a single, integrated group. This unified approach extends to fundamental aspects of our due diligence system, such as risk assessments and key controls such as our audit program and the process of preparing our annual Modern Slavery Statement. Ansell has prepared this Statement in consultation with key stakeholders across the business that work together to deliver our modern slavery and labour rights program, including our human resources, sourcing and quality assurance teams. Many of the entities owned and controlled by Ansell are accounting structures. They do not function as stand-alone businesses with their own management that could be consulted or engaged for the purpose of preparing the statement. As such, consultation on modern slavery risk management across Ansell, including preparation of this statement, is embedded into these corporate governance structures.

Non-operated joint ventures

Careplus (M) Sdn Bhd (CMSB) is a non-operated joint venture in which Ansell has a 50% stake (2020: 50%). CMSB is a Malaysian manufacturer of surgical as well as latex and nitrile powder-free examination gloves with a manufacturing facility in the Senawang Industrial Estate, near Kuala Lumpur. CMSB is a current supplier of finished product to Ansell. CMSB is governed by its own set of policies and procedures on labour, and we are working closely with CMSB to ensure these policies are more closely aligned with Ansell where there are differences. Also, as a supplier to Ansell, it is subject to the same due diligence controls as third-party suppliers noted in section 6 of the Statement.

Snapshot of our work in FY21

This year we have undertaken the following initiatives and actions which further strengthen our labour rights program. Below is an overview of actions undertaken in FY21:

Governance

- Continued oversight by the Board's Sustainability and Risk Committee (SRC) on the design and implementation of Ansell's risk management system, including active business and material financial and non-financial risks, as well as the review of sustainability objectives, targets, strategies, and the effectiveness of sustainability policies and programs (page 11)
- Established a Labour Rights Committee to support strategic and consistent decision making (page 11)
- Strengthened our sustainability governance through a revision of the Sustainability Council structure to support enhanced decision making on sustainability (page 11)

Commitments and Actions

- Worked with an independent third party advisor to develop a risk-based Supplier Management Framework (SMF) to evolve our approach to mitigating modern slavery and labour rights risks, and to guide and support improved labour rights performance in our extended supply chain (page 20)
- Developed an implementation plan to onboard suppliers to the SMF, with roll out to prioritised and higher risk suppliers in FY22 (page 20)
- Compensated migrant workers who paid recruitment fees to unethical recruitment agents in their home countries before beginning work at Ansell. Ansell has never charged nor benefited from any recruitment fees paid by any migrant worker. To ensure that no Ansell worker pays a fee to secure employment, Ansell continues to conduct due diligence through our Zero Recruitment Fee Policy (page 26)
- In FY21, 56 third-party audits were conducted on our critical existing finished goods suppliers in Malaysia, China and Korea (page 22)

Accountability

- Increased our focus on third-party collaboration through investments in partnerships, including the Responsible Labour Initiative and the Ethical Trade Initiative (page 28)
- Completed initial third-party audits of our manufacturing sites in Portugal and Brazil in FY21. Our site in Lithuania was audited in July 2021. We also successfully completed annual third-party audits at all our manufacturing sites in Asia by June 2021 (page 16)
- Internal Audit function conducted a review of our human resources systems, including implementation of labour rights standards and policies, at our manufacturing sites in Malaysia, Sri Lanka and Vietnam (page 15–16)

2. About Ansell

Ansell is a safety company with a mission to provide innovative and effective solutions for safety, wellbeing and peace of mind, no matter who or where you are.

The Company is legally domiciled in Melbourne, Australia and listed on the Australian Stock Exchange (ASX: ANN). Ansell has four corporate headquarters: in Melbourne, Australia; Brussels, Belgium; New Jersey, United States; and Cyberjaya, Malaysia. Our manufacturing facilities and other sites are located in 58 countries, and are run by our workforce of more than 14,000 people.

Ansell’s activities principally involve the development, manufacture and sale of hand, arm and body protection solutions to customers in over 100 countries. The Company operates two main business segments, Industrial and Healthcare.

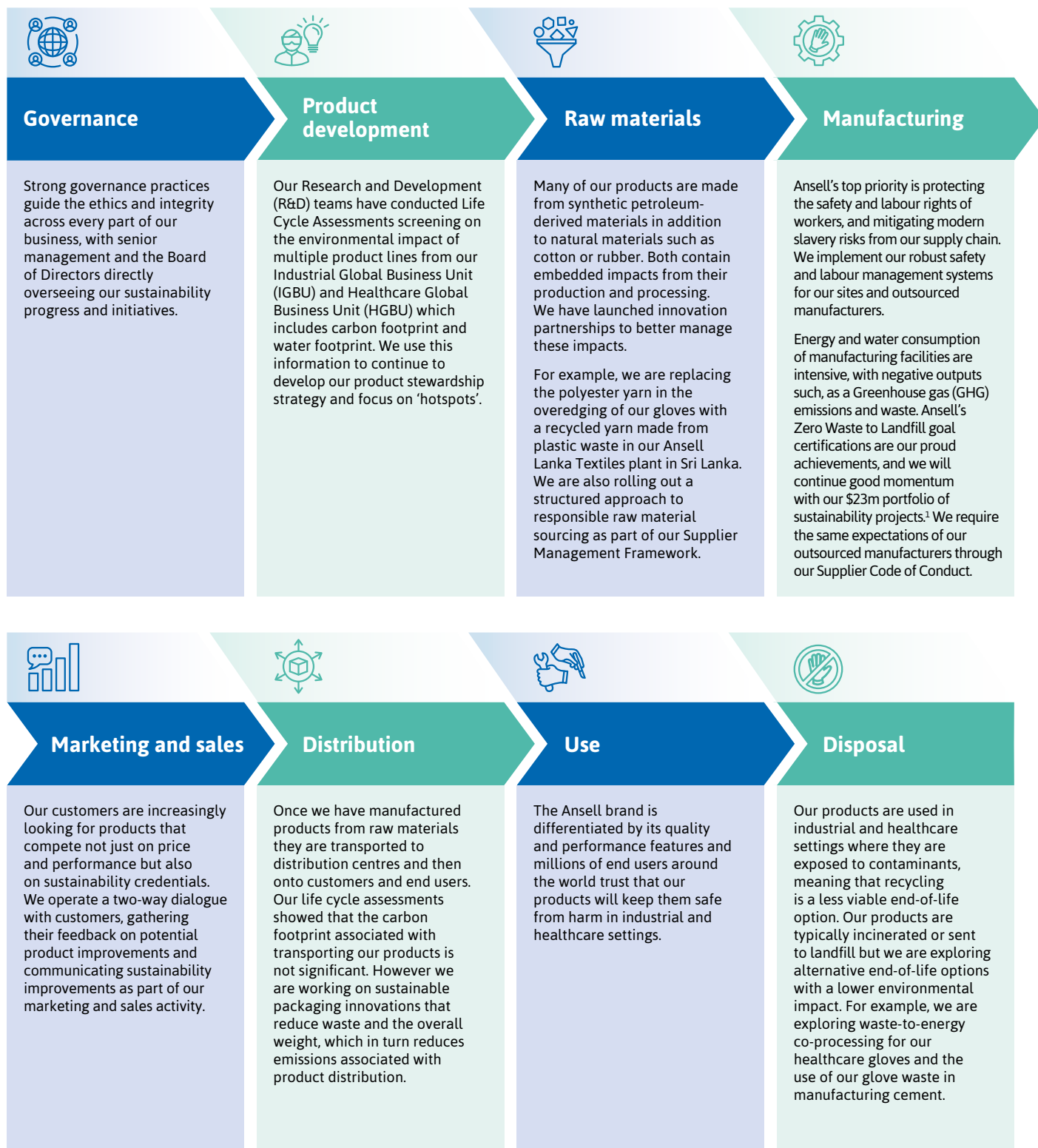
Respecting and protecting the rights of workers is an ethical obligation. Ansell aims to achieve the highest legal, moral, and ethical standards in all our corporate activities, as encompassed by our eight core values, shown below.

Furthermore, Ansell believes that business should work alongside governments and civil society to drive action to achieve the United Nations Sustainable Development Goals (SDGs). As part of our FY20 materiality assessment, we identified six Sustainable Development Goals which we consider Ansell is best placed to impact. As we step up our commitment to reduce our GHG emissions, we have added SDG Goal 13, Climate Action.



2. About Ansell continued

Ansell's focus on labour rights is part of our overall approach to Sustainability as described below in an extract from our 2021 Sustainability Report.



1. In FY21, we conducted fundamental analysis and mapped out and identified a \$23m portfolio of water, energy, and waste projects. This plan represents Ansell's largest consolidated investment to date in sustainability initiatives at our manufacturing facilities.

2. About Ansell continued

Healthcare Global Business Unit

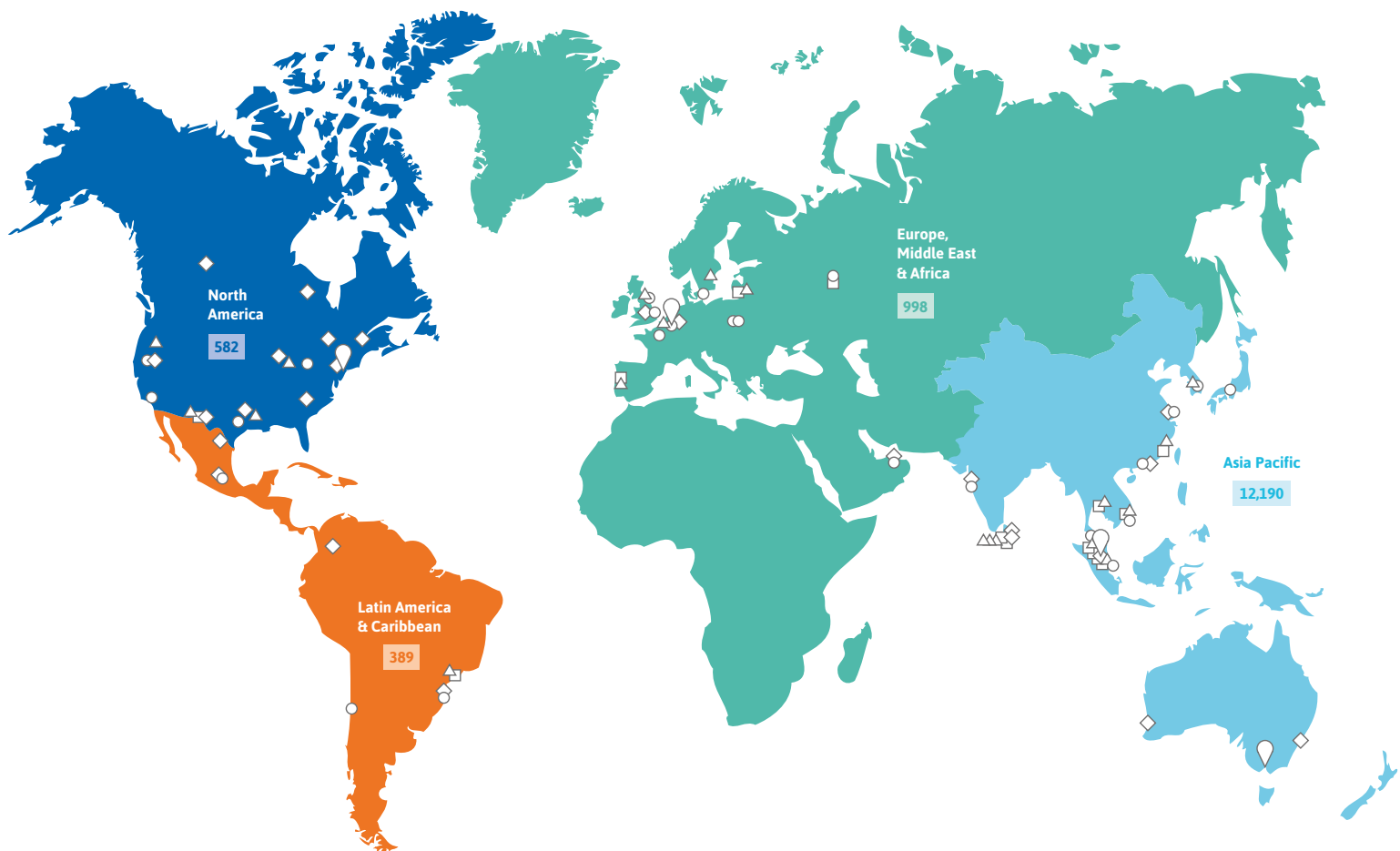
The Healthcare GBU manufactures and markets innovative solutions for a wide range of customers, including hospitals, surgical centres, dental surgeries, veterinary clinics, first responders, manufacturers, auto repair shops, chemical plants, laboratories and pharmaceutical companies.

GAMMEX® MICROFLEX® TouchNTuff®
 SANDEL® ENCORE® BioClean®

Industrial Global Business Unit

The Industrial GBU manufactures and markets high-performance hand and body protection solutions for a wide range of industrial applications. Ansell protects workers in almost every industry, including automotive, chemical, metal fabrication, machinery and equipment, food, construction, mining, oil & gas and first responders.

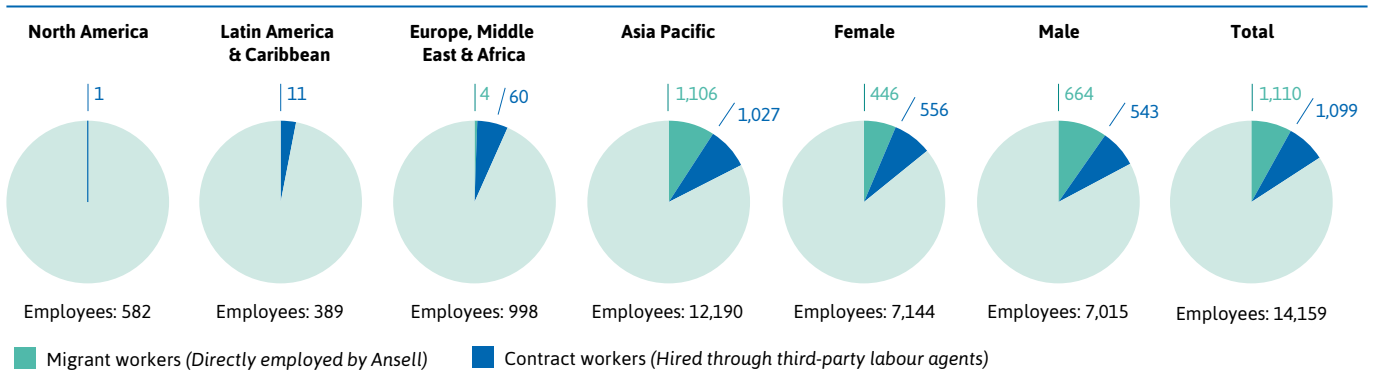
HyFlex® AlphaTec®
 ACTIVARMR® EDGE® RINGERS GLOVES



Map Key

- | | |
|--------------------------|--------------------------------------|
| Corporate hubs | Warehouse/distribution facilities |
| Offices | R&D facilities/Centres of Excellence |
| Manufacturing facilities | Employees by region (total 14,159) |

2. About Ansell continued



Our workers comprises professional and production employees in various roles and specialisations at our corporate hubs, offices, manufacturing facilities, warehouse/ distribution facilities and R&D facilities and Centres of Excellence.

At our manufacturing sites, we hire local and migrant workforce, as shown above. The majority of our workers are employed directly by Ansell, as we intend to maintain a long-term and engaged workforce. Contract workers are hired through third-party labour agents as additional resources to manage significant demand spikes, without increasing workers’ overtime and work hours.

Both direct and contract labour are protected by Ansell’s labour and health and safety management systems. At our manufacturing sites in Malaysia and Thailand, a portion of our workforce consists of migrant workers. These workers are widely recognised as being more vulnerable to exploitation by virtue of their impermanent migration status. Under our Labour Standards Management System, Ansell deploys specific policies and processes to safeguard workers’ rights and ensure labour standards are applied consistently across all labour categories. More details on our processes are described in Section 5 (page 14).



Thank You!



Thank You Day at Ansell

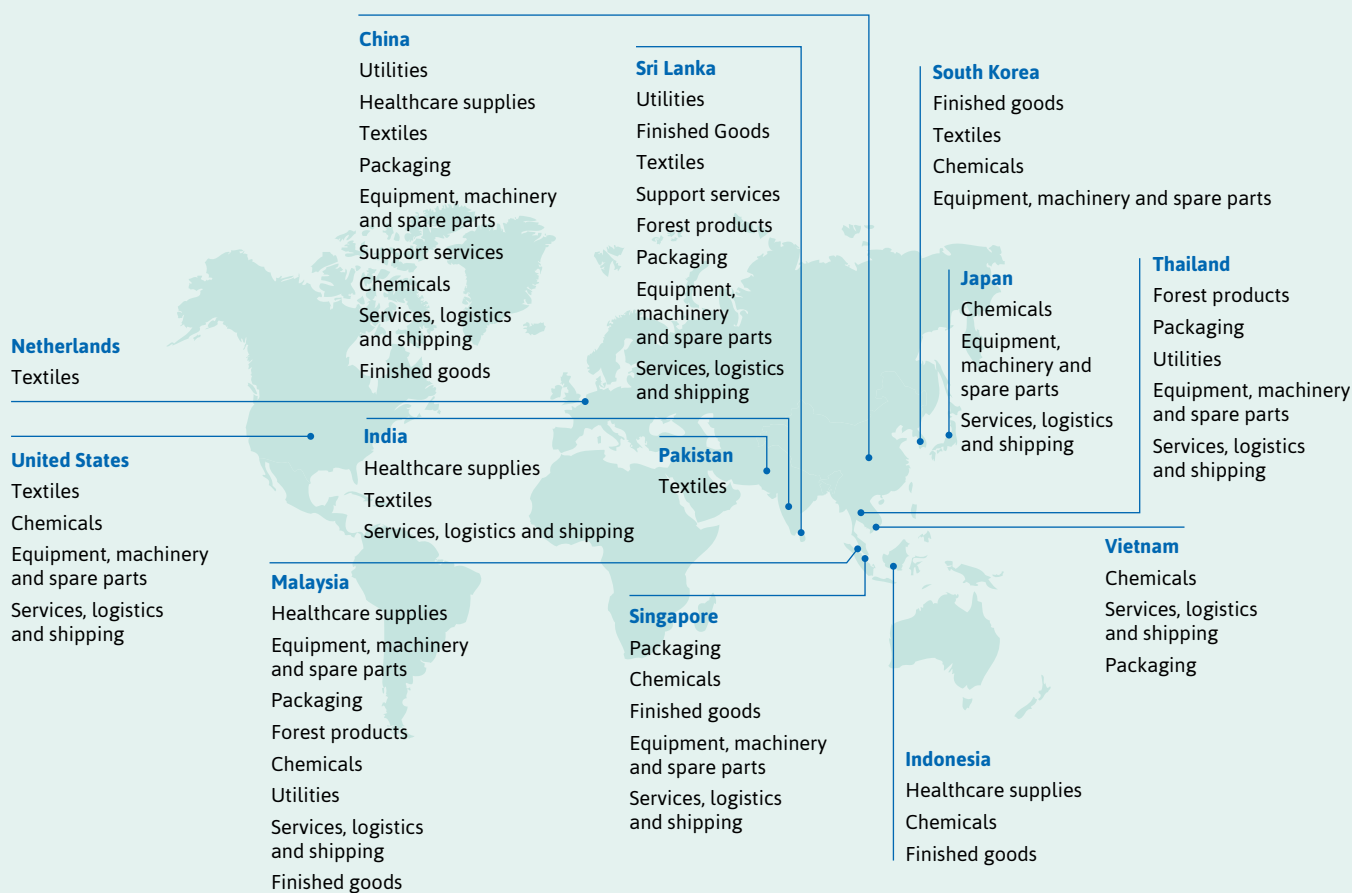
In recognition of our employees’ hard work and dedication, the Executive Leadership Team designated September 3, 2021 as ‘Ansell Thank You Day’ and all employees received a full paid day off. We additionally recognised the 11,000 frontline employees in our manufacturing and warehouse facilities in FY21 with a one-off exceptional bonus showing our appreciation of their efforts, recognising the way in which these employees have met large increases in production and shipping volumes, often while negotiating the challenging realities of COVID-19. We recognise all our staff involved in frontline operations as heroes, especially during the recent challenging times.

2. About Ansell continued

Our extended supply chain

As a multinational business which engages in manufacturing and research and development, we procure goods and services from thousands of direct suppliers in over 25 countries. Across our business, procurement is conducted through three channels: Global Sourcing, corporate hubs and offices, and individual manufacturing plants. Most of our business-critical suppliers, determined by expenditure or business reliance, are managed by the Global Sourcing team. Historically, we have had most visibility over suppliers managed by the Global Sourcing team and have placed greatest effort on controlling risks of modern slavery relating to these suppliers.

The following map displays the location of our largest spend suppliers by key product categories.



In FY21, our largest categories of expenditure were:

Healthcare supplies and finished goods	Includes finished goods for resale, such as single-use gloves and masks
Textiles	Such as cotton, nylon and polyester yarn, knitted and dyed fabrics, elastic and zippers
Chemicals	A wide range of chemicals used in the manufacturing of our products, including petro-chemicals such as nitrile, polyisoprene and neoprene
Forest products	Predominantly raw materials such as woodchips and natural rubber latex
Packaging materials	Includes packaging material made of natural wood products such as pallets, boxes, and paper, as well as plastic components such as polybags and shrink film
Equipment, machinery and spare parts	Parts and machinery maintenance and replacement to support the running of our manufacturing operations and to construct new manufacturing lines
Support services	Services to support the running of our operations including pest, waste and security services as well as cleaning and catering

3. Our approach to managing modern slavery risks

Ansell is committed to operating in accordance with all applicable laws and respects human rights as set out in the Universal Declaration of Human Rights. Ansell also aligns with the United Nations Guiding Principles on Business and Human Rights as well as the International Labour Organization (ILO) Core Conventions. Our commitment to respecting human rights extends to our supply chains, and we seek to engage with suppliers and contractors who aspire to do the same.

Labour Standards and commitments: *Clear performance expectations and standards, including a set of policies that enshrine a clear commitment to protect labour rights.*

Our approach is guided by a company-wide policy framework that outlines our baseline expectations for labour standards across our operations and supply chain. These policies are periodically reviewed and updated in accordance with our sustainability policy review schedule, with oversight from our Executive Leadership Team and Ansell's Board of Directors (through the Board Sustainability & Risk Committee).

Business-wide policies and procedures with relevance to management of modern slavery and human trafficking	
Human Rights Statement	Sets out Ansell's commitment to respecting human rights through its purchasing and sourcing activities and as an employer
Labour Standards Policy	Sets the baseline expectations for the business' operations, suppliers and contractors with regard to labour standards, including child labour, forced and compulsory labour, human trafficking, freedom of association and collective bargaining
Whistle-blower Policy	Outlines the process for making and investigating a disclosure in line with Whistle-blower Protection Scheme set out under the <i>Corporations Act 2001</i> and the <i>Taxation Administration Act 1953</i>
Corporate Social Responsibility Statement	Defines Ansell's approach to corporate social responsibility through our Responsible and Responsive Strategy & Purpose
Conflict Minerals Policy	The policy sets out Ansell's Conflict Minerals Procedure
Diversity & Inclusion Policy	This policy formalises our commitment to diversity and inclusion
Operational policies and procedures	
Global Code of Conduct	Our Global Code of Conduct (Code) sets out our expectations of employees, officers and directors and serves as a guide to ethical principles and business conduct at Ansell. The Code includes provisions relevant to fair employment and forced, child and involuntary labour
Supply chain policies and procedures	
Supplier Code of Conduct	Sets out our baseline expectations for our suppliers in relation to human rights, environmental protection, human trafficking, health and safety, bribery and corruption, and data protection

3. Our approach to managing modern slavery risks continued

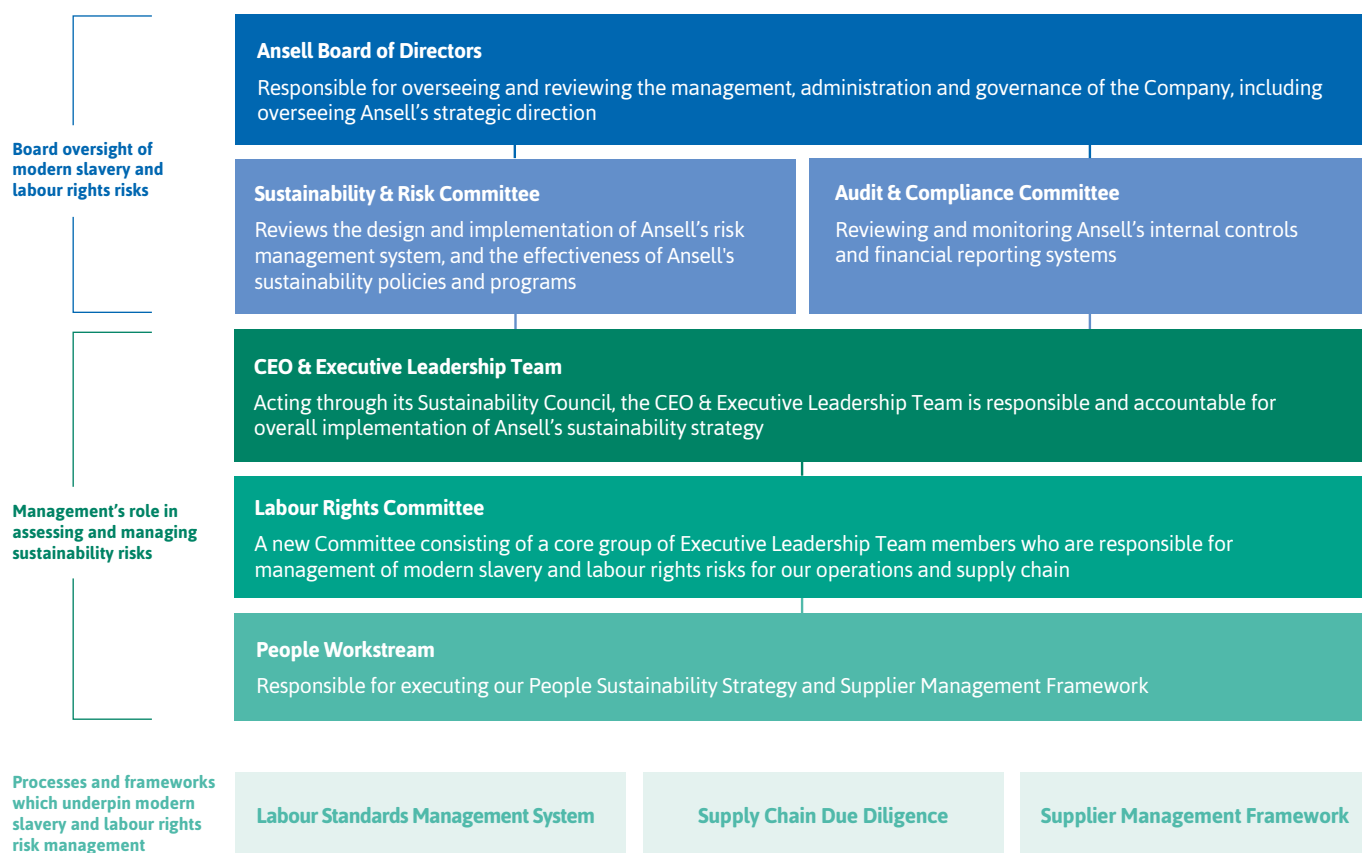
Governance and accountability: *Defined governance to ensure accountability, including oversight from our Executive Leadership Team and the Board Sustainability & Risk Committee, dedicated roles and competencies.*

Ansell’s Board of Directors (Board) has ultimate responsibility for Ansell’s governance of labour rights and modern slavery, supported by the Board Sustainability & Risk Committee, and new and revised executive level committees such as the Labour Rights Committee and the revised Sustainability Council as set out below. Through these forums, the Executive Leadership Team and Board Sustainability & Risk Committee receive periodic updates on the status of our due diligence activities and the performance of our plants and key suppliers.

In our FY20 Modern Slavery Statement, we committed to reviewing the structure and function of our CSR and Sustainability Council to ensure it continued to meet its purpose. The re-structured and renamed Sustainability Council is composed of Executive Leadership Team members, including those who are directly responsible for the implementation of sustainability strategies across our four workstreams – Communications and Training; People; Operations Footprint and Products. The People workstream includes coverage of labour rights and modern slavery for our operations and supply chain. Oversight and management of modern slavery and labour rights in our operations and supply chain is led by our Chief Human Resources Officer and Senior Vice President of Operations and Global Supply Chain.

This year, we established an executive-level Labour Rights Committee (LRC), consisting of selected Executive Leadership Team members, including our Chief Human Resources Officer, Senior Vice President of Operations and Global Supply Chain, Senior Vice President, Corporate General Counsel and Heads of our Strategic Business Units. The purpose of the LRC is to review, test and challenge Ansell’s performance on labour rights and modern slavery management in-depth, and provide recommendations to the CEO and broader Executive Leadership Team. Compared to regular Executive Leadership Team meetings, the LRC is versatile and quickens the implementation of cross-functional activities as part of our modern slavery due diligence and responsible sourcing activities. For example, the LRC is the forum for holistic considerations on escalation and consequence management for new and existing suppliers. The LRC replaces a number of smaller, less structured working groups that operated in FY21 and began meeting formally in FY22.

Ansell’s governance for labour rights and modern slavery due diligence in operations and supply chain



More details on our overall sustainability governance structure is provided in our 2021 Sustainability Report.

4. Our modern slavery risks and impacts

In FY20, we worked with a third-party advisor to conduct a detailed inherent modern slavery risk assessment over our operations and critical components of direct suppliers in our extended supply chain. Our FY20 risk assessment focused on four types of modern slavery: forced labour (including bonded labour), child labour, human trafficking and forced marriage. It also included determining a risk rating for each operational activity and supplier based on the inherent risk within the industry and the country of operation. Refer to our 2020 Modern Slavery Statement for full details of the methodology and outcome of our risk assessment.

Our 2020 Modern Slavery Statement was recently recognised for the quality of its disclosure against the Australian Modern Slavery Act 2018, where we ranked #5 out of the top 100 ASX listed companies.¹

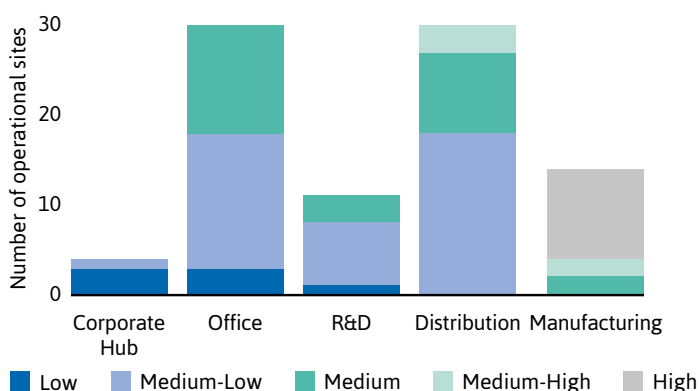
Operations

By virtue of the industry and countries in which we operate, a number of our manufacturing sites and a small number of our distribution sites are considered higher risk for human trafficking and forced labour, as set out in the chart above. Risks of human trafficking are driven in large part by our use of migrant labour and recruitment agents, particularly in our manufacturing plants in Malaysia and Thailand. Similarly, risks of forced labour in our operations are most likely to be present as debt bondage, driven by deceptive recruitment practices in the third-party hiring of migrant labour. We recognise that we have a close causal relationship to risks in our own operations, and as such have focused much of our energy in recent years on mitigating and responding to these risks. We have implemented a wide range of controls and programs to mitigate risks relating to our hiring of migrant labour, including completing our remediation program, utilising only vetted labour agents, communicating our Zero Recruitment Fee policy with prospective workers and interviewing these workers to understand whether they have paid recruitment fees both before they leave their home country and upon arrival at Ansell manufacturing sites. We believe that the controls that we have in place largely mitigate these risks and reduce the likelihood of occurrence, or reoccurrence, in the case of recruitment fees. Details on our labour management system and controls are in Section 5 (page 16).

Extended Supply Chain

In FY21 we continued to implement our Labour Standards Management System to mitigate modern slavery risks, and protect workers' rights in our operations, in line with the results of the risk assessment. We will continue to evolve our practices to mitigate emerging risks at our sites.

Modern slavery inherent risk ratings by operational activity



Key high-risk sourcing countries and / or industries				
Products	High-risk countries	Our relationship	Inherent modern slavery risks	Actions
Textiles, such as synthetic and natural yarns, flocks and fabrics	China, India and Pakistan	We are linked to risks of modern slavery through our sourcing of textiles.	Labour rights and modern slavery issues are present in the broader textiles industry. We consider the risks to be most significant through our purchase of cotton products. Cotton supply chains, from cultivation and harvesting to cotton ginning and manufacturing, have been linked to significant labour rights issues including various types of forced labour and child labour.	In FY22, we will roll-out actions to formalise responsible sourcing requirements under the Better Cotton Initiative, as a certifiable platform to sustainably source cotton-related goods and materials. Read more on page 20.

1. Modern Slavery Statement Disclosure Quality ASX100 Companies, research brief by Monash Centre for Financial Studies (2021).

4. Our modern slavery risks and impacts continued

Key high-risk sourcing countries and / or industries				
Products	High-risk countries	Our relationship	Inherent modern slavery risks	Actions
Forest products, such as natural rubber latex	Sri Lanka, Thailand, Malaysia	We are linked to risks relating to forest products at several points through our supply chain, both in our relationships with natural rubber suppliers, and through natural rubber being an input into some of the finished goods such as gloves that we purchase for resale.	Modern slavery issues linked to the cultivation and harvesting of natural rubber, including forced and child labour and more broadly, instances of sub-standard and exploitative labour conditions.	Through the implementation of our Supplier Management Framework, which will begin in FY22, we will commence identifying credible cross-industry platforms and engage existing suppliers to formalise responsible sourcing requirements for forest products. Read more on page 20.
Minerals such as salt and stone	China, Korea	We are linked to risks of conflict minerals through our purchase of synthetic yarn.	Forced and child labour issues in mining supply chains, including use of opaque intermediators that affect supply chain visibility.	We require suppliers to undertake steps to identify whether conflict materials are contained in the products they manufacture (or contract to be manufactured), including determining the source of raw minerals used in production. Read our Conflict Minerals Policy on our website.
Healthcare finished goods, such as disposable gloves, masks and other PPE	China, Indonesia, Thailand, Malaysia and Vietnam	We source finished goods for resale from suppliers in the healthcare industry.	Key labour rights issues linked to the healthcare supplies industry, particularly in Malaysia, which is one of our key sourcing locations, include the use of recruitment fees, withholding of passports and excessive overtime, particularly concerning the exploitation of migrant labour.	We continue to work with many of our critical suppliers in the healthcare supplies industry to mitigate these risks and will be broadening controls under our Supplier Management Framework from FY22 onwards. Read more on page 20.

In our supply chain, the risk assessment performed in FY20 has been a critical input into the development of our Supplier Management Framework, assisting us to strategise our approach and prioritise focus areas for implementation in FY22.

The process to utilise the risk assessment as an input into the Supplier Management Framework was two-fold and included:

- Refining and updating our existing risk assessment.** We refined and updated the risk assessment by consulting with our sourcing team to ensure the risk assessment reflects emerging operational context and strategic direction of supply chain management.
- Supplementing the risk assessment results by taking into account additional factors** such as annual spend (as a proxy for leverage and our capacity to drive positive impact), and the criticality of certain products and services to our business. Consideration of these additional factors enabled us to develop a practical Framework that is operationally suitable and which will enable us to focus on areas of highest risk, with the greatest capacity for impact within our supply chain.

Read more about our management systems and controls, including our Supplier Management Framework in section 6.

5. Operational due diligence

Due diligence: Established mechanisms to continually identify risks, improve performance, evaluate conformance to the standards and remediate adverse impacts.

Our ongoing operational systems and controls to manage risks of modern slavery

At our manufacturing sites, Human Resources (HR) functions undertake a structured approach to standardise and monitor the implementation of labour rights standards and processes, known as our Labour Standards Management System.

We use the individual processes of our labour standards management system to uphold a culture based on trust, respect and open dialogue and to promote positive and transparent employer-worker relations.

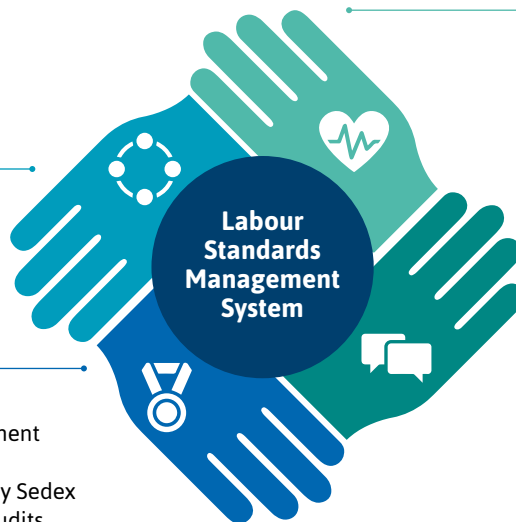
We uphold a culture based on trust, respect and open dialogue and to promote positive and transparent employer-worker relations.

Continuous Improvement

Board and Executive Leadership Team review of our performance, including implementation of corrective actions, and review of policies and procedures

Monitoring Performance

Using our CSR Workplace Impact Assessment Tracker to closely monitor our metrics. Conducting internal audits and third-party Sedex Members Ethical Trade Audits (SMETA) audits



Labour Standards and Commitments

Promoting positive and transparent employer-worker relations through our management system and upholding culture based on trust, respect and open dialogue

Training and Controls

Designing site-level controls and training plant-level employees to standardise application and understanding of our standards, including – annual internal assessments to evaluate performance, centralised collaborations between Group HR and Plant HR and pre-audit readiness assessments

Ansell utilises a wide range of controls to assess and address modern slavery and broader labour rights risks across our operations. Our controls are most closely focused on our manufacturing sites, reflecting the increased risk of labour violations at these sites and include:

- Using internal assessments to evaluate the performance of our manufacturing plants
- Use of announced third-party SMETA audits to monitor labour rights conditions in our manufacturing plants
- Close monitoring and reporting to the Executive Leadership Team on metrics including working hours, rest days and training via the CSR Workplace Impact Assessment Tracker
- Use of digital tools such as finger and card scanners to monitor employee working hours and overtime
- Active monitoring and follow-up of corrective actions raised through third-party audits
- Periodic engagement with workers in our plants through unions and worker councils
- Reviewing the identification documents of all prospective workers to confirm they have the legal authority to work and are older than 18 at the time of employment
- Only hiring migrant workers through recruitment agents who have signed a contract with Ansell confirming that they will protect and uphold ethical recruitment standards
- Implementing our Ethical Recruitment Program, which includes engaging prospective workers and conducting spot checks both before workers depart from their home country and upon arrival at Ansell manufacturing sites
- We provide all workers in our operations with access to grievance mechanisms to enable them to raise concerns. This includes our Compliance Hotline, and technology tools we are trialing in FY22 – Just Good Work and WeShare
- We also use other methods to measure employee engagement – including our biennial all-employee Employee Engagement and Culture Surveys

5. Operational due diligence continued

Keeping our workers safe from COVID-19

The COVID-19 pandemic continues to impact our operations, with community cases peaking in many of our operating countries and demand for personal protective solutions remaining high globally. With our manufacturing facilities under significant pressure to deliver increased quantities of personal protective solutions, we prioritised keeping our employees safe during these unprecedented times.

We continue to focus on evolving safety protocols at our sites and working with government health authorities to protect our workers. In addition, we have put in place measures to mitigate and manage increased pressure associated with production demands, including recruiting additional staff, extending our production schedules and tracking compliance with our standards on working hours and overtime.

We have also taken actions to support our workers through this challenging time. During COVID-19-related movement restrictions and curfews, we delivered food supplies and other daily necessities to migrant workers at our accommodation, thereby limiting their chance of exposure and supporting their wellbeing. Our HR teams maintain frequent contact with workers to keep them updated on COVID-19 safety measures and quickly address any concerns. In addition, where migrant workers await flights home after ending their contracts, we encourage workers to stay at our Ansell accommodation and provide daily allowances to support them. Additional information about the safety measures we put in place to protect our employees during the pandemic is set out in our 2021 Sustainability Report.

'Cluster Buster' strategy for all Ansell employees

We also established a 'Cluster Buster' strategy to identify any outbreak or cluster early to facilitate effective intervention to contain the spread of infection and protect at-risk employees. We split our plant into segregated zones and conducted voluntary randomised COVID-19 testing based on the headcount in each plant and zone on a weekly basis. We also closely followed the recommended safety measures from the World Health Organisation (WHO) and local governments to promptly update our procedures. Execution status of activities under 'Cluster Buster' are reported regularly during local and global management meetings. These protocols have been shared as an example of best practice by public health authorities in Sri Lanka and appreciated by many government authorities across the countries where our manufacturing plants are located.

FY21 operational due diligence highlights and key initiatives

Upgrading migrant worker housing at our Malaysian sites

Ansell strives to surpass the minimum regulatory requirements for migrant worker housing standards, with the view to improving our employee's quality of life, including providing bright, clean, safe and spacious housing. To ensure we prioritised workers' needs and safety, we engaged workers to understand how we could improve their experience and reviewed incoming regulatory requirements. As part of the housing upgrade, we reduced the density to two workers per room, with access to a private bathroom area and a shared kitchen. Our accommodation provides security, privacy, common areas for religious worship and social gatherings, laundry facilities, freedom to come and go, access to nearby shopping and banking, and other amenities.

HR performs regular physical visits to check the condition of the accommodation and follow-up on any repairs or services needed. As it was a challenge to regularly execute this year due to the movement restrictions caused by the pandemic, HR teams relied heavily on mobile communications to maintain regular communications with workers staying at our accommodations.



Active monitoring identifies opportunities for improvement in tracking contract labour in Vietnam

Prior to hiring agents to secure contract labour for Ansell, we inform these agents of our required labour standards regarding working hours, voluntary overtime, and rest days, and communicate our expectations that these agents will adhere to our standards. During onboarding at Ansell, individuals contracted as labourers are fully informed of these same labour entitlements, as well as health and safety measures implemented at the plant.

In FY21, an internal audit conducted at our Vietnam plant revealed that the rest days, overtime and working hours of contract labour at the site were not being fully captured by the monitoring system in place to track the work details of workers in our direct employ.

In response to this internal audit finding, we upgraded the monitoring system at our Vietnam site to fully capture the work details of contract labour. We then examined the monitoring systems at each of our manufacturing facilities and were able to determine that the gap identified at the Vietnam site was an isolated incident. In addition to upgrading the monitoring system in Vietnam, we briefed all operations HR teams, contract labour and labour agents to ensure full alignment to Ansell labour standards.

5. Operational due diligence continued

Our use of third-party audits in our operations

We use independent third-party audits to assess the performance of our manufacturing plants. Our third-party ethical audit program utilises the globally-recognised Sedex Members Ethical Trade Audit (SMETA) 4-pillar framework of Labour, Health and Safety, Environment and Business Ethics. Through our audit program, the performance of our sites are assessed against the SMETA framework which reflects both the Ethical Trade Initiative’s base code and local laws and regulations. Key components of the SMETA framework related to labour rights are shown below.



During FY21, third-party SMETA audits were conducted at 12 Ansell manufacturing sites, with one site – Lithuania – audited in July 2021 due to a COVID-19-related delay. This was the first time our sites in Lithuania, Brazil and Portugal have been audited, and we continued annual audits of our Asian plants. The completion of third-party audits at all our manufacturing sites represents a real milestone in our efforts to seek independent confirmation of the outcomes of our labour rights program. In our FY20 Modern Slavery Statement, we committed to having our sites in Lithuania, Brazil, Portugal and Russia audited in FY21, subject to overcoming challenges related to COVID-19. Our new manufacturing site in Russia began operations in June 2021, and policies and procedures have been established at the site to implement our Labour Standards Management System. A SMETA audit is planned for the Russian site in FY22.

Our performance

Third-party SMETA audits related to labour rights conducted at our plants in FY20 identified 78 non-conformances, a 39% reduction from 128 identified non-conformances in the prior year, as shown in the graph below. This reduction is particularly significant given we expanded our audit program to include two additional manufacturing plants (Brazil and Portugal) in FY21. While this reflects the work we have done to improve working conditions in our plants, third-party audits are just one indicator of performance and are one of several tools we use to measure on-ground progress.

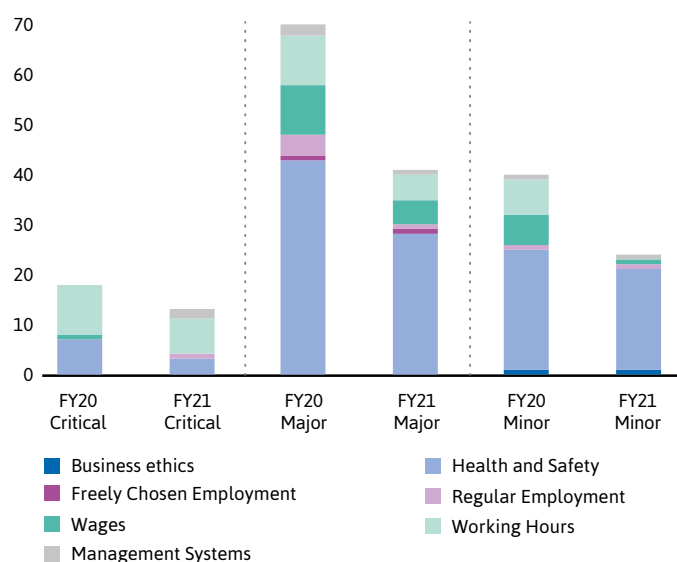
As per SMETA audit methodology, the third-party auditor will ascribe each non-conformance a grade on a scale from minor to major, critical and business critical. A business-critical non-conformance relates to a critical breach of the ETI base code or local law which presents a critical or imminent risk to worker safety or human rights. None of the 78 non-conformances at our plants was graded by the auditor as a business-critical non-conformance. Twelve non-conformances were graded as critical by the auditor. The non-conformances are detailed on the chart below.

Number of non-conformances graded critical as per Sedex audit program

Type of Non-Conformance	FY20	FY21
Management Systems	-	2
Regular Employment	-	1
Working Hours	10	6
Health and Safety	7	3
Wages	1	-

This year, critical audit findings were identified in two new areas, Management Systems and Regular Employment. As we improve our processes year on year, audits may identify new issues, including emerging risks, and continue to highlight longer-term issues, such as working hours and overtime. More details of our audit findings are reported on the next page.

Number of non-conformances by category and grading in FY20 and FY21



5. Operational due diligence continued

To address the non-conformances identified during audits in FY21, our regional human resource teams worked closely with plant HR managers and plant management to implement corrective actions and close out audit findings in a timely manner. Additional detail on non-conformances identified in our plants in FY21, and corrective actions taken are set out in the table below.

Detail on non-conformances identified in our plants in FY21, and corrective actions taken		
Type of Non-Conformance	Description of Finding	Details and Corrective Action
Management Systems and Working Hours	Instances of inconsistent records around working days.	Site HR management subsequently reviewed records on payroll, attendance and production and briefed employees on the process for review and update of records.
Health and Safety	Findings related to health and safety, including the need to install a visual fire notification mechanism, obstructed emergency exit, missing exit door signage and inadequate water in the fire tank.	Non-conformances related to health and safety and management systems are addressed by performing routine inspections and implementing required measures.
Regular Employment	Caused by gaps in communication with sub-contracted employees at our plant in Thailand.	Through a third-party audit conducted at our manufacturing site in Thailand, we identified that some contract workers had paid fees related to work visa renewal and processing in Thailand, including payments to government officials for medical screening or visa renewal fees. As these costs are required by national law during visa and permit processing, fees were historically handled independently by these individual workers who reside in Thailand and work at other companies. In alignment with our Zero Recruitment Fee Policy, which covers fees paid to process official documents, government fees and work visas in host countries, Ansell took an immediate position to pay the costs of visa and medical. We refreshed all workers and third-party labour agents on our policies, stating that Ansell's practice is to cover all recruitment-related costs, including costs required by local laws.
Working Hours	Relating to working hours in excess of ILO standards, including hours exceeding 60–72, and in some cases 72 hours per week, and inconsistencies in records. Ansell monitors working hours, overtime and rest day performance at sites in accordance with ILO standards as well as local laws and regulations. The differences between ILO and local laws is a consistent area of focus for us as we prioritise the safety of our workers on site.	Findings related to working hours in excess of the ILO standard are multi-stakeholder issues that take a sustained effort to address. Overtime is voluntary at Ansell plants and this is clearly communicated to all workers. We guarantee premium rates earned from overtime are paid and workers take rest days. Our human resource teams continue to work with our site managers to comply with legal requirements relating to total work hours and overtime, and provide opportunities for our workers to take up overtime opportunities voluntarily.

We continue to use audits as a vital, independent tool to assess performance at our sites and to supplement other review and assessment procedures we have in place, such as internal audits, and site visits, and assessments by customers and regulatory bodies. The use of the Ethical Trade Initiative's base code and local laws and regulations by the SMETA framework enable us to share comparable findings with our stakeholders. Furthermore, SMETA audits increase transparency between customers and suppliers who can access SMETA audit reports on the Sedex portal.

Audits are also a useful tool to assess our performance against evolving best practices, changing regulatory requirements and emerging issues. Therefore, as we maintain our focus on improving performance in audit findings over time, we remain cognisant that audits will continue to identify new issues to support the continuous improvement of our own practices and standards.

5. Operational due diligence continued

Training on modern slavery and human rights

All Ansell employees and directors are required to undertake compliance training programs, including Global Code of Conduct training, every second year to keep abreast of relevant legal and industry developments and ethical practices, and to undertake topic-specific compliance training on subjects such as fraud awareness every year. In FY21, we provided training to our employees on modern slavery and labour rights as part of our Global Code of Conduct training and training based on job scope. In FY21, we provided Global Code of Conduct training to our professional-level staff, including the Board of Directors (3,058 professional-level employees, which is equal to 92% of total professional level employees). This training briefs employees on Ansell's core values and includes several topics relevant to our management of modern slavery and labour rights. A failure to comply with the Global Code of Conduct, including its provisions relating to fair employment and human rights, may lead to disciplinary action, up to and including termination, consistent with local law. Violations by an individual may also subject Ansell and/or its officers to civil and/or criminal liability.

We also provide onboarding training on Ansell's policies and standards on labour standards management to all new employees and contract workers, including standards and practices on health and safety (3,170 new hires trained in FY21). Site human resource functions are trained on the design and implementation of Ansell's Labour Standards Management System, root-cause analysis of modern slavery and labour rights issues, and briefed on latest policies and lessons learned from other sites. Site management teams are also briefed on the design and implementation of Ansell's Labour Standards Management System.

In FY21, members of our Quality Assurance team undertook external training on the conduct of ethical audits on modern slavery and labour rights, based on SMETA guidance. As part of our Supplier Management Framework, we will provide tailored training to our sourcing teams on human trafficking and modern slavery, in addition to the Global Code of Conduct training which includes content on human rights.

We recognise training and capacity building within our supply chain is a significant opportunity to improve working conditions in our supply chain. This is reflected in our Supplier Management Framework, which includes a risk-based program of work for supplier training and capability building over the next three years.

Freedom of association and collective bargaining at our manufacturing sites

We respect our workers right to freedom of association and collective bargaining, as outlined in the Labour Standards Policy. At each of our manufacturing sites, we have a Freedom of Association and Collective Bargaining policy and procedure that is reviewed and updated by human resources as appropriate due to changing circumstances. Many of our workers utilise collective bargaining agreements through either labour unions or plant-specific worker councils. As of 30 June 2021, 76%¹ of workers are covered by collective bargaining agreements, through either labour unions or specific worker councils. Each of our manufacturing sites has a worker representative on site to ensure open and transparent communications between workers and management.

1. Due to a recalculation of the number of workers covered by collective bargaining agreements across Ansell operations, we have amended the percentage of workers covered by collective bargaining from 70% as stated in the 2021 Sustainability Report, to 76%.

6. Supply chain due diligence

Our extended supply chain due diligence controls

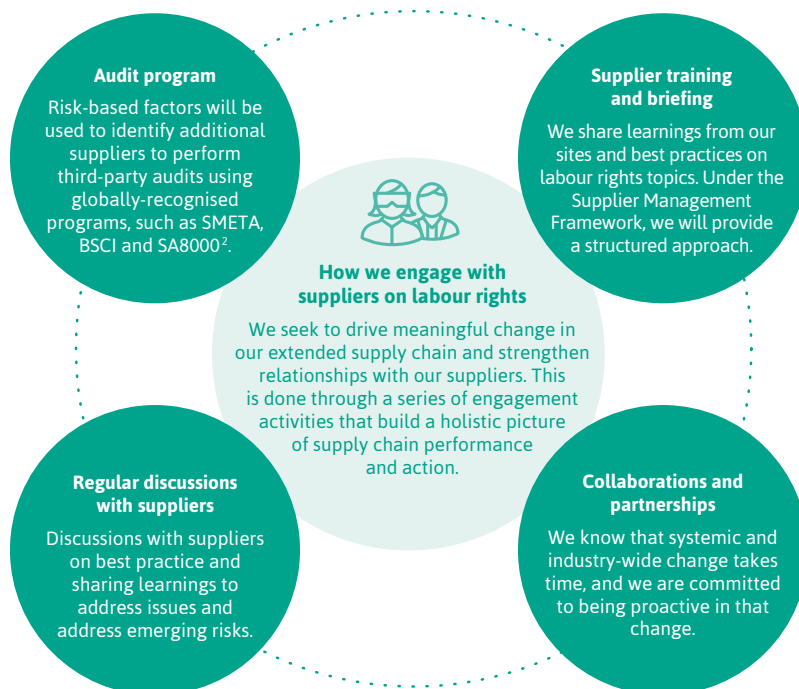
Our commitment to respecting human rights extends to our supply chain and is communicated through our Supplier Code of Conduct as we seek to engage with suppliers who do the same. The Supplier Code of Conduct requires suppliers to comply with local law and with our standards and expectations. The Code includes requirements around prohibition of modern slavery, respect of human rights and fair labour practices as well as expectations involving health and safety, environment, privacy, and corruption. We also encourage suppliers to extend similar requirements to their own suppliers. Existing modern slavery due diligence controls are shown below.

Modern slavery due diligence controls



Currently the Supplier Code of Conduct requires all direct global sourcing suppliers to comply with their obligations under local law as well as the standards and expectations set out by Ansell, and does not require direct suppliers to obtain certification that materials incorporated into products comply with the laws of the country or countries in which they do business. With regard to conflict minerals, suppliers are required to undertake steps to identify whether conflict materials are contained in the products they manufacture (or contract to be manufactured), including determining the source of raw minerals used in production. Refer to our Supplier Code of Conduct and Conflict Minerals Policy for more information.

How we engage with suppliers on labour rights



2. Business Social Compliance Initiative (BSCI) or Social Accountability International SA8000®.

6. Supply chain due diligence continued

Developing our Supplier Management Framework

We invested in evolving our systems and processes for assessing and addressing labour rights and modern slavery risks in our supply chain. Our work centred around the development of a comprehensive, risk-based Supplier Management Framework ('the Framework') which was launched in early FY22.

The Framework takes a risk-based approach and builds upon Ansell's existing due diligence program. Its implementation represents an evolution in Ansell's effort to strategise our approach to mitigating risk and drive meaningful change in our supply chain.

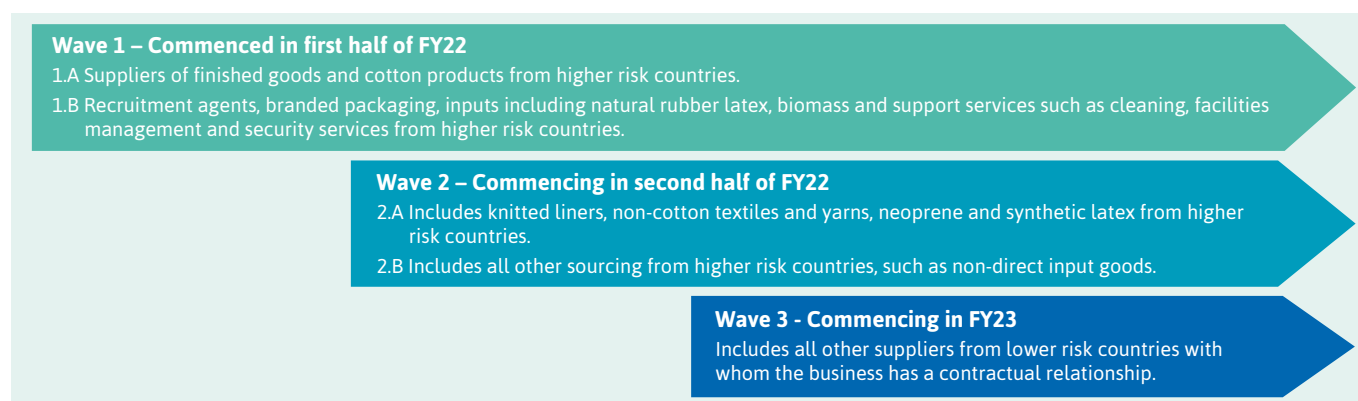
The Framework draws upon SMETA methodology and seeks to align with best practices. Key components of the Framework are set out below and will be reported on in greater detail in FY22 following the first stage of implementation. The Framework was approved by the Executive Leadership Team on 30 July 2021 and by the Board on 9 August 2021.

Key elements of the framework are set out as follows:

<p>A risk-based approach</p> <p>The Framework outlines the controls and performance-monitoring activities required to be completed by suppliers based on factors including inherent modern slavery risk.</p>	<p>Partnerships</p> <p>The Framework sets out our commitment to partnerships and collaborations in an acknowledgment that many labour rights issues are systemic challenges that cannot be solved in isolation.</p>	<p>Strengthened performance monitoring</p> <p>Strengthened performance monitoring activities, including third-party audits, factory visits by Ansell personnel and supplier training on labour rights based on risk.</p>	<p>Dedicated resourcing</p> <p>The roll-out of our revised supply chain approach will be supported by additional and dedicated resources.</p>
<p>Standardising our approach internally</p> <p>The Framework will drive a standardised approach to supplier labour rights risk management across our business.</p>	<p>Focus on audit quality</p> <p>While audits will remain a key component of our program, we recognise the need to utilise a diverse range of monitoring activities alongside efforts to improve audit quality</p>	<p>Broader coverage of our sourcing activities</p> <p>We will be actively expanding the scope of our due diligence activities to go beyond critical suppliers engaged by our global procurement function.</p>	<p>Clear escalation pathways</p> <p>We will dictate the way non-conformances of different levels of severity will be resolved and communicated both internally and with suppliers</p>

The Framework will be implemented in three waves beginning in FY22, with roll-out to the highest priority suppliers first, as shown below. Suppliers are categorised into Waves based on prioritisation criteria, types of goods and services procured, and locations along our extended supply chain. Criteria for prioritisation includes inherent modern slavery risk within the industry and sourcing countries, criticality to our business, and spend and branding as indicators of leverage. The waves are also designed to smoothly onboard suppliers to the program, and apply learnings from the first wave onto the next.

Implementation plan to onboard suppliers to the Supplier Management Framework commenced in first half of FY22



Commitment: In FY22, we will onboard suppliers to the Supplier Management Framework in three waves: Wave 1, Wave 2 commences in second half of FY22, and Wave 3 in FY23.

Through the implementation of the Framework, we will scale up our due diligence program, expanding our existing activities to cover a larger proportion of our supplier population. In addition to scope expansion, we have designed additional activities and programs to target risks in particular sectors and locations of our extended supply chain.

6. Supply chain due diligence continued

Details of suppliers and activities under Wave 1

Types of goods and services procured	Country of direct supplier	No. of existing suppliers	Inherent modern slavery and / or labour rights risk factors	Activities planned under Wave 1																																																								
Cotton Yarn	India	4	<ul style="list-style-type: none"> Risk factors include a low level of regulation, high-labour intensity and a reliance on low-skilled and seasonal labour. 	<ul style="list-style-type: none"> We will execute our roadmap for formalising sourcing requirements for cotton yarn by utilising existing tools and components under the Better Cotton Initiative (BCI). Key activities planned include an assessment of existing cotton yarn suppliers and product design, training for Ansell team, supplier discussions on BCI-certified cotton sourcing, as well as product tests 																																																								
	Pakistan	1			Finished goods and healthcare supplies	China	26	<ul style="list-style-type: none"> Risk factors include a low level of regulation, high labour intensity and a reliance on low-skilled migrant labour. 	<ul style="list-style-type: none"> Broaden our scope of suppliers selected for third-party audits under the Supplier Management Framework, and onboard additional suppliers to our audit program Supplier training and education Continue discussions with suppliers' top management on labour rights topics, as well as sharing best practices on closing audit non-conformances Cross-industry collaboration via the Responsible Labour Initiative to address systemic issues and develop remediation actions Based on the actions above, we will also evolve the metrics we use to track and monitor suppliers' labour rights performance 	India	4	Indonesia	2	Pakistan	3	Malaysia	16	Sri Lanka	1	Thailand	1	Vietnam	3	Natural Rubber Latex	Malaysia	1	<ul style="list-style-type: none"> Risk factors include the labour-intensive nature, the frequent presence of children on family smallholder farms and inherent risks of modern slavery in key rubber producing countries. 	<ul style="list-style-type: none"> Activities planned include selecting a relevant industry collaboration option, participating in cross-industry platforms, and comprehensive discussions and assessments of existing suppliers on current practices and options for certification 	Sri Lanka	3	Thailand	3	Packaging (Branded)	Malaysia	7	<ul style="list-style-type: none"> Risks of modern slavery are linked to raw materials components including forest products and manufacturing. 	<ul style="list-style-type: none"> Expand audit program to include coverage of these suppliers Supplier training and education on modern slavery and labour rights topics Discussions with suppliers, such as sharing best practices and experiences to suppliers as guidance on designing corrective action plans to manage labour rights issues and to close audit non-conformances Include suppliers' audit performance in monitoring metrics 	Sri Lanka	4	Thailand	1	Vietnam	1	Biomass	Sri Lanka	3	<ul style="list-style-type: none"> Risk factors in the forest products industry can include a low level of regulation and opaque intermediaries in some jurisdictions, as well as unsafe working conditions. 	<ul style="list-style-type: none"> Similar to the approach planned for natural rubber latex sourcing, we will pursue options for certifiable and traceable sourcing. Aside from requiring suppliers to conduct certification assessments, we are also evaluating options of engaging energy providers who offer local supply chain solutions 	Thailand	4	Labour agents, recruitment search firms, other services such as security, canteen, janitorial and transport	China	8	<ul style="list-style-type: none"> Ongoing challenges in these industries relate most closely to the exploitation of migrant workers, in particular through the use of recruitment fees and withholding of passports. 	<ul style="list-style-type: none"> Supplier training and education Sharing best practices and experiences to suppliers as guidance on designing corrective action plans to manage labour rights issues and to close audit non-conformances 	Malaysia	39	Sri Lanka	40	Thailand
Finished goods and healthcare supplies	China	26	<ul style="list-style-type: none"> Risk factors include a low level of regulation, high labour intensity and a reliance on low-skilled migrant labour. 	<ul style="list-style-type: none"> Broaden our scope of suppliers selected for third-party audits under the Supplier Management Framework, and onboard additional suppliers to our audit program Supplier training and education Continue discussions with suppliers' top management on labour rights topics, as well as sharing best practices on closing audit non-conformances Cross-industry collaboration via the Responsible Labour Initiative to address systemic issues and develop remediation actions Based on the actions above, we will also evolve the metrics we use to track and monitor suppliers' labour rights performance 																																																								
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6. Supply chain due diligence continued

Use of third-party audits

Selected critical suppliers are required to complete independent third-party audits at least every two years, or annually, depending on the audit results. Ansell requires suppliers to partner with Sedex and conduct third-party SMETA audits using the 4-pillar methodology. Ansell will also accept Business Social Compliance Initiative (BSCI) or Social Accountability International SA8000® audits/certification from accredited third-party auditors showing the supplier’s level of compliance to local law, applicable standards and this Supplier Code of Conduct. In FY21, we continued audits of our critical existing finished goods suppliers in Malaysia, China and Korea. These suppliers represent more than 90% of our total spend on finished goods sourcing managed by our Global Sourcing team.

Where an audit identifies a non-conformance, we require suppliers to create corrective action plans and to undergo timely follow-up audits. We monitor suppliers’ correction of non-conformances and collaborate with suppliers to identify remediation actions and provide guidance on specific non-conformances as needed with the view to improving practices within our supply chain. Through this ongoing engagement with suppliers, we have seen continued improvement in performance on labour rights, something we plan to build upon year on year.

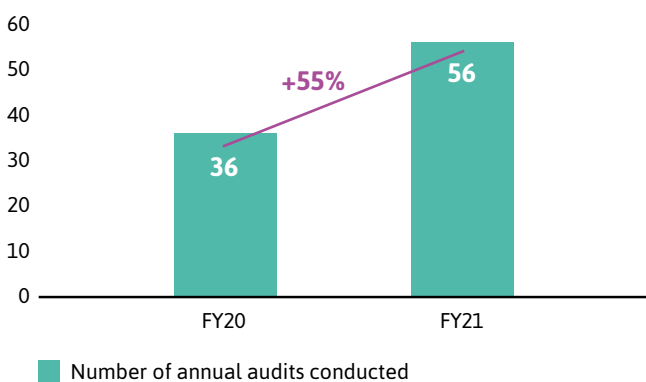
Despite this improvement, we know many issues remain. In FY21, concerning reports emerged in the media regarding the treatment of workers in our industry and supply chain in Asia, including allegations of forced labour findings leading to import bans, high recruitment fees, poor measures for workers’ safety against COVID-19 and provision of sub-standard workers’ accommodation in the Malaysian glove manufacturing industry, where some of our finished goods suppliers are based.

A summary of audit findings of our critical finished goods suppliers conducted in FY21 are shown below. The number of non-conformances identified year-on-year has decreased despite an increase in the number of annual audits conducted, reflecting actions taken by suppliers to improve their labour standards over time.

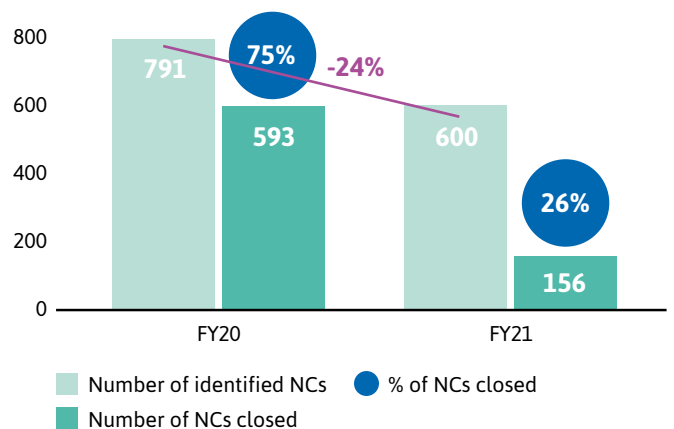
In FY21, movement restrictions due to COVID-19 proved a challenge to the scheduled completion of planned audits. While most suppliers selected for an audit were able to complete at least one audit within the fiscal year, not all suppliers were able to conduct follow-up audits to verify the successful close-out, or conclusion, of corrective actions identified during the initial audit. These challenges resulted in a lower number of non-conformances closed-out in FY21 than in FY20. To supplement audits, we engage in ongoing dialogue with senior management at our critical suppliers to assess their progress on correcting outstanding labour rights issues.

Ansell is committed to working with suppliers to improve their labour practices and secure employment and improved conditions for their workers. In line with the advice of human rights and labour experts, our preferred practice is to work with suppliers to drive positive change through ongoing dialogue and the audit process, where possible given the current pandemic conditions. However, when we identify suppliers who do not align with our labour standards commitment and who are not working in good faith to progress positive change in their labour standards compliance, we review our potential options, including finding alternate sources for our product and terminating the supplier relationship.

Number of annual audits conducted



Number of identified non-conformances and number of closed non-conformances (NCs)



In FY21, movement restrictions due to COVID-19 proved a challenge to the scheduled completion of planned audits. These challenges resulted in a lower number of non-conformances closed-out in FY21 than in FY20. More details on types of non-conformances identified are described on the next page.

6. Supply chain due diligence continued

We observed that different risk factors in locations of suppliers' operations, such as levels of regulation and reliance on low-skill migrant labour, greatly influence the types of issues and audit findings. Furthermore, a higher number of audit findings were reported by auditors of suppliers in Malaysia, compared to other countries, such as China.

Key findings and actions by audited finished goods suppliers in FY21

Country	Recurring and significant non-conformances from supplier audits	Examples of actions taken in FY21
China	<ul style="list-style-type: none"> Overtime and work hours 	<ul style="list-style-type: none"> To work with suppliers on their challenges, we continue to share learnings from our local plants on automation and guidance on increasing workforce to decrease overtime hours. We also hold regular discussions before audits and during follow-up of audit findings.
	<ul style="list-style-type: none"> Health and safety 	<ul style="list-style-type: none"> A majority of the audit findings are addressed annually through short-term action and verified as completed by physical audits conducted by third-party auditors. During discussions with supplier management, we discuss COVID-19 protocols and share learnings from implementing our practices.
	<ul style="list-style-type: none"> Recruitment fees 	<ul style="list-style-type: none"> When Ansell established our Zero Recruitment Fee Policy, we advised our suppliers to do the same. To date, all our critical finished goods suppliers have announced either completion of recruitment fee reimbursement or announced programs to complete reimbursement in the near future. We continue to track progress on reimbursement and discuss our Zero Recruitment Fee Policy with suppliers. Recruitment fees charged by unethical agents is a widespread industry issue and we have pursued cross-industry collaboration to seek meaningful change. Read more on page 28.
Malaysia	<ul style="list-style-type: none"> Housing Conditions 	<ul style="list-style-type: none"> We maintain regular discussions with suppliers' top management on this topic, to understand their commitments, verification actions and accelerated rate to which they can address the audit findings.
	<ul style="list-style-type: none"> Health and safety 	<ul style="list-style-type: none"> A majority of the audit findings are addressed annually through short-term action and verified as completed by physical inspection conducted by third-party auditors. During discussions with supplier management, we discuss COVID-19 protocols and share learnings from implementing our practices.
	<ul style="list-style-type: none"> Instances of passport withholding 	<ul style="list-style-type: none"> In recent years, we have seen improvement on this audit finding. However, isolated instances reported in FY21 indicate that despite clear external pressure from activists and industry bodies, we need to address this issue through collaboration. Read more on page 28.
	<ul style="list-style-type: none"> Overtime and work hours 	<ul style="list-style-type: none"> We continue to have discussions with our suppliers on this topic, mandating local compliance as a minimum. Due to industry reliance on migrant labour, suppliers face labour shortages during movement restrictions caused by the pandemic. Therefore, we engage suppliers to advise on recruiting more local workers, and designing relevant recruitment packages. We will also address this systemic issue through industry collaboration, enhancing our leverage over suppliers. Read more on page 28.

While we consider third-party audits to be a key tool in supplier monitoring, we acknowledge that audits represent a snapshot in time. With this in mind, we also focus on regular communication, and in FY21 have placed emphasis on cross-industry collaboration with the intention of driving positive change in the industry. We know that systemic and industry-wide change takes time, and we are committed to being proactive in that change.

6. Supply chain due diligence continued

Case study: Our roadmap for responsible cotton sourcing

Ansell works with suppliers in sourcing cotton yarn for selected glove styles under the Industrial Global Business Unit. In FY22, Ansell will roll out our program to mandate sourcing requirements from existing cotton yarn manufacturing suppliers and new suppliers. As part of the program, we plan to deliberately increase the portion of certifiable sustainably-sourced cotton in our products.

We have selected Better Cotton Initiative (BCI) as a suitable platform for commodity-based collaboration. In assessing our suppliers' risk profiles, we identified high-risk areas that extend beyond textile manufacturing towards ginning and farming. BCI is the largest cotton sustainability program in the world with a farm-centric approach. Therefore, using tools and standards available under BCI will improve sustainable sourcing and traceability of cotton in our glove styles and provides Ansell with a credible and certifiable framework for our products.

Our first step is to perform laboratory validation on the use of new materials in our products, followed by capacity building for our sourcing and quality teams, as well as a sourcing and cost analysis before we promise our customers an on-product claim.

Ansell is actively working towards building ethical and transparent supply raw material supply chains, and onboarding the BCI program and framework will be a key milestone for us and our suppliers.

7. Grievance mechanisms and remediation

We provide all workers in our operations with access to grievance mechanisms to enable them to raise concerns – including those relating to labour rights, modern slavery or other human rights abuses confidentially and/or anonymously. Our Compliance Hotline is our primary mechanism for our employees to anonymously raise grievances 24/7 in their language of choice. The Compliance Hotline is operated by an independent third party, and metrics regarding the Compliance Hotline are reported annually to the Ansell Board of Directors in the annual compliance report.

In addition to the Compliance Hotline, each of our manufacturing sites provides our workers with additional channels through which to report grievances, including suggestion boxes, access to site human rights functions, and in some sites, apps such as WeShare and Just Good Work (set out in the case study below). Ansell has adopted a no-retaliation policy, ensuring there are no adverse consequences for reporting concerns in good faith.

Case study: Trialing new approaches to engaging with workers in our operations

This year we have trialed two technology tools – Just Good Work ('JGW') and WeShare in our Malaysian operations. These technologies enable workers to raise grievances and to access useful information in their native languages, relating to ethical recruitment (in the case of JGW) and site-specific updates and execution of our labour standards and policies, COVID-19 briefings and other Ansell programs (WeShare).

In March 2021, we began piloting the WeShare technology tool at our Shah Alam site. The tool is managed by Ansell and allows us to readily share information with workers in native languages. During the year, our workers found the app more accessible and comfortable to use. This has been particularly useful during COVID-19, as we have used it to share Standard Operating Procedures and information on vaccinations. In addition, workers can provide feedback to Ansell and submit grievances through the app.

We are currently troubleshooting a few issues relating to the pilot, such as ensuring that the app is user friendly and understood by our workers. Our next steps are to increase interaction with plant operators to boost sign-ups, registrations and overall engagement. This includes increasing content output, sharing special recognitions, and adding other interactive features.

In addition, **in April 2021, we introduced the Just Good Work ('JGW') technology tool as a pilot at three of our Malaysian manufacturing sites with a selected number of employees.** Just Good Work Malaysia is the product of a collaboration between the Ethical Trade Initiative (ETI), the Malaysian NGO Our Journey and a UK-based technology non-profit organisation, Fifty Eight. JGW is a platform primarily for migrant workers and provides information to prospective workers about the recruitment process, their rights and what to expect from employers. In addition, the app-based technology tool enables workers to raise grievances, which are then collated and shared with relevant businesses (such as Ansell) as appropriate. The platform prioritises worker voices, without compromising their livelihoods or making them more vulnerable to abuse and exploitation. Due to movement restrictions caused by COVID-19, the ETI team has not been able to visit the sites to follow up with piloting the app (or apps). As local movement restrictions are eased, we will be moving into the third phase of development, which is to ensure the app is promoted and adopted by a majority of the migrant workers at our sites. Once the app is successfully adopted by other business sectors and stakeholders in Malaysia and in countries of origin, an end-line study will be conducted by ETI to identify the impact of the app for migrant workers. The project is expected to be completed by 2022. More details on our collaboration with ETI is provided on page 28.

We will continue to monitor these new technology tools over the coming reporting period, and based on their continued success will look for opportunities to further expand their use across our plants.

In line with Ansell's Whistleblower Policy, suppliers and other eligible whistle-blowers can safely raise grievances to help deter wrongdoing related to our operations. Ansell is committed to transparency and aims to build an environment in which people feel free to raise legitimate issues with the confidence that they will be protected and supported. All Global Sourcing suppliers are required to maintain confidential grievance platforms in line with the Supplier Code of Conduct (SCoC). Grievance platforms must be easily accessible to all employees, and employees are encouraged to report any non-compliance with Ansell's SCoC, without fear of retaliation. Under the SCoC, Ansell's suppliers are to investigate any reports made and take corrective actions as necessary.

Case study: Keeping our workforce motivated and engaged

Our biennial all-employee Employee Engagement and Culture Survey plays a critical role in shaping our engagement strategy by providing feedback on our current performance. Despite the challenges of conducting a global employee survey during COVID-19, participation by employees rose to 94% – a steady increase on prior years.

Results are shared with the Executive Leadership Team, the Board, and all employees. Employees recognise that their participation in the survey is directly tied to creating positive change at Ansell. Based on the actions we have taken with past surveys, employees know that results are shared across the organisation and leadership acts based on quantitative and qualitative data from the shared voice of our employees. For this reason, Ansell employees let their voices be heard.

7. Grievance mechanisms and remediation continued

Remediation of recruitment fees paid by workers in our operations

Our Zero Recruitment Fee Policy is based on a commitment to pay all recruitment costs for migrant workers, and reflects our view that migrant workers should not be the victims of fees charged by unethical recruitment agents in their home countries. In FY20, Ansell initiated a reimbursement program for migrant workers in our employ who had paid recruitment fees to these unethical agents. Begun in September 2020, Ansell completed remediation to these affected workers in January 2021.

In order to ensure our reimbursement program was conducted in an ethical, fair and transparent manner, we consulted affected workers and recruitment agents; and partnered with a third-party NGO – Our Journey – as well as government representatives, primarily through High Commissions, embassies and consulates in the home countries of these workers. Full details of the process undertaken were disclosed in our 2020 Modern Slavery Statement.

To ensure that no Ansell worker pays a fee to secure employment, Ansell continues to conduct due diligence through our Zero Recruitment Fee Policy. We only hire migrant workers through vetted recruitment agents who have signed a contract with Ansell to uphold ethical recruitment standards. In addition, we provide workers with job descriptions in their native language to avoid any miscommunication, and we also communicate our Zero Recruitment Fee Policy. Spot checks are conducted before workers depart from their home country and upon arrival at Ansell to identify any potential exploitation of workers' rights.

8. Monitoring progress and assessing effectiveness

Performance monitoring: Regular program reviews and transparent reporting to enable continuous improvement

We utilise three primary mechanisms to measure the effectiveness of our approach to assessing and addressing modern slavery: **tracking** the impacts of our actions, **reporting** on progress and **reviewing** the outcomes.

We aim to have the outcomes of these activities, and the subsequent assessment of effectiveness, feed into our future planning. For example, much of the work we have conducted this year in relation to our supplier management framework was driven by the findings of a review conducted by a third-party advisor into our due diligence system in FY20. Like many organisations, we are continuing to refine our approach to measuring the effectiveness of our actions and it will remain an area of focus for years to come.



Track

We utilise a number of systems to track our performance over time, allowing us to evaluate the effectiveness of policies and procedures and identify opportunities for improvement.

In our operations we utilise a CSR Workplace Impact Assessment Tracker to track the performance of our manufacturing sites against labour rights metrics including working hours and rest days. This enables us to measure the effectiveness of controls related to these metrics and to review and revise any ineffective controls.

In addition, each of our manufacturing sites and some of our suppliers are subject to third-party audits. The outcomes of these audits dictate future plans for policy and procedure improvements and engagement with suppliers on specific issues as necessary.

Commitment: In FY22, we will review the metrics currently used to track and report on labour rights internally and will consider opportunities to develop enhanced metrics relating to the completion of controls and the effectiveness of those controls.

Report

Regular internal reporting up to the Executive Leadership Team and Sustainability & Risk Committee enables key stakeholders across our business to make informed decisions about the areas of our program that work best, and those that need further development.

Relevant Executive Leadership Team members receive a report which details month on month performance on labour rights metrics including compliance with local laws on working hours and rest days at each of our manufacturing sites.

In addition, the Sustainability & Risk Committee receives quarterly updates which include a snapshot of the results of third-party audits at our manufacturing sites and strategic suppliers' facilities.

Commitment: In FY22, we will increase the Board and Executive Leadership Team's oversight of suppliers who are underperforming on labour rights, through increased reporting up to the Labour Rights Committee on the performance of individual suppliers.

Review

We seek ongoing feedback on the structure, efficacy and function of our labour rights management system to ensure we strive for continuous improvement.

We periodically utilise internal reviews, such as those conducted by internal audit, and external reviews to assess and review the effectiveness of our approach to assessing and addressing modern slavery. In FY20, we engaged a third-party advisor to review our processes and procedures for supplier management. Details of the Supplier Management Framework are on page 20.

Futhermore, we regularly seek feedback from employee representatives, trade unions and workers on our approach to labour rights management and identify new or emerging risks. For example, this year we continue to engage workers during movement restrictions to ensure they feel comfortable and safe, and through the WeShare app piloted this year. We will be incorporating this feedback into our forward approach. In the development of the Supplier Management Framework, we engaged a third-party advisor to review our processes and procedures for supplier management.

9. Collaboration and stakeholder engagement

Our stakeholders include our employees, customers and end-users, investors, regulators, our shareholders, suppliers and the communities in which we operate. We communicate with stakeholders on labour rights through channels including investor roadshows, media releases, direct meetings, the Annual General Meeting and our annual reporting. In addition, we engage in a two-way dialogue with workers in our operations through multiple mechanisms which vary across sites but which include use of the apps, posting on notice boards, briefings, worker representatives and grievance mechanisms.

This year, we have increased our focus on collaboration on labour rights, acknowledging that many labour rights issues are systemic and cannot be solved by a single company in isolation. We are actively investing in the following partnerships:

New in FY21	Ethical Trade Initiative – Access to Remedy for Vulnerable Migrant Workers Program	ETI has stepped up its efforts in Malaysia, responding to concerns raised by member companies and media and NGO reports highlighting instances of migrant workers being denied their rights and working in exploitative working conditions. This project is intended to support migrant workers in Malaysia. The project is supported by the UK government and aims to ensure that workers are able to negotiate collectively for better terms and conditions of work, can access support, raise grievances and can obtain remedy where they have been subject to abuse.
	Responsible Labour Initiative	Ansell has joined this globally recognised multi-stakeholder and multi-industry initiative which aims to identify opportunities to build leverage and drive improved conditions for workers in shared supply chains.

Over coming years, we will continue to consider additional opportunities for partnership across three categories, all with the aim of actively managing and mitigating risks of modern slavery in our operations and supply chain.

Cross-industry collaboration

Collaboration with others in the healthcare, safety and protection business to mitigate risks.

Collaboration on specific issues

Collaboration across civil society, business and government on specific labour rights issues.

Commodity-based collaboration

Finding solutions to labour rights issues related to specific commodities within Ansell's value chain, such as cotton or rubber.

10. Commitments and further improvements in FY22

In FY20, we reported on the projects planned for FY21, and provide progress updates in the table below.

FY21 Commitments in the Modern Slavery Statement and Progress	Status as at FY21	Remarks
Review the structure and function of the CSR & Sustainability Council to ensure it continues to meet its purpose.	✓	Completed.
Conduct independent third-party audits of manufacturing sites in Brazil, Lithuania, Portugal.	✓	Completed. Our site in Lithuania was audited in July 2021 due to COVID-19-related delays.
Develop a comprehensive Supplier Management Framework.	✓	Completed.
We will review the training provided to quality auditors (known as Quality Assurance team) on human rights, and as necessary will provide additional training to increase of capability of these auditors to detect potential labour violations and signs of modern slavery.	→	Planned for FY22. In FY21, members of our Quality Assurance team undertook external training on the conduct of ethical audits. A holistic and cross-function approach is planned under Wave 1 of the Supplier Management Framework.
Extend the use of third-party auditing to more comprehensively monitor the management of operational and supply chain risks.	→	Planned for FY22. To be executed under Wave 1 of the Supplier Management Framework.
Enhance the business' approach to reviewing and monitoring the results of third-party audits.	→	Planned for FY22. The role of the Labour Rights Committee is integral in monitoring audits. Under the Supplier Management Framework, we will review and broaden current metrics.

✓ completed → in progress

Our commitments for FY22

Governance	Commitments and Actions	Accountability
<ul style="list-style-type: none"> In FY22, we will increase the Board and Executive Leadership Team's oversight of suppliers who are underperforming on labour rights, through increased reporting up to the Labour Rights Committee on the performance of individual suppliers. In FY22, we will review the metrics currently used to track and report on labour rights internally and will consider opportunities to develop enhanced metrics relating both to completion of controls and the effectiveness of those controls. 	<ul style="list-style-type: none"> Perform an assessment and review of our standards and policies to continue improving and developing our strategic labour offerings. Roll-out of activities under Wave 1, Wave 2 and Wave 3 of the Supplier Management Framework. Full list of activities are on pages 20–21. Execute our roadmap for formalising sourcing requirements for cotton yarn by utilising existing tools and components under the Better Cotton Initiative (BCI) for our current textile suppliers. 	<ul style="list-style-type: none"> Conduct a SMETA audit at our new manufacturing site in Russia. Complete 'Just Good Work' program, product of a collaboration between the Ethical Trade Initiative (ETI), the Malaysian NGO Our Journey and a UK-based technology non-profit organisation, Fifty Eight. Continue active participation and collaborations for FY22

Statement Annexure

Principal Governing Body Approval

This statement was approved by the principal governing body of Ansell Limited, as defined by the Australian *Modern Slavery Act 2018* (Cth) (the 'Act'), on 4 November 2021.

Signature of Responsible Member

This modern slavery statement is signed by a responsible member of Ansell Limited as defined by the Act.



Neil Salmon
Managing Director and Chief Executive Officer

This Modern Slavery Statement was prepared in accordance with the criteria set out in the Australian *Modern Slavery Act 2018*, the United Kingdom *Modern Slavery Act 2015* and the California *Transparency in Supply Chains Act 2010*. The table below outlines where information related to each mandatory reporting criteria can be found:

Australian Modern Slavery Act Mandatory reporting criterion	UK Modern Slavery Act Recommended reporting criterion	California Transparency in Supply Chains Act required reporting criterion	Location of information
Identify the reporting entity. Describe the structure, operations and supply chains of the reporting entity.	Organisation's structure, its business and its supply chains.	<i>Not required by the relevant Act</i>	<ul style="list-style-type: none"> Section 2 – About Ansell (page 5)
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	Parts of the organisation's business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk.	<i>Not required by the relevant Act</i>	<ul style="list-style-type: none"> Section 4 – Our modern slavery risks and impacts (page 12)
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	Organisation's policies in relation to slavery and human trafficking; its due diligence processes in relation to slavery and human trafficking in its business and supply chains.	Describe to what extent the manufacturer: <ul style="list-style-type: none"> Engages in verification of product supply chains to evaluate and address risks of human trafficking and slavery. Conducts audits of suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains. Requires direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking. 	<ul style="list-style-type: none"> Section 3 – Our approach to managing modern slavery risks (page 10) Section 6 – Supply chain due diligence (page 19)
Describe how the reporting entity assesses the effectiveness of such actions.	Organisation's effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate.	Describe to what extent the manufacturer maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.	<ul style="list-style-type: none"> Section 6 – Supply chain due diligence (page 19) Section 8 – Monitoring progress and assessing effectiveness (page 27)

Statement Annexure continued

Australian Modern Slavery Act Mandatory reporting criterion	UK Modern Slavery Act Recommended reporting criterion	California Transparency in Supply Chains Act required reporting criterion	Location of information
Describe the process of consultation with any entities that the reporting entity owns or controls.	<i>Not required by the relevant Act</i>	<i>Not required by the relevant Act</i>	<ul style="list-style-type: none"> • Section 9 – Collaboration and stakeholder engagement (page 28)
<i>Not required by the relevant Act</i>	The training about slavery and human trafficking available to its staff.	Describe to what extent the manufacturer provides company employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products.	<ul style="list-style-type: none"> • Section 5 – Operational due diligence (page 14)
Provide any other information that the reporting entity, or the entity giving the statement, considers relevant.	<i>Not required by the relevant Act</i>	<i>Not required by the relevant Act</i>	<ul style="list-style-type: none"> • Section 9 – Collaboration and stakeholder engagement (page 28)