14 August 2023

Manager Companies
Company Announcements Officer
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

ANSELL LIMITED (ANN)
Appendix 4E & Annual Report for the year ended 30 June 2023

Please find attached for release to the market Ansell Limited's Appendix 4E and Annual Report for the period ended 30 June 2023.

This announcement was authorised for release by the Board of Directors of Ansell Limited.

Yours sincerely

Catherine Stribley
Company Secretary
Ansell Limited

APPENDIX 4E

FOR THE YEAR ENDED 30 JUNE 2023
ANSELL LIMITED AND SUBSIDIARIES

ACN 004 085 330

Results for Announcement to the Market			**US$m**
Revenue from ordinary activities	down	(15.2%)	1,655.1
Net Profit from ordinary activities for the period attributable to members	down	(6.6%)	148.3
Net Profit for the period attributable to members	down	(6.6%)	148.3

Dividends (distributions)	**Amount per share US cents**	**Franked amount per share US cents**
Dividend	25.80	Nil

Record date for determining entitlements to the dividend	21 August 2023
Dividend Reinvestment Plan election cut off date	22 August 2023
Dividend payment date	7 September 2023

Net Tangible Asset backing	**2023 US$m**	**2022 US$m**
Shareholders' Equity attributable to Ansell Limited shareholders	**1,600.9**	1,542.9
Less Intangible Assets	**1,059.7**	1,049.4
Net Tangible Assets	**541.2**	493.5

	2023	**2022**
Net tangible asset backing per ordinary share	**$4.27**	$3.88

Associates and Joint Ventures

Ansell Limited's associated and joint ventures are included at Note 21 Control of Subsidiary of the accompanying audited Financial Statements.

- This report is based on Financial Statements which have been audited.
- Refer to the accompanying Annual Report (which includes the Report by the Directors), ASX announcement and Investor Presentation for the commentary on the figures reported above and the remainder of the information requiring disclosure to comply with Listing Rule 4.3A.
- This report is presented in United States dollars.

Ansell

Annual Report 2023

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AGM

Ansell's Annual General Meeting (AGM) will be held on 24 October 2023.

To access more information, visit https://www.ansell.com/us/en/about-us/investor-center/agm

Corporate Reporting Suite

This Report is part of our broader corporate reporting suite and the following documents are available at www.ansell.com:

Results Presentation: Ansell's strategy, financial results and operational performance for the reporting period.

Corporate Governance Statement: Ansell's application of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

Sustainability Report: Features information about Ansell's Environmental, Social and Governance (ESG) goals and performance (to be released in August 2023).

Labour Rights Report (and Modern Slavery Statement): Ansell's statement on our actions to assess and address modern slavery risks in our business and supply chains (to be released August 2023).

ABOUT THIS REPORT

Report Structure

This Report is designed to be read in its entirety. The required elements of the Directors' Report, including the Operating and Financial Review (OFR) as required by ASIC Regulatory Guide 247, are covered on pages 14 to 66. Commentary on Ansell's financial performance specifically is contained on pages 16 to 23 and references information reported in the Financial Statements (pages 67 to 114). The Financial Statements includes Ansell Limited (the Company or Parent Entity) and the entities it controlled at the end of, or during, the year ended 30 June 2023. Throughout the report, the consolidated entity is referred to as Ansell or the Group. The Directors' Declaration forms part of the Annual Report under the *Corporations Act 2001*.

Non-IFRS Measures

Ansell's financial results are reported under International Financial Reporting Standards (IFRS). This release includes certain non-IFRS measures such as Constant Currency, Organic Constant Currency, GPADE, EBIT, EBITDA, Adjusted Earnings Per Share and Significant Items, which have been defined on page 16. These measures are presented to enable understanding of the performance of the Company without the impact of non-trading items and foreign currency. Non-IFRS measures have not been subject to audit or review.

Assurance and Verification

The Remuneration Report (pages 43 to 66) and the Financial Statements (pages 67 to 114) have been audited by KPMG. Full details of the assurance scope, process and outcome are included in the Independent Auditor's Report on pages 116 to 120.

All unaudited information contained in this report has been subject to an internal review and approval process defined by our Corporate Reporting framework as explained in our 2023 Corporate Governance Statement.

Forward-looking Statements

Any forward-looking statements are based on Ansell's current expectations, best estimates and assumptions as at the date of preparation, many of which are beyond Ansell's control. These forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks, which may cause actual results to differ materially from those expressed in the report.

Acknowledgement of Country

We acknowledge and respect the traditional lands and cultures of First Nations peoples in Australia and globally. We pay our respects to Elders past and present and recognise First Nations peoples' longstanding and ongoing spiritual connections to land, sea, community and Country. Appreciation and respect for the rights and cultural heritage of First Nations peoples is essential to the advancement of our societies and our common humanity.

Ansell is a diversified global leader in hand and body protection solutions and an integrated manufacturer, innovator and marketer of products on which millions of workers and healthcare professionals rely.

About Ansell

Leading the world to a safer future

For over 125 years, Ansell has delivered advanced protection solutions to people at work and at home, keeping them out of harm's way.

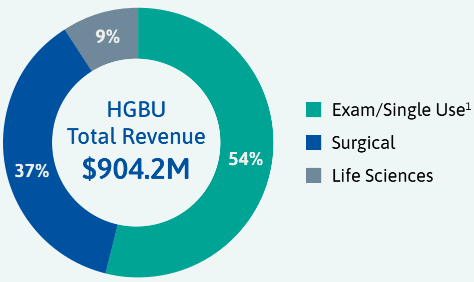
Our expertise, innovative products, and advanced technology give our customers peace of mind and confidence no other brand can deliver.

We operate across two business segments:

Healthcare Global Business Unit

The Healthcare GBU (HGBU) 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 life science & pharmaceutical companies.

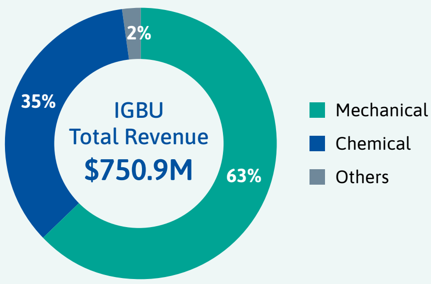
The portfolio includes surgical gloves, single use and examination gloves, clean and sterile gloves and garments, and consumables.



Industrial Global Business Unit

The Industrial GBU (IGBU) manufactures and markets high-performance hand and chemical protective clothing solutions for a wide range of industrial applications.

Ansell protects workers in industries including automotive, chemical, metal fabrication, machinery and equipment, food, construction, mining, oil & gas, utilities, logistics, and first responders.



1. Includes single use gloves used by industrial workers in manufacturing, auto repair, chemical, food processing and other industries.

No. 1 or 2

position in key segments globally

9 billion

gloves sold per year

Provides protection solutions to

25+ industries

Our Operations

24
Warehouses

18
R&D centres

15
Manufacturing facilities

14,000+
Employees

Customers in
100+
countries

Ansell is a global company employing more than 14,000 people in over 55 countries. Ansell Limited is legally domiciled in Melbourne, Australia and is listed on the Australian Securities Exchange (ASX: ANN). Ansell has four corporate headquarters: Melbourne, Australia; Brussels, Belgium; New Jersey, United States; and Cyberjaya, Malaysia.

We operate 15 manufacturing facilities with the largest located in Malaysia, Sri Lanka and Thailand and smaller plants located in Brazil, China, Lithuania, Portugal and Vietnam. On 1 March 2023, we announced the completion of the acquisition of the remaining 50% shareholding in Careplus (M) Sdn Bhd, now known as Ansell Seremban Sdn Bhd. This acquisition delivered Ansell a 100% shareholding and full operational control.

Our factories produce an extensive range of products including mechanical gloves, chemical gloves, chemical protective clothing, single use gloves, surgical gloves and life sciences gloves.

We also work with third parties for the supply of selected finished goods, predominantly exam and single use gloves.


Lithuania
Brussels
Portugal
China
Thailand
India
Vietnam
Cyberjaya
Sri Lanka
Malaysia
Melbourne


Ansell
Ansell

Customer Success Stories

Ansell's mission is to lead the world to a safer future by being two steps ahead of workplace risk. Each of these customer stories demonstrate how Ansell goes beyond the provision of protective equipment and helps customers address complex safety challenges.

The commercial wins profiled in this year's Annual Report represent four entirely different applications on four continents in four industries, highlighting the unique breadth of Ansell's presence in the world of personal protection solutions.

Minimising the Risk of Musculoskeletal Injury to Bouygues Construction Workers Through Innovation & Technology

Workers in construction trades are at high risk of work-related musculoskeletal disorders (WMSDs) – injuries to the soft tissues of the body, including muscles, tendons, nerves, cartilage, and other supporting structures, caused by sudden or sustained exposure to repetitive motion, force, vibration, and awkward physical positions on the job.

With 32,400 employees working in 60 countries, Bouygues Construction designs, builds and refurbishes the infrastructure and buildings that are essential for a sustainable society. Throughout the world, the teams support the development of low-carbon energy production and public transport infrastructures, and provide their expertise in the design, construction and renovation of buildings and neighbourhoods that are essential to life. As a safety champion, they strive to continuously minimise the risks and hazards faced by employees. In FY23, Bouygues Construction sought to capture data on risky hand movements linked to specific tasks performed by its construction workers and to put ergonomic solutions in place to reduce and potentially eliminate WMSD injuries.

Enter Inteliforz™ Motion Series, a new Software as a Service (SaaS) introduced by Ansell. The wearable sensor technology tracks data to identify work-related musculoskeletal disorder risks so training and work processes can be adapted to keep workers safe. A three month trial of the Inteliforz Motion series in October 2022 at Bouygues Construction Matériel' Distrimo warehouse in Tourville, France yielded significant data, leading Bouygues Construction to extend the trial for a year to ensure sustainable results. We have recently launched an additional trial at a Bouygues Construction Matériel warehouse in Chilly-Mazarin, France.

In another consequence of the pilot and the trust established between our two companies, Bouygues Construction has converted to Ansell HyFlex® gloves as hand protection solutions for the company's construction sites.

Thanks to Ansell innovation and technology, Bouygues Construction workers performing manual repetitive tasks are now equipped with state-of-the-art products and services to reduce the risk of WMSD injuries.

Protecting Emirates Airlines Maintenance Workers from Static Electricity Buildup

Airline maintenance workers are exposed to countless hazards, and electrical sparks are no exception. These workers require gloves that provide a discharge of static buildup to stop harmful electric charges in their tracks.

Emirates Engineering is one of the world's most technologically advanced aircraft maintenance providers, employing around 15,000 maintenance workers. Emirates employees currently use Ansell's best-selling disposable glove, TouchNTuff® 92-600, for their daily work. In discussion around industry hazards, the need arose for a specialised glove that offered protection against static electricity buildup.

Enter Ansell's innovative new product solution: MICROFLEX® 94-242 Static Dissipative glove. This glove safely controls the passage of electric charges, preventing fires, explosions, and damage caused by static discharge, and is suitable for Atmospheric Explosion (ATEX) environments and Electrostatic Discharge (ESD) applications.

Emirates will use MICROFLEX® 94-242 from the tarmac to the workshop. For example, Emirates maintenance workers paint planes using an electrostatic spray-paint gun. This painting process results in a flawless, quick-drying finish of branding elements, but also presents unique hazards. The high voltages applied with the spray gun could result in electric shock to the operator, or a spark could ignite the paint.

Now, thanks to Ansell's product innovation, Emirates workers have an effective barrier against electrical shocks and sparks — which is critical in the aircraft industry where flammable liquids like paint and jet fuel are standard. In addition to its use for electrostatic spray painting, employees will don 94-242 when fueling aircraft.

AnsellGUARDIAN® Provides Knowledge, Tools and Training to Prevent Injuries at EthosEnergy

Operating in the power, oil & gas, industrial and aerospace markets, EthosEnergy's customers depend on them to deliver services and solutions to make energy affordable, available and sustainable.

With a workforce of 4,500 operating in over 100 countries, the company recognises that success is tied to its ability to achieve world-class safety performance at its manufacturing facilities. EthosEnergy consistently works to improve performance across the value chain, not least of which includes the safety of its workforce. While proud of its workplace safety record, they remain vigilantly focused on new, better, more efficient and safer methods of working. In this effort, they rely on business partners like Ansell to mitigate and minimise risks.

In July 2022, Ansell conducted an AnsellGUARDIAN® safety assessment to reduce hand and arm lacerations to employees working with sharp materials at its US manufacturing location in Massachusetts. Through glove and sleeve testing, the assessment identified solutions which enabled workers to safely complete their required tasks while driving worker acceptance and compliance with their new PPE; ultimately reducing injuries. AnsellGUARDIAN® assessments lead to injury reduction, reduced cost to protect, increased compliance and PPE portfolio complexity reduction.

EthosEnergy's management team was impressed with the level of detail and solutions provided to achieve their safety objectives. Based on this tailor-made assessment, EthosEnergy expanded the AnsellGUARDIAN® assessment to three additional manufacturing locations. Coordinating with our distributor, W. W. Grainger, and health & safety management at Ethos, AnsellGUARDIAN® assessments were completed and, as of November 2022, EthosEnergy now uses Ansell as its primary vendor for gloves in all 37 US locations. EthosEnergy employees are now better protected, and the company is advancing its goal of world-class safety performance.

Reliable Supply, Sustainability & Value-Added Services Help NSW Public Hospitals Recover Post-Covid

New South Wales (NSW) is the largest state in Australia, home to over seven million people. Prior to the pandemic, Ansell had limited hospital medical examination glove market share in the region. As part of its post-Covid economic recovery program, NSW public hospitals required a reliable supply of quality examination gloves from manufacturers with strong corporate social responsibility credentials.

With strong brand recognition, an industry-leading position in tackling the challenges of a sustainable supply chain, as demonstrated by its recent Silver Ecovadis credential, and a reputation in NSW public hospitals for high-quality surgical gloves, Ansell was able to quickly meet NSW's requirements by expanding manufacturing and sourcing capabilities. This ensured a responsible and reliable supply of medical examination gloves, protecting both patients and healthcare workers, demonstrated fast lead times and an On Time in Full (OTIF) delivery performance exceeding 98%.

Since April 2023, Ansell has consistently delivered over 11 million examination gloves per month to NSW hospitals.

At all stages of engagement with NSW public hospitals, Ansell went above and beyond its role as simply a glove manufacturer. In addition to providing high-quality gloves, Ansell offered value-added services, conducted regular business reviews, addressed specific hospital needs, and delivered tailored solutions like AnsellCARES™, a clinical education program focused on advancing healthcare worker development, improving safety, and enhancing patient care.

As a result, Ansell's dedication and innovative solutions led to significant new and ongoing business, servicing a high number of public health districts and its hospitals, healthcare professionals and communities in New South Wales.

Chairman's Review

We have set our sights beyond compliance. Our ambitious goals include advocating for higher labour standards in the PPE industry while recognising we have more to achieve.

John Bevan
Chairman

Dear fellow shareholders,

In what was another challenging year for Ansell characterised by difficult market conditions, the Company has adapted and responded effectively. While we can expect the next 12 months to remain challenging, work to execute the growth strategy announced in July is underway and I believe the Company is now well positioned.

When reflecting on the last year some perspective is important. The onset of the pandemic in 2020 was the catalyst for an unprecedented ramp up in global demand for personal protective equipment (PPE) for healthcare. This elevated demand was sustained over the ensuing two years; at its peak it was three to four times the normal level. We saw a boost to the company's revenues and earnings accordingly.

Predicting exactly when end-user demand would ease was always going to be difficult for our healthcare customers. When conditions normalised in most countries from early 2022, many found themselves with more inventory than they needed. Just as this was depleting, the supply chain crunch was the catalyst for continued caution by customers maintaining high levels of inventory.

Like our industry peers, Ansell has been grappling with the impact of these events for the past 18 months. In that time, we have seen significant disruption to normal supply and demand patterns, stretching of supply chains, key materials become scarcer and labour costs increase. These effects were evident throughout Ansell's business in FY23.

Clear pathway to growth

In the face of difficult conditions, the Company has adapted and responded. The impact of overstocking is evident in the Company's financial performance in FY23, but in the Board's view management's actions have now mitigated this impact.

Importantly, Company leadership, led by CEO Neil Salmon, has made good progress repositioning Ansell for a return to normal conditions in the coming years. It is now operating on a leaner and more efficient platform than prior to the onset of COVID, consistently focused on developing higher-value and differentiated product lines, and has successfully transitioned much of the business onto upgraded digital platforms. This latter investment has already improved the customer experience and our ability to foresee, and respond to, shifts in demand.

The Accelerated Productivity Investment Program announced to the market on 18 July builds on this work. The suite of initiatives set out in the plan will lead to a more streamlined, innovative and customer-focused organisation, one better equipped to compete and succeed in the global PPE market. Shareholders can expect benefits from these actions in the form of EPS growth from FY25.

Company leadership, led by CEO Neil Salmon, has made good progress repositioning Ansell for a return to normal conditions in the coming years.

Delivering on sustainability commitments

Ansell's focus on ensuring the business is meeting, and exceeding, stakeholder expectations around sustainability continued throughout the year. The inaugural Ansell Global Supply Summit in Malaysia in February 2023 was an important step forward, helping cement the collaboration with our supply chain partners that will be critical to meeting our sustainability commitments.

On decarbonisation, the Company is making progress toward its goal of a 42% reduction in Scope 1 and Scope 2 emissions by 2030, and Net Zero in Scope 1 and Scope 2 emissions by 2040. Renewable energy plays an increasingly important role in our energy mix and we are transitioning to new materials with a lower emissions profile. Our manufacturing partners are in no doubt about the importance of aligning with Ansell's sustainability agenda and understand that we are unlikely to be able to work with high-emission suppliers over the long term.

While Ansell is pursuing a strategy of reweighting supply toward more in-house manufacturing, as Neil details in his accompanying CEO letter, third-party finished goods suppliers continue to play an important part in our business. In line with our modern slavery commitments, ensuring the integrity of labour conditions at these suppliers was a high priority in FY23, and a key theme of the Ansell Global Supply Summit.

Tackling modern slavery is a complex global challenge but one on which Ansell is determined to make a difference. I can report that tangible improvements across the supply chain are evident.

Ansell continues to invest in measurable and meaningful improvements to the management of labour rights and modern slavery across our operations and third-party supply chain. This year we introduced new tools such as specific Forced Labour Indicator audits and independent grievance mechanisms to ensure we continue to promptly identify, assess, address and mitigate all risks of modern slavery. As we evolve, in line with our ongoing commitment to health and safety, we will continue to integrate a broader view of human rights into our business by maintaining a significant focus on improving the lives of our people.

We have set our sights beyond compliance. Our ambitious goals include advocating for higher labour standards in the PPE industry while recognising we have more to achieve.

Reflections after 12 years on the Board

Shareholders would be aware of the Company's announcement that I will be retiring from the Board in October 2023, making this my last letter to shareholders.

It has been a privilege to serve Ansell as a Director for 12 years, including the last four as Chair. While my tenure as a Director is a relatively short period in the context of Ansell's rich 130-year heritage, I have nevertheless observed the business grow and mature in that period. Ansell is a genuinely global Australian company, deeply embedded in supply-chain and end-user markets throughout the world and an undisputed leader in the provision of PPE for healthcare and industrial markets.

The environment in which Ansell operates has changed greatly over its history, and even over the last 20 years. Manufacturers today are grappling with climate pressures, a transforming global economy and shifting community expectations. Ansell has adapted to these changes and will need to keep doing so. It will succeed, for the same reasons that it has endured so well to this point: the strong set of ethics and values that are written into its DNA.

Shareholders should be confident the Company is in great hands going forward. Incoming Chair Nigel Garrard, an experienced Director of ASX-listed companies, has seen firsthand the market volatility effecting the Company in his time on the Board since 2020 and is well placed to oversee Board deliberations as the growth strategy is implemented. Neil has ably steered the Company during a highly turbulent period and my personal thanks go to him and his leadership team for their hard work and dedication.

Lastly, I wish to thank all of Ansell's 14,000 employees for their role in making the Company the global force it is today, and our many shareholders for their continued support.

Yours sincerely,

John Bevan
Chairman

Chief Executive Officer's Review

Amid the challenging operating backdrop, we continued to invest in Ansell's operations to position the Company for long-term growth.

Neil Salmon
Managing Director and Chief Executive Officer

Dear Shareholder,

We are passionate about creating a great experience for those who wear our products in healthcare and industrial settings. Making the right choice on personal protective equipment can have broad benefits to wearers and their workplaces. Our customer success stories on pages 6 and 7 demonstrate this. Through successes such as these, we realise our vision to lead the world to a safer future.

The extended impact of COVID-19 was once again the dominant theme for Ansell in FY23 as disruptions to normal business patterns – especially in our Healthcare GBU – were felt keenly.

Ansell is responding to these headwinds while remaining focused on our strategic goal of developing our global leadership position in the supply of hand and body protection.

On 18 July, as well as providing earnings guidance for FY24, I announced Ansell's Accelerated Productivity Investment Program. This plan follows a detailed examination by our leadership team into how to best position Ansell for growth in the market circumstances we foresee over the medium to long term. Although my guidance for FY24 indicates a moderate decline in EPS in that year, we expect this investment plan to be the catalyst for significant long-term earnings growth from FY25.

Before expanding on these initiatives, I am pleased to outline the highlights of the last fiscal year.

Overview of Financial Performance

Group sales of US$1.655 billion for FY23 were down 11.0% versus the prior year on an Organic Constant Currency basis, as growth in Industrial products only partially offset weaker sales in Healthcare, influenced mainly by customer destocking. Ansell has a well-balanced portfolio with diverse geographic and end market exposure that helps to insulate against one off or cyclical movements in certain parts of the business. The benefit of this portfolio construct was evident in FY23, with growth in emerging markets and in our Industrial business a counterpoint to softness in developed markets where the impacts of destocking in Healthcare and post-COVID price reversion in Exam/Single Use were more acute.

Our Industrial GBU recorded good top-line growth on an Organic Constant Currency basis. Mechanical continued to perform well, with growth in emerging markets and success with new products contributing to a strong result. Chemical returned to growth on strong demand for our high-end hand and body chemical protection range. There was some softening in certain industrial end markets towards the end of the year as global interest rate rises began to weigh on manufacturing activity.

The unwinding of excess customer inventory weighed heavily on the Healthcare result in FY23 as diminishing global supply chain risks and improved product availability saw channel partners and end users take decisions to reduce inventory.

Second-half Exam/Single Use volumes improved against the first half, particularly in our more differentiated products for industrial applications produced in-house. This suggests we are nearing the end of the customer inventory correction in this part of our business. Exam/Single Use pricing also stabilised in the second half.

Second-half destocking in Surgical masked more favourable underlying end-user demand trends. A more prolonged period of customer inventory normalisation in Life Sciences reflected the unwind of very conservative inventory positions taken by market participants during the pandemic and dampened sales in this SBU throughout the year.

Earnings before interest and tax (EBIT) were $206.3m before significant items. Adverse currency movements and the loss of earnings from our exited Russia business were significant headwinds to reported earnings growth, and the greater than expected customer destocking in Healthcare pushed earnings lower on an Organic Constant Currency basis. This masked strong earnings performance in Industrial, where we are seeing the margin benefits from a strong program of innovation, particularly in Mechanical, and success with pricing.

FY23 earnings were supported by our hedging program, which partially offset the unfavourable impact of foreign exchange movements, and low employee incentive costs due to reversal of prior year accruals for long-term incentive plans and low short-term incentive realisation. As we enter FY24, the absence of these benefits, combined with headwinds from foreign

exchange and higher tax rates, will translate to higher costs in our business, which we are addressing through our Accelerated Productivity Improvement Program.

Reported earnings per share (EPS) were US117.5¢, which included a small benefit from the net proceeds of the successful completion of our exit from Russia. When this benefit is excluded, adjusted EPS of US115.3¢ was at the low end of the guidance range provided in August 2022.

Progress Against Strategic Objectives

Amid the challenging operating backdrop, we continued to invest in Ansell's operations to position the Company for long-term growth.

Construction of our greenfield Surgical facility in India continues; once completed this will deliver Ansell important capacity to meet growing global demand for Surgical gloves.

The buyout of our Careplus joint venture partner was completed in February, meaning sales of our Exam/Single Use products produced in-house exceeded 40% of total Exam/Single Use sales in FY23. The integration of Careplus is progressing smoothly and the focus on insourcing key styles and improving plant productivity has led to a pleasing level of utilisation at this facility.

Improved supply and recovery from COVID-manufacturing disruptions allowed a renewed focus on product innovation in FY23. Results from new product launches, particularly ultra-lightweight HyFlex® cut protection styles, have been very encouraging. Full ownership of Careplus gives Ansell additional flexibility to run R&D trials to support innovation within our Exam/Single Use business in the coming years.

Efforts to improve the efficiency and reliability of our supply chain continued, with substantial improvements in key customer service metrics recorded over the course of FY23. These goals were achieved as a result of continued success against our digital investment strategy with flawless implementation in the year of leading cloud based software that now underpins a new global supply planning process and the continued upgrade of our manufacturing ERP systems.

$206.3m

EBIT before significant items

40%+

of Exam/Single Use sales were from products produced in-house

Chief Executive Officer's Review continued

Progress on Sustainability Commitments

Ansell made significant progress against our sustainability objectives during FY23.

During the year, Ansell strengthened efforts to mitigate modern slavery risks in our internal operations and third-party supply chain with the introduction of Forced Labour Indicator audits at both our own plants and those of our finished-goods suppliers (FGSs). In these audits we saw tangible improvement on compliance with labour standards among suppliers. In a pleasing outcome the Company secured recruitment fee reimbursement declarations from all Malaysian FGSs for currently employed migrant workers.

While Ansell remains committed to going above and beyond industry benchmarks on the treatment of workers in the supply chain, this requires collaboration with suppliers and customers and Ansell has invested considerable time gaining alignment from them on labour issues. This is a something I am personally committed to driving and I continue to engage with our stakeholders on this very important topic.

FY23 also saw Ansell make progress on our commitments toward reducing our environmental footprint.

On decarbonisation, we have stated a goal of science-based reductions in Scope 1 and Scope 2 emissions leading to a 42% reduction by 2030 and Net Zero emissions by 2040 against a 2020 baseline. Renewable energy is critical to our ability to meet the Net Zero goal; today it plays an increasingly important role in Ansell's energy mix, accounting for 29% of our electricity needs, up from 2% in FY20. This mix helped Ansell achieve its reduction targets for FY23 (although lower production volumes also contributed to the reduction).

Materials selection is another critical component of the Net Zero strategy. Our R&D program is aligned with the decarbonisation agenda and increasingly investing in the development of products and packaging with reduced environmental impacts throughout their life-cycle, including products made from bio-based materials to reduce end of life impact, and packaging that is recyclable, reusable or compostable. In early FY24, we plan to launch a new communication framework to detail the sustainability characteristics of individual products. We are calling this initiative *Ansell Earth* and we expect it to be very helpful in informing customer choice on sustainability.

The Company achieved its goal of Zero Waste to Landfill by 2023. We are now onboarding our new facilities (Ansell Seremban and Ansell Kovai) to this program. The target of reducing water withdrawals by 35% by 2025 compared to the 2020 baseline is a major technical challenge, as we focus on improving production line efficiencies. We are on track and further optimisation of our investment in reverse osmosis water recycling technology will be the key focus in FY24. Our new Kovai facility is designed to discharge zero water outside of our boundary when fully operational, which will be an important template for future progress on this front.

I am very pleased to report continued strong improvement in our workplace safety record. Our Medical Treatment Injury (MTI) Rate fell to a record new low of 0.092 per 100 employees in FY23, down 43% on the prior year. The Lost Time Injury (LTI) Rate increased only slightly to 0.059 per 100 employees from 0.051 the prior year, still an excellent result.

Laying The Foundation For Medium-Term Earnings Growth

For some time Ansell's leadership team has been considering carefully the steps needed for Ansell to maintain and increase market leadership and succeed in a post-pandemic world. In July we detailed our response, a three-year blueprint leading to a leaner, more flexible and more customer-focused business that is positioned for strong earnings growth over the medium term.

The first element in the plan is an evolution of our organisational structure to better align with customer and market-oriented growth strategies. This new structure leverages the deep competencies developed that set Ansell apart from

our competitors: our knowledge and understanding of customer safety needs, an unrivalled innovative product portfolio, deep customer relationships, a resilient supply chain and manufacturing network, and a genuine commitment to sustainable work practices and customer safety solutions. It will help us become a leaner organisation better able to deliver consistent growth while strengthening our differentiation.

Second, we are intensifying our efforts to drive gains in manufacturing productivity. These gains will come from investments in automation and adjustments to our manufacturing configuration. The latter includes our 'make versus buy' strategy, under which we will continue our program of insourcing higher-value, more differentiated products, and outsourcing products where it makes strategic sense to do.

Separately we have made a decision to take action to reduce Ansell's own in-house inventory levels during FY24 which are currently elevated versus pre-pandemic levels. To do this we will temporarily slow production in FY24. As mentioned earlier, the gains we have seen in our supply chain performance in FY23 give us confidence that we can reduce inventory and improve our return on capital without compromising sales growth and service levels. The reduction in inventory will also release sufficient additional cashflow to fund the cost to implement the organisation changes and manufacturing productivity program.

Finally, building on recent successes, the focus of our digitisation program will broaden and we will accelerate our transition towards consolidated global ERP and decision-support systems. The implementation of this program will run through to FY26.

Challenging Conditions Ahead but Ansell is Well Placed

Challenges remain for Ansell in FY24 as the after-effects of COVID-19 persist in key Healthcare segments. While end user demand is expected to be robust, sales in Surgical and Life Sciences will continue to be affected by customer destocking. Our best estimate is that orders within these businesses will only begin to normalise in the second half of FY24.

We expect material initial savings in FY24 from our Accelerated Productivity Investment Program but these will not be immediately apparent as the work to reduce inventory causes a temporary increase in the cost of goods sold.

Other factors are also expected to weigh on FY24 performance, including an adverse impact from currency, a higher effective tax rate, and higher employee expenses following reversal of prior year accruals for long-term incentive plans and low short-term incentive realisation in FY23.

Given the above, we have guided FY24 Adjusted EPS, excluding one-off costs associated with our Accelerated Productivity Investment Program, to be in the range of US92¢ to US112¢. While this is below FY23, we are confident that the actions being taken in FY24 will set us up for superior growth and returns in FY25 and beyond as COVID-related headwinds abate and the underlying strength of our business becomes clearer.

On behalf of the senior leadership team, I want to thank the Board, our more than 14,000 staff, and our partners and customers for the role they have played in the year past. Their continued support will be critical as we work to realise the opportunities ahead.

I would also like to take this opportunity to thank our Chairman, John Bevan, for his leadership and valuable contributions to Ansell for nearly 12 years, and for the support and guidance he provided me during my transition to CEO. I wish John all the very best and also look forward to welcoming Nigel Garrard as our new Chair of the Ansell Board in October.

Neil Salmon

Neil Salmon
Managing Director and Chief Executive Officer

Our Strategic Priorities

As we emerge from a lengthy post-COVID period of adjustment in our end markets, the progress we have made and the strength of our business is obscured by destocking effects and external headwinds.

Favourable end user demand despite Healthcare GBU destocking

- Approaching the end of destocking cycle
- Distributor reported sell out trends show underlying strength
- Market fundamentals support long-term growth once channel and customer inventory levels normalised

Global leadership positions in growing, differentiated market segments

- Comprehensive hand and body protection portfolio, unmatched in innovation, quality, and performance
- Trusted brands that are the most well known in the industry globally
- Diversified geographic and vertical exposure
- Global sales force nurturing deep customer relationships and leveraging AnsellGUARDIAN® capabilities

Investments building platform for future growth

- Additional capacity to meet long-term demand in Surgical and differentiated Exam/Single Use product segments
- Continued innovation in differentiated safety solutions, including in sustainable products
- Multi-year expansion in emerging markets diversifying geographic presence and driving growth
- Improvements in supply chain planning & digital systems capabilities

With destocking in Healthcare markets expected to normalise into FY25, it is time to position Ansell for its next phase of growth, with the commencement of our Accelerated Productivity Investment Program in FY24 targeting long term value creation for shareholders.

Accelerated Productivity Investment Program, commencing in FY24, focused on adjusting our organisational structure, improving manufacturing productivity and accelerating IT investments to drive growth and improve returns.

	Objective	Description	Benefits
Organisation & Manufacturing	**Simplify & Streamline Organisational Structure**	Achieve clearer organisational alignment to customer and market-oriented growth strategies with less duplication of leadership responsibility	• Enhanced growth delivery • Lower SG&A
	Improve Manufacturing Productivity	Reduce manufacturing headcount and make investments to improve manufacturing capabilities and configuration	• Cost reduction from automation and productivity • Outsourcing for lower cost on less differentiated products, while insourcing more differentiated • Improved Chemical margins from rationalising less differentiated Chemical hand protection ranges
Information Technology	**Accelerate Digitisation Strategy**	Invest in digital capabilities to support long-term growth	• Modernised and standardised IT core • Enhanced Business Intelligence capabilities

Total program cash cost of $70-85m, including $30-35m for IT investments, expected to deliver annualised pre-tax cost savings of $45m by FY26.

Investments in Organisation & Manufacturing to be funded through reducing inventory in FY24.

Financial Performance

Group Results

Currency Reporting

The US Dollar is the predominant global currency of Ansell's business transactions and the currency in which the Group operations are managed and reported. Non-US Dollar values are included in this report where appropriate.

Key Definitions

Ansell's financial results are reported under International Financial Reporting Standards (IFRS). Certain non-IFRS measures are presented in this report to enable understanding of the performance of Ansell without the impact of non-trading items and foreign currency impacts. Non-IFRS measures have not been subject to audit or review. The non-IFRS measures are defined as follows and apply throughout this report:

- **Constant Currency** – the presentation of Constant Currency information is designed to facilitate comparability of reported earnings by restating the prior period's results at the exchange rates applied in determining the results for the current period. This is achieved by analysing and estimating, where necessary, revenue and cost transactions by underlying currencies of our controlled entities. These transactions are converted to US dollar at the average exchange rates applicable to the current period on a month by month basis. In addition, the following adjustments are made to the current and prior year's results: the profit and loss impact of net foreign exchange gains/losses is excluded; and the foreign exchange impact on unrealised profit in stock is excluded. The principles of Constant Currency reporting and its implementation are subject to oversight by the Audit and Compliance Committee of the Board.
- **Organic Constant Currency** – compares FY23 to FY22 at Constant Currency and excludes the effects of acquisitions, divestments and business exits (such as the Russia Exit in FY22), and excludes the currency translation effects from extraordinary events (such as the socio-economic instability in Sri Lanka from March 22). Refer to reconciliation below.
- **GPADE** – defined as Gross Profit After Distribution Expenses. Gross Profit means sales less cost of goods sold.
- **SG&A** – defined as Selling, General and Administration expenses excluding Significant Items.
- **EBIT** – defined as Earnings Before Interest and Tax excluding Significant Items. Includes share of loss from Careplus joint venture.
- **EBIT or GPADE Margin** – defined as EBIT or GPADE as a percentage of sales.
- **EBITDA** – defined as Earnings Before Interest, Tax, Depreciation and Amortisation excluding Significant Items. Excludes share of loss from Careplus joint venture.
- **Adjusted EPS** – defined as Earnings Per Share (EPS) excluding Significant Items.
- **Significant Items** – defined as income or expense items that are unusual or infrequent, also known as non-recurring. See Note 3(b) Significant Items of the Group's audited FY23 Financial Statements.

Organic Constant Currency Reconciliation

	Healthcare	Industrial	Corporate	Group
Prior Period Sales				
Reported Sales	1,189.6	762.5	-	1,952.1
Remove Russia Exit	(11.1)	(17.4)	-	(28.5)
Less Currency Effect	(37.8)	(25.4)	-	(63.2)
Organic Constant Currency Sales	1,140.7	719.7	-	1,860.4
Prior Period EBIT				
Reported EBIT	150.7	107.0	(12.6)	245.1
Remove Russia Exit	(4.2)	(5.0)	-	(9.2)
Less Currency Effect	(21.9)	(13.3)	-	(35.2)
Add Sri Lanka Currency Translation Effect	12.7	4.2	-	16.9
Less Net Exchange Gain	(3.5)	(2.4)	-	(5.9)
Organic Constant Currency EBIT	133.8	90.5	(12.6)	211.7
Prior Period Profit Attributable				
Reported Profit Attributable				158.7
Remove Russia Exit				9.7
Less Currency Effect				(30.1)
Add Sri Lanka Currency Translation Effect				13.4
Less Net Exchange Gain				(4.7)
Organic Constant Currency Profit Attributable				147.0

Group Income Statement

	FY22	FY23	Growth %	Organic Constant Currency Growth %
Sales	**$1,952.1m**	**$1,655.1m**	**(15.2%)**	**(11.0%)**
EBIT	**$245.1m**	**$206.3m**	**(15.8%)**	**(6.7%)**
EBIT Margin	**12.6%**	**12.5%**		
Significant Items	($17.0m)	**$2.7m**		
Net Interest	($19.7m)	**($19.4m)**	(1.5%)	1.1%
Taxes	($48.6m)	**($39.7m)**	(18.3%)	(17.8%)
Effective tax rate[1]	*20.8%*	***21.1%***		
Minority Interests	($1.1m)	**($1.6m)**	45.5%	45.5%
Profit Attributable	**$158.7m**	**$148.3m**	**(6.6%)**	**(4.7%)**
EPS	**125.2¢**	**117.5¢**	**(6.2%)**	
Adjusted EPS	**138.6¢**	**115.3¢**	**(16.8%)**	**(4.3%)**
Dividend	**55.45¢**	**45.90¢**	**(17.2%)**	

1. Effective tax rate is calculated excluding the equity accounting loss from Careplus joint venture (FY22: $8.5m; FY23: $1.5m) and Significant Items (nil income tax expenses for both FY22 and FY23 are attributable to Significant Items, see Note 3(b) Significant Items of the Group's audited FY23 Financial Statements for detail).

Group Sales

Ansell delivered sales of $1,655.1m in FY23, representing a decline of 15.2% on a reported basis and a decline of 11.0% on an Organic Constant Currency basis.

Healthcare GBU (HGBU) sales declined 20.7% on an Organic Constant Currency basis. Exam/Single Use, Surgical and Life Sciences sales were all affected by destocking following periods of channel and customer inventory accumulation due to pandemic-related concerns around product availability and supply chain risk.

Industrial GBU (IGBU) sales increased 4.3% on an Organic Constant Currency basis. Positive Organic Constant Currency growth was achieved in both Mechanical and Chemical.

	FY22				FY23				Organic Constant Currency Growth %			
	HGBU	**IGBU**	**Corporate**	**Group**	**HGBU**	**IGBU**	**Corporate**	**Group**	**HGBU**	**IGBU**	**Corporate**	**Group**
Revenue	$1,189.6m	$762.5m	-	$1,952.1m	**$904.2m**	**$750.9m**	**-**	**$1,655.1m**	(20.7%)	4.3%	-	(11.0%)
EBIT	$150.7m	$107.0m	($12.6m)	$245.1m	**$113.4m**	**$103.9m**	**($11.0m)**	**$206.3m**	(18.3%)	10.1%	(10.3%)	(6.7%)
EBIT Margin	12.7%	14.0%	n/a	12.6%	**12.5%**	**13.8%**	**n/a**	**12.5%**	0.4%	0.7%	n/a	0.6%

Group EBIT

Ansell's EBIT for FY23 was $206.3m, which included a $1.5m share of loss from the Careplus joint venture (equity accounted). Careplus earnings were consolidated into Ansell's results following completion of the acquisition of the outstanding shares in the joint venture in February. See page 18 for further details.

Excluding the share of loss from the Careplus joint venture (equity accounted), EBIT was 18.1% lower than FY22 on a reported basis and 9.4% lower on an Organic Constant Currency basis. The larger decline in reported EBIT was due to the exit from Russia in FY22 and unfavourable foreign exchange movements.

FY23 EBIT Margin was relatively stable on a reported basis and increased 60bps on an Organic Constant Currency basis, assisted by a reduction in outsourced product costs in the HGBU, successful pricing in the IGBU and improved performance from the Careplus joint venture.

Net Interest Expense

Net interest expense was broadly in line with FY22. A combination of a high percentage of fixed interest rate debt and proactive repayment of floating interest rate debt helped minimise the impact of rising interest rates in FY23. Whilst cash reduced as compared to FY22, the Group actively invested surplus cash with approved counterparty banks at higher interest rates, resulting in higher interest income in FY23. Refer to the "Net Debt" commentary on page 18 for further detail.

Tax Expense

Effective tax rate (excluding equity accounted investment loss and Significant Items) was largely consistent with FY22, benefitting from the utilisation of unbooked tax losses in Australia against current year foreign exchange gains which offset an increase in tax expense from the increase in the Sri Lanka corporate tax rate.

The Group has a process in place to assess and manage the differing tax rules and the changing tax environment across the tax jurisdictions where the Group operates in. This process includes the use of external tax advisors, mainly Deloitte.

Financial Performance continued

Group Balance Sheet

	FY22	FY23	$ Change[1]	% Change
Inventories	$521.3m	**$526.1m**	$4.8m	0.9%
Trade receivables	$191.2m	**$180.9m**	($10.3m)	(5.4%)
Trade payables	($232.0m)	**($169.7m)**	$62.3m	(26.9%)
Net working capital	**$480.5m**	**$537.3m**	**$56.8m**	**11.8%**
Property, plant and equipment	$299.4m	**$351.7m**	$52.3m	17.5%
Careplus joint venture (equity accounted)	$9.6m	**-**	($9.6m)	(100.0%)
Intangible assets	$1,049.4m	**$1,059.7m**	$10.3m	1.0%
Other assets/liabilities	$0.5m	**$4.5m**	$4.0m	800.0%
Capital employed	**$1,839.4m**	**$1,953.2m**	**$113.8m**	**6.2%**
Net debt	**($282.8m)**	**($337.8m)**	**($55.0m)**	**19.4%**
Total equity	**$1,556.6m**	**$1,615.4m**	**$58.8m**	**3.8%**

1. Balance sheet includes consolidation of Careplus (see below).

Capital employed increased by $113.8m in FY23, due to an increase in working capital, consolidation of Careplus and continuation of a multi-year capex program to expand capacity and position Ansell for long-term growth.

Climate Change

For impairment testing purposes, the committed climate-related investments and initiatives have been included in the most recent year's budget and future cash flow projection, which is used as an input to determine the recoverable amount of each Cash Generating Unit ('CGU'). Furthermore, the potential impacts of climate change have been considered through downside scenario analysis and key assumption sensitivity assessment. Consistent with that of FY22, the Group remained aligned with the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in FY23. Refer to page 40 for more information on the Company's climate risk.

Working Capital

The increase in working capital of $56.8m included a $7.8m increase from the consolidation of Careplus, with the balance driven by lower trade payables as purchases were reduced ahead of a planned slowdown in production in FY24, partly offset by a minor decrease in inventory and strong management of trade receivables.

Compared to 30 June 2022, excluding inventory consolidated from Careplus ($6.3m) and the unfavourable FX translation effect ($7.2m), inventory reduced by $8.7m. While inventory increased in the first half due to unexpected customer destocking in key HGBU market segments, reduced purchases of outsourced finished goods helped drive a significant overall inventory reduction in the second half of the year.

Collection of trade receivables was strong in FY23, with debtor days at record lows throughout the year. The trade receivables ageing profile remained largely consistent with FY22.

The low trade payables balance at 30 June 2023 was due to the aforementioned reduction in purchases ahead of the planned inventory reduction in FY24.

Careplus

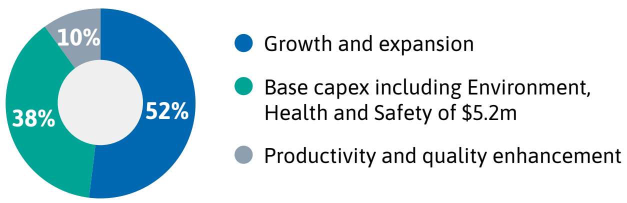
On 28 February 2023, the Group completed the acquisition of Careplus, acquiring 50% of the issued shares in Careplus from Careplus Group Berhad and achieving 100% ownership. See Note 21 Control of Subsidiary of the Group's audited FY23 Financial Statements.

Capital Investment Projects

Capital expenditure in FY23 was comparable to the prior year. Our capital investments are focused on advancing our long-term strategic objectives, helping to deliver:

- Expanded manufacturing capacity, with construction of our greenfield site in India for the production of surgical gloves progressing well;
- Productivity improvements in our plants, including investments in automation; and
- Progress towards our environmental goals, with key investments made in solar panels and reverse osmosis systems.

FY23 CAPEX by Category



Net Debt

Net debt increased by $55.0m in FY23. This included an increase in lease liabilities of $27.8m associated with a new warehouse in the USA, with the balance largely attributable to FX changes.

Interest bearing liabilities at 30 June 2023 were $407.0m at an average interest rate of 4.16% (FY22: 3.3%). As at 30 June 2023, 82% (FY22: 77%) of interest bearing liabilities were at fixed interest rates with a weighted average of 3.7% (FY22: 3.8%). The minor 10bps improvement from FY22 to FY23 was due to a Euro fair value hedge that matured in September 2022 resulting in the Group holding more low fixed interest rate debt. Current interest bearing liabilities include US$100.0m Senior Notes due to mature in April 2024.

Cash reduced by $46.5m due to efforts to optimise funding mix following increases in global interest rates.

Strong liquidity was maintained with $615.8m of cash and committed undrawn bank facilities at 30 June 2023. Debt profile (drawn) is evenly spread with an average maturity tenor of 3.1 years.

Group Cash Flow

	FY22	FY23	$ Change	% Change
Net receipts from operations	$271.9m	**$220.3m**	($51.6m)	(19.0%)
Net cash provided by operating activities	$222.0m	**$180.5m**	($41.5m)	(18.7%)
Net cash used in investing activities	($71.2m)	**($75.5m)**	($4.3m)	6.0%
Net cash used in financing activities	($176.7m)	**($149.2m)**	$27.5m	(15.6%)
Net decrease in cash and cash equivalents	($25.9m)	**($44.2m)**	($18.3m)	70.7%

Net cash provided by operating activities decreased compared to FY22 mainly due to the lower EBITDA and an increase in working capital. EBITDA was lower than FY22 due to the exit from Russia and unfavourable foreign exchange movements. The net working capital increase was primarily due to a reduction in trade payables as purchases were reduced ahead of a planned production slowdown to reduce inventory in FY24.

Net cash used in investing activities in FY23 was comparable to the prior year. In addition to the capital expenditure discussed on page 18, major investing activities in FY23 included the $10.9m payment to purchase the remaining 50% equity interest in Careplus, offset by net proceeds from the Russia exit of $2.7m.

Cash used in financing activities decreased in FY23 versus FY22, due to a reduction in dividends to shareholders and lower share buybacks and share purchases, partially offset by higher net cash outflows from borrowings driven by the Group's strategy to prioritise the repayment of floating rate interest bearing liabilities following higher global interest rates. Notwithstanding this, the Group paid $1.1m less interest on debt. Furthermore the Group actively invested cash to enhance the yield resulting in $2.0m higher interest income in FY23.

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 life science & pharmaceutical companies.

The portfolio includes surgical gloves, single use and examination gloves[1], clean and sterile gloves and garments, and consumables.

1. Includes single use gloves used by industrial workers in manufacturing, auto repair, chemical, food processing and other industries.

New Product Development Highlights

MICROFLEX® 94-242 Static Dissipative Gloves

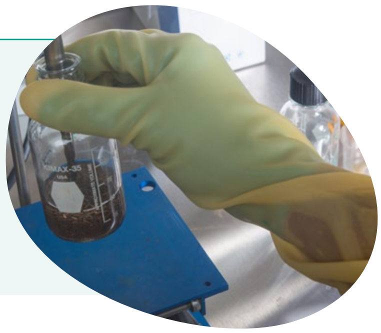
Disposable electrostatic dissipative gloves that reduce the risk of electrostatic discharge, which can cause spontaneous combustion in atmospheric explosive environments.

GAMMEX® PI Hybrid Micro

Polyisoprene and polychloroprene blend surgical glove delivering exceptional comfort and superior durability. Now in Micro – made 15% thinner for superb tactile sensitivity and dexterity (compared to Ansell's standard PI gloves).

AlphaTec® NRL Sterile Isolator Gloves

Comfortable, high dexterity gloves for use in pharmaceutical production that protect against a wide range of chemicals. Produced specifically for the India market.



MICROFLEX®
TouchNTuff®
MICRO-TOUCH®
SANDEL®
GAMMEX®
MEDI-GRIP®
ENCORE®
BioClean
Primus

Financial Summary

US$m	FY22	FY23	Growth %	Organic Constant Currency Growth %
Sales	$1,189.6m	**$904.2m**	(24.0%)	(20.7%)
EBIT[2]	$150.7m	**$113.4m**	(24.8%)	(18.3%)
EBIT Margin	12.7%	**12.5%**		

2. EBIT includes share of loss from Careplus joint venture (equity accounted).

Sales Performance

FY23 sales were $904.2m, representing declines of 20.7% on an Organic Constant Currency basis and 24.0% on a reported basis. Customer destocking in all Strategic Business Units (SBU) and planned price reductions in Exam/Single Use were the main reasons for the reduced sales.

SBU Highlights

Exam/Single Use declined 29.2% on an Organic Constant Currency basis, predominantly driven by a reduction in price as pandemic-related pricing receded. Prices were stable in the second half of the year. Volumes in the second half were higher than the first, particularly in our more differentiated products produced in-house.

Surgical sales declined 1.8% on an Organic Constant Currency basis, with destocking in the second half following a period of inventory accumulation in the first, particularly in North America.

Life Sciences sales declined 25.5% on an Organic Constant Currency basis, with destocking affecting sales performance throughout the year as key distributors and end users reduced inventory as concerns around supply chain risk and product availability eased.

EBIT Performance

EBIT declined 18.3% on an Organic Constant Currency basis. Expected reductions in costs from outsourced suppliers in Exam/Single Use and an improvement in performance from the Careplus joint venture, which became a wholly-owned Ansell subsidiary at the end of February, contributed to underlying EBIT Margin improvement. On a reported basis, EBIT contracted 24.8% due to unfavourable foreign exchange movements and the loss of earnings from our exited Russia business.

Industrial Global Business Unit

The Industrial GBU manufactures and markets high-performance hand and chemical protective clothing solutions for a wide range of industrial applications.

Ansell protects workers in industries including automotive, chemical, metal fabrication, machinery and equipment, food, construction, mining, oil & gas, utilities, logistics and first responders.

New Product Development Highlights

HyFlex® 11-561

The thinnest, lightest EN ISO C/ANSI A3-level industrial gloves, offering 100% greater durability than nearest competitors.

ActivArmr® RIGS Class 0

Ultra lightweight rubber insulating gloves delivering superior comfort while protecting against electrical hazards.

Alphatec® 6500

Encapsulating limited use gastight suit providing excellent multi-layer chemical barrier protection.

HyFlex

AlphaTec

ACTIVARMR

RINGERS GLOVES

EDGE

inteliforz

Financial Summary

US$m	FY22	FY23	Growth %	Organic Constant Currency Growth %
Sales	$762.5m	**$750.9m**	(1.5%)	4.3%
EBIT	$107.0m	**$103.9m**	(2.9%)	10.1%
EBIT Margin	14.0%	**13.8%**		

Sales Performance

FY23 sales were $750.9m, an increase of 4.3% on an Organic Constant Currency basis and a decline of 1.5% on a reported basis. Positive Organic Constant Currency growth was achieved in both Mechanical and Chemical.

SBU Highlights

Mechanical sales increased 5.1% on an Organic Constant Currency basis, benefitting largely from pricing and mix. Growth was delivered in all regions, including double-digit growth in emerging markets. Cut and Specialty portfolios performed well, benefitting from new product launches and strength in key verticals including automotive, energy and utilities.

Chemical sales increased 2.4% on an Organic Constant Currency basis. The result was assisted by pricing, double-digit growth in North America and outperformance from our high-end chemical range of hand and body protection products.

EBIT Performance

EBIT increased 10.1% on an Organic Constant Currency basis and declined 2.9% on a reported basis. Earnings improved in the second half of the year as price increases and a moderation in cost pressures saw EBIT Margin increase to 13.8%, a significant improvement versus the first half. The reported decline in EBIT versus FY22 was due to unfavourable foreign exchange movements and the loss of earnings from our exited Russia business.

Outlook

As we begin FY24 we continue to experience lingering effects from pandemic-related changes in customer buying patterns.

We anticipate growth in Industrial, albeit performance will be influenced by broader macroeconomic developments.

In Healthcare we expect Exam/Single Use volumes to continue to recover, with the full year impact of price reductions taken during FY23 partially offsetting this revenue benefit. While underlying end user demand for our Surgical and Life Sciences products is expected to continue to grow, we anticipate that distributors will continue reducing their inventories, with orders expected to increase towards the end of the fiscal year.

We foresee several cost headwinds in FY24. FY23 earnings were supported by our hedging program, which partially offset the unfavourable impact of foreign exchange movements, and low employee incentive costs due to reversal of prior year accruals for long-term incentive plans and low short-term incentive realisation. These earnings benefits are not expected to repeat in FY24. We are also facing headwinds from a higher tax rate, and a higher net interest cost following increases in global interest rates.

The Accelerated Productivity Investment Program we are initiating in FY24 will help to address these headwinds, though the benefits will not be immediately apparent in FY24 as we see a temporary increase in our cost of goods sold as we slow production to reduce inventory. However, we are confident the investments we are making to simplify our organisational structure, improve our manufacturing productivity and accelerate our IT transformation will position us for improved growth and returns in FY25 and beyond.

Sustainability

Thinking of people and planet first: Ansell's purpose, business operations and products operate with sustainability as our foundation. This year we share, for the first time, our Ansell 2040 Sustainability Action Plan (below), followed by a tracking report listing key performance indicators against our targets for Planet and People (pages 26 to 27). Our sustainability performance demonstrates that Ansell has begun to achieve what very few others in our industry have even approached.

For 130 years, Ansell has been protecting people, and our ambitions today and our accomplishments are more vital for our future than ever before. Full details are published in our 2023 Sustainability Report and 2023 Labour Rights Report (and Modern Slavery Statement), to be released in August 2023.

Ansell 2040 Sustainability Action Plan: Thinking of people and planet first

People

We are a recognised leader for safe, respectful and inclusive workplaces in our industry.

SAFE AND RESPECTFUL WORKPLACE

- **10% reduction** of Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR)
- Each employee gives at least one safety improvement idea to mitigate near misses, unsafe conditions and unsafe acts
- **Promoting a diverse and inclusive workplace:** At least **40% women** representation in all levels
- Year on year progress in implementing **60-hour work week across all Ansell plant**[1]
- **100% of direct suppliers** meet Ansell's labour, health and safety standards ensuring decent work for their workers[2]

SUPPORTING COMMUNITIES

- Responding to the needs of communities with **financial and product donations, disaster relief, and employee volunteerism**

Planet

We pioneer new solutions that reduce our environmental impact across our operations and support a healthier planet.

ZERO CARBON FUTURE

- **Net Zero emissions in our operations**[3]
- **Reduce dependence on fossil fuels:** 100% renewable electricity
- **Process efficiency:** All manufacturing plants to have certified Energy Management Systems (ISO50001)
- **Value chain partnerships and policy advocacy** for climate and advancing for transition to zero carbon future
- **Zero waste to landfill** manufacturing plants
- **Material and process innovation/Product life cycle:**
  - Use less fossil materials, and more recycled and bio-based content materials
  - **80% of our new products** are designed with reduced environmental impact
- **Packaging goal:** 100% of packaging material is **recyclable, reusable or compostable**

CONSERVE NATURAL RESOURCES

- Reduce **water withdrawals** by 35%
- **Improved environmental stewardship** to reduce depletion and impacts on natural resources

Product

We create products for a safer and better protected world

Ansell Earth

1. Defined by ILO60. ILO is the International Labour Organization.
2. In-scope suppliers based on Ansell's Supplier Management Framework (SMF).
3. Less than 10% use of offsets.

Sustainability continued

Tracking against our 2040 Sustainability Action Plan

People

Safe and Respectful Workplace

Target	KPI Progress	FY23 Higlights
10% reduction of Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR) (F23 baseline) by 2030	• 14% increase in Lost Time Injury (0.059) • 43% decrease in Medical Treatment Injury (0.092)	During the past three years, we improved our proactive approach to safety, and overall accidents have decreased. However, the increase in the LTI this year shows that we need to reinforce our approach to safety. From FY24, we will implement a new phase in our safety strategy, reporting TRIFR and LTIFR rates.
Each employee gives at least one safety improvement idea to mitigate near misses, unsafe conditions and unsafe acts	• 90% safety observation engagement rate[1]	Since FY21 baseline of 46%, we have doubled our safety observation engagement rate[1] in generating improvement opportunities in safety. We will continue to enable employee engagement and accountability in the next few years, including through safety tools such as SOTEIRA and APS.
Promoting a diverse and inclusive workplace: At least 40% women representation in all levels	Representation of women: • 39.4% at Manager to Associate Director • 31.4% at Director to VP • 28.6% in Executive Leadership • 44% on Board	We continue to focus on advancing women across all levels of our business through engagement programs ('Work on Your Own Terms') and inclusive recruitment, as part of broader DE+I efforts.
Year on year progress in implementing 60-hour work weeks across all Ansell plants[2]	• Over 25% of workers working 60-hour work weeks • 8 (out of 15) plants practicing 60-hour work weeks	Moving our ambitions forward, this year made a commitment to implement 60-hour work weeks for production workers, including regular working hours and overtime, informed by the ILO standards on hours of work and weekly rest, and the Ethical Trade Initiative (ETI) Base Code Clause 6. This year, one plant in Malaysia implemented shift changes, achieving 60 hours, and next year both plants in Sri Lanka will implement new shift schedules and controls to practice and monitor 60-hour work weeks. The remaining plants will prepare for the transition, with progress updates to be provided year on year.
100% of direct suppliers meet Ansell's labour, health and safety standards ensuring decent work for their workers by 2027[3]	• Over 85% of finished goods suppliers are now rated 'A' or 'B'	Our Supplier Management Framework is executed in three waves. This year, new activities on second-party audits, Self Assessment Questionnaires and risk profiling, have solidified consequence management of non-performing suppliers and uplifted engaged suppliers.
Supporting Communities		
Responding to the needs of communities with financial and product donations, disaster relief, and employee volunteerism	• Australian Indigenous Program: Sold 232,826 pairs of special edition indigenous packaging, with 6% of sales proceeds contributing to community funding program • Disaster relief for Türkiye and support for our employees in Sri Lanka • Project Joy: Produced gloves for 32 workers with differently shaped hands since 2016	Ansell supports communities where our employees live and work. While we continued on longer-term programs (Project Joy and Australian Indigenous Program), we continue to rapidly deploy PPE and financial donations to front-line teams when disasters happened.

1. Defined as % of total employees who give at least one safety improvement idea to mitigate near misses, unsafe conditions and unsafe acts during 12-month period.
2. Defined by ILO60. ILO is the International Labour Organization.
3. In-scope suppliers based on Ansell's Supplier Management Framework.

Planet

Zero Carbon Future

Target	KPI Progress	FY23 Higlights
Net Zero emissions for our operations by 2040 (2020 baseline)	16% decrease in Scope 1 & 2 GHG emissions[4]	The decrease is primarily attributable to lower production volumes. We have also completed the implementation of renewable electricity projects this year (see details below), and made decisions to overcome inefficiencies in our new biomass technology.
Reduce dependence on fossil fuels: 100% renewable electricity by 2040	29% renewable electricity	Three Malaysian plants now source at least 90% of electricity from renewable sources through the Malaysia Green Electricity Tariff program.
Process efficiency: All manufacturing plants to have certified Energy Management Systems (ISO50001) by 2028	One plant completed ISO50001 certification	Ansell Textiles Lanka (ATL) is the first plant to achieve ISO50001 certification.
Value chain partnerships and policy advocacy for climate and advancing for transition to zero carbon future	Ansell joined Climate Group's RE100 and EP100	In support of the initiatives of Climate Group's RE100, Ansell commits to 100% renewable electricity by 2040 and supports EP100 by committing to establish ISO50001-certified management systems at our manufacturing facilities by 2028.
Zero Waste to Landfill (ZWL) for all manufacturing plants	All manufacturing plants have achieved ZWL[5], except new plants in Malaysia (Ansell Seremban) and India (Ansell Kovai)	Since FY19, we embarked on our journey to zero, using the 5R principles (refuse, reduce, reuse, repurpose and recycle) to establish initiatives. From FY24, we will begin work at our new plants to achieve ZWL certification.
By 2026, 80% of our new products are designed with reduced environmental impact Use less fossil materials, and more recycled and bio-based content materials	70% of new products are designed with reduced environmental impact Completion of new product development for launch of new single-use products that incorporate bio-based materials in FY24	'Less is More: A lot more protection, a lot less environmental impact' is a new generation of Ansell products. We also have new project launches and projects slated for next year, as we continue to engage with customers and other stakeholders on end of life solutions.
Packaging goal: 100% of packaging material is recyclable, reusable or compostable by 2026	New paper band packaging and key progress on SMARTPack™	Our new paper band packaging significantly reduced more than 70% materials, and 82% GHG emissions from the primary packaging per 12-pair bundle. Ansell's SMARTPack™ is the first surgical packaging to be certified for Grade A-AAA Recylability[6].

Conserve Natural Resources

Target	KPI Progress	FY23 Higlights
Reduce water withdrawals by 35% by 2025 (2020 baseline)	3% increase in water withdrawals	We saw an increase in water withdrawals due to increased plant up-time this fiscal year and some technical challenges in two of our facilities, as we focus on improving production line efficiencies. Further optimisation of our investment in reverse osmosis facilities will be the key focus in FY24.
Improved environmental stewardship to reduce depletion and impacts on natural resources	Engaged with the IUCN to commence critical work in understanding our relationship with natural ecosystems and biodiversity	We will investigate developing joint programmes, research projects and other capacity building activities to pursue 'net positive' outcomes regarding biodiversity and ecosystem services.

4. Less than 10% use of offsets.
5. All manufacturing plants have completed their certifications under Intertek's Zero Waste to Landfill certification criteria, of a waste to landfill diversion rate exceeding 99%.
6. By Institut Cyclos-HTP (CHI), a globally recognised organisation that assess and certifies the recyclability of packaging and goods.

Board of Directors

John A Bevan
Chairman

BCom (UNSW)

Resident of Australia

Appointed Non-Executive Director in August 2012, Deputy Chairman in February 2017 and Chairman in November 2019.

Chair of the Governance Committee and Share Buyback Sub-Committe and member of the Human Resources Committee and the M&A Sub-Committee.

Current Directorships: Chairman of BlueScope Steel Limited (2014 to present) and Alumina Limited (2018 to present). Non-Executive Director Balmoral Iron Pty Ltd (2022 to present).

Former Directorships: Non-Executive Director of Humpty Dumpty Foundation (2017 to 2023), Non-Executive Director of Nuplex Industries Limited (2015 – 2016), Executive Director of Alumina Limited (2008 – 2014).

Mr Bevan was formerly the Chief Executive Officer and Executive Director of Alumina Limited and brings to the Board extensive international business experience. Prior to joining Alumina Limited, he had a long career with the BOC Group Plc, where he was a member of the Board of Directors and held a variety of senior management positions in Australia, Korea, Thailand, Singapore and the United Kingdom.

On 13 June 2023, Ansell announced that Mr Bevan will retire as Chairman and a Non-Executive Director of Ansell, effective from 24 October 2023.

The Board considers John Bevan to be an Independent Director.

Neil I Salmon
Managing Director and Chief Executive Officer

BA, ACMA

Resident of Belgium

Appointed Managing Director and Chief Executive Officer in September 2021.

Mr Salmon joined Ansell as Chief Financial Officer in 2013 and was appointed President of the Industrial Global Business Unit in 2018.

Prior to joining Ansell, Mr Salmon had more than 20 years of professional experience, gained working across a range of roles in a diverse group of international businesses. He spent the first 17 years of his career with Imperial Chemical Industries (ICI) primarily in finance roles based in the UK, South Africa, the USA and Singapore before serving as Chief Financial Officer of Innophos in New Jersey, USA.

Having led Ansell's 7,500 strong IGBU workforce through a challenging global economic climate, Neil was a key contributor to strategies that have allowed the company to pursue its growth trajectory in recent times, notably at the onset of the COVID-19 pandemic.

As CEO, he oversees the Company's further strategic development, with a focus on continued innovation and increased sustainability.

As an Executive Director, Neil Salmon is not an independent Director.

Leslie A Desjardins
Non-Executive Director

B. Industrial Admin, Finance (Kettering), MS. Management (MIT)

Resident of USA

Appointed Non-Executive Director in November 2015.

Chair of the Audit & Compliance Committee, member of the Human Resources Committee and the Governance Committee, M&A Sub-Committee and Share Buyback Sub-Committee.

Current Directorships: Non-Executive Director and Audit & Risk Committee Chair of ALS Limited (2019 to present).

Former Directorships: Director of Aptar Group (2012 – 2015) and Non-Executive Director of Terry Fox Cancer Foundation (2014 – 2021).

Mrs Desjardins is a former international finance executive with experience in business performance and growth. Mrs Desjardins was formerly the Chief Financial Officer of Amcor Limited. Prior to Amcor, she held executive roles at General Motors Corporation, in Canada, the United States and Australia, including Chief Financial Officer GM Holden, Controller for GM North America and Finance Director for GM's manufacturing facilities in North America. Mrs Desjardins has extensive experience in finance, M&A, strategy, government relations and global operations.

The Board considers Leslie Desjardins to be an independent Director.

Morten Falkenberg
Non-Executive Director

B.Sc., Economics & Business Administration from the Copenhagen Business School

Resident of Denmark

Appointed Non-Executive Director in November 2021.

Member of the Audit & Compliance Committee and the Sustainability & Risk Committee.

Current Directorships: Non-Executive Director of Duni AB (2020 to present) and Chairman of Embellence Group (2021 to present).

Former Directorships: Non-Executive Director of Fagerhult AB (2017 – 2022), Lammhult AB (2021 – 2022), Velux Group (2008 – 2022) and Advisor to Nordstjernan AB.

Mr Falkenberg is a highly experienced and seasoned executive with nearly 35 years of leadership experience within FMCG, Telecoms/ Technology, and consumer durable goods companies most recently as CEO of Nobia (Europe's largest value kitchen company) from 2010 until his retirement in 2019. Prior to that Mr Falkenberg held senior positions at Electrolux, Tele Denmark and Coca-Cola and has lived outside his native Denmark in the USA, Israel, Norway and Sweden.

The Board considers Morten Falkenberg to be an independent Director.

Nigel D Garrard
Non-Executive Director

BEcon (Adelaide), CA

Resident of Australia

Appointed Non-Executive Director in March 2020.

Chair of the Human Resources Committee and member of the Sustainability & Risk Committee and Share Buyback Sub-Committee.

Current Directorships: Chairman of Flinders Port Holdings Pty Ltd (2021 to present) and McMahon Services advisory board (2019 to present), Non-Executive Director of CSR Limited (2020 to present) and ALS Limited (2023 to present).

Previous Directorships: Hudson Institute of Medical Research (2016 to 2022), Managing Director of Orora Limited (2013 – 2019), Amcor Australasia and Packaging Distribution (2009 – 2013), SPC Ardmona Limited (2000 – 2007), Chiquita Brands South Pacific Ltd (1994 – 2000).

Mr Garrard is an experienced executive with a successful track record across FMCG and Industrial/ Manufacturing sectors. Mr Garrard has 20 years' experience as an ASX-listed CEO across three companies. In 2019, Mr Garrard retired as Managing Director and CEO of Orora Limited. Mr Garrard led the demerger of Orora from Amcor, and subsequent listing on the ASX in 2013. Mr Garrard brings broad international experience across listed, not-for-profit, governance, private and industry entities.

On 13 June 2023, Ansell announced that Mr Garrard will replace Mr Bevan as Chairman, effective from 24 October 2023.

The Board considers Nigel Garrard to be an independent Director.

Debra L Goodin
Non-Executive Director
BEcon (Adelaide), CA
Resident of Australia

Appointed Non-Executive Director in December 2022.

Member of the Audit & Compliance Committee and the Human Resources Committee.

Current Directorships: Chair of Atlas Arteria (2017 – present), Non-Executive Director and Chair of the Audit & Finance Committee of APA Group (2015 – present).

Previous Directorships: Non-Executive Director of Australia Pacific Airports Corporation (2020 – 2022), oOh! Media (2014 – 2020), Senex Energy (2014 – 2020), Ten Network Holdings (2016 – 2017) Beyond Bank Australia (2011 – 2015) and City West Water (2011 – 2015). Member of Finance, Investment and IT Committee of Royal Women's Hospital Foundation Limited (2012 – 2019).

Ms Goodin is an executive who has diverse global experience in operations, finance, M&A and corporate services, and has worked in both the public and private sectors. In 2014 she completed a 22 month contract role with Downer Group (ASX 100) as Divisional CEO/COO of Downer's two consulting subsidiary companies in New Zealand and Australia. Prior to this Ms Goodin was the Global COO of Coffey International where she led a range of engineering consulting businesses in the areas of mining, geotechnics, environment and international development.

The Board considers Debra Goodin to be an independent director.

William G Reilly
Non-Executive Director
BA (Fairfield),
J.D (Seton Hall)
Resident of USA

Appointed Non-Executive Director in October 2017.

Member of the Sustainability & Risk Committee, the Human Resources Committee, the Governance Committee and the M&A Sub-Committee.

Mr Reilly has over 35 years' experience as an in-house lawyer. Mr Reilly was appointed as General Counsel of Ansell Healthcare in 2000 when it was a division of Pacific Dunlop Limited, subsequently becoming General Counsel of Ansell Limited in 2002.

Mr Reilly has served with three Chief Executive Officers and has played pivotal roles leading many of Ansell's corporate strategic and legal initiatives, including M&A, litigation and the successful intellectual property strategy.

He has also overseen the Global Compliance and Risk functions, acted as interim head of Human Resources, leader of the Regulatory function and joint Company Secretary. Prior to joining Ansell, Mr Reilly held senior legal positions at C. R. Bard, Inc., The Hertz Corporation and McKesson Corporation. In 2016, Mr Reilly was named on the Financial Times first ever Global GC 30 List.

The Board considers William Reilly to be an independent Director.

Christina M Stercken
Non-Executive Director
BEcon & MEcon (Univ. of Bonn), EMBA (Duke)
Resident of Germany

Appointed Non-Executive Director in October 2017.

Chair of the Sustainability & Risk Committee and M&A Sub-Committee and member of the Audit & Compliance Committee.

Current Directorships: Independent Member of Landis & Gyr Group AG (2017 to present), Director of TeamViewer SE (2023 to present) and Vice Chairman of Myanmar Foundation.

Former Directorships: Ascom Holding AG (2014 – 2020).

Mrs Stercken was a partner at Euro Asia Consulting PartG (EAC) until the end of 2017. In this function, Mrs Stercken helped customers in machinery, automotive, chemical, healthcare and infrastructure industries in strategy, M&A and operational excellence in growth markets.

Before joining EAC, Mrs Stercken served as Managing Director Corporate Finance M&A of Siemens AG. Among other management positions within Siemens AG, she was responsible for the Siemens Task Force China and Head of Public Sector Business Unit at Siemens Business Services. Mrs Stercken started her career in Marketing at BMW Pty. Ltd, South Africa.

Mrs Stercken brings a broad range of competencies relevant to Ansell's strategies, including M&A, broad industry background and business building in developing markets. In her function as Vice Chairman of Myanmar Foundation, Munich, Mrs Stercken supports social projects in Myanmar.

The Board considers Christina Stercken to be an independent Director.

Christine Y Yan
Non-Executive Director
BS (Mech. Eng) (Shandong), MSc, (Mech. Eng) (Wayne State), MBA (Michigan)
Resident of USA

Appointed Non-Executive Director in April 2019.

Member of the Audit & Compliance Committee, the Human Resources Committee and the Governance Committee.

Current Directorships: Non-Executive Director of ON Semiconductor Corporation (2018 to present), Non-Executive Director of Modine Manufacturing Company Inc. (2014 to present) and Non-Executive Director of Cabot Corporation (2019 to present). Operating Director Ammega (January 2023 to present).

Ms Yan is an experienced executive who has had a distinguished career at Stanley Black & Decker. Ms Yan has held senior management positions in both the US and China, including Vice President of Sales and Marketing for North America Automotive, President of the Global Automotive Division, President of Americas for the Engineered Fastening division, President of Stanley Storage and Workspace Systems and more recently, President of Asia and Vice President of Integration. Ms Yan brings a broad range of general management experience across different geographies, as well as experience in innovation, business development, sales, digital transformation and marketing in the business-to- business industry.

The Board considers Christine Yan to be an independent Director.

Executive Leadership Team

Neil Salmon
Managing Director and Chief Executive Officer
BA, ACMA
Based in Brussels, Belgium

Zubair Javeed
Chief Financial Officer
BA (Hons), ACMA, AMCT
Based in London, United Kingdom

Rikard Froberg
President, IGBU
MS, MA
Based in New Jersey, USA

Darryl Nazareth
President, HGBU
BS, MS, MBA
Based in New Jersey, USA

Francois le Jeune
Chief Commercial Officer – EMEA & APAC, and Guardian Administration
MEng, MBA
Based in Brussels, Belgium

Renae Leary
Chief Commercial Officer – Americas
BA, MCom
Based in New Jersey, USA

Michael Gilleece
Corporate General Counsel
BA, JD
Based in New Jersey, USA

Amanda Manzoni
Chief Human Resources Officer
BS
Based in London, United Kingdom

John Marsden
Senior Vice President – Global Operations and Global Supply Chain
MEng
Based in Cyberjaya, Malaysia

Deanna Johnston
Global Chief Information Officer
BBA
Based in New Jersey, USA

Sean Sweeney
SBU Vice President & GM, IGBU Mechanical Solutions
BA, MT
Based in New Jersey, USA

Evren Baykal
SBU Vice President & GM, IGBU Chemical Solutions
MBA
Based in New Jersey, USA

Augusto Accorsi
SBU Vice President & GM, HGBU Exam & Single Use
MBA
Based in New Jersey, USA

Angie Phillips
SBU Vice President & GM, HGBU Surgical & HSS
BA, MT
Based in New Jersey, USA

Report by the Directors

This Report by the Directors of Ansell Limited ('the Company') is made for the year ended 30 June 2023. The information set out below is to be read in conjunction with:

- Operating Financial Review appearing on pages 14 to 24;
- Remuneration Report appearing on pages 43 to 66; and
- Note 22 Related Party Disclosures and Note 24 Ownership-based Remuneration Schemes to the financial statements accompanying this Report.

Directors and Secretary

The names and details of each person who has been a Director of the Company during or since the end of the financial year are:

- John A Bevan (Chair)
- Neil I Salmon (Managing Director and Chief Executive Officer)
- Leslie A Desjardins
- Nigel D Garrard
- Debra L Goodin[1]
- Morten Falkenberg
- William G Reilly
- Christina M Stercken
- Christine Y Yan

1. Appointed to the Board on 5 December 2022.

Particulars of the qualifications, experience and special responsibilities of each Director, as at the date of this Report, and of their other directorships, are set out on pages 28 and 29.

Details of meetings of the Company's Directors (including meetings of Board Committees) and each Director's attendance are set out on page 34.

The Company Secretary is Catherine Stribley, B.Com./LLB (Hons), FGIA, and she was appointed as Company Secretary in April 2017. Ms Stribley first joined the Company in 2010 and has held legal positions in both Australia and the US, including Senior Counsel and Senior Counsel, IP.

Principal Activities

The activities of Ansell Limited and its subsidiaries ('the Group') principally involve the development, manufacturing and sourcing, distribution and sale of hand and body protection solutions in the industrial and healthcare markets. Ansell operates in two main business segments, Industrial and Healthcare.

Board Areas of Focus

This year the Board and its Committees have undertaken key strategic, governance and oversight activities. The key areas of focus for the Board during FY23 were:

Company strategy and performance	Board succession	Oversight of capital management initiatives	Risk management, governance and compliance	Environment, Social and Governance (ESG)

Operating and Financial Review

The Operating and Financial Review for the Group for the financial year is set out on pages 14 to 24, and forms part of this Report.

State of Affairs

During the year the Group continued to progress the strategies that have been identified to accelerate growth and create increased shareholder value. The Operating and Financial Review provides additional information on the Group's growth strategies. Other than set out in the Operating and Financial Review, no significant changes occurred in the state of affairs of the Group during the financial year.

Likely Developments

Likely developments in the operations of the Group are referred to on page 24. In the opinion of the Directors, the disclosure of any further information about likely developments in the operations of the Group has not been included in the Report because disclosure of this information may result in unreasonable prejudice to the Group.

Significant Events Since Balance Date

On Tuesday 18 July 2023, the Group announced the launch of the Accelerated Productivity Investment Program. This program includes a number of initiatives, including but not limited to, simplifying our organisational structure, improving our manufacturing productivity and implementing IT systems transformation. We expect this program will address economic headwinds foreseen in FY24, though the benefits will not be immediately apparent in FY24, it will position the Group for improved growth and returns in FY25 and beyond.

On Thursday 10 August 2023, the Group announced that it had been served with a shareholder class action filed in the Supreme Court of Victoria by the law firm Slater & Gordon on behalf of the lead plaintiff, Michael Gary Warner. The claim is expressed to be made on behalf of shareholders who acquired an interest in fully paid ordinary shares in Ansell during the period between 24 August 2021 and 28 January 2022 (inclusive). It is alleged that, during this period, Ansell failed to comply with its continuous disclosure obligations and engaged in misleading and deceptive conduct prior to the release of its FY22 Trading and Business Update on 31 January 2022. Ansell denies any liability and will vigorously defend the claim.

Other than the matters outlined above, the Directors are not aware of any significant matters or circumstances that have arisen since the end of the financial year that have affected or may affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Performance in Relation to Environmental Regulations

Group entities are subject to environmental regulation in the jurisdictions in which they operate. The Group has risk management programs in place to address the requirements of the various regulations. From time to time, Group entities receive notices from relevant authorities pursuant to local environmental legislation. Ansell works to evaluate each environmental issue within a framework of optimal management. On receiving such notices, the Group evaluates potential remediation or other options, associated costs relating to the matters raised and, where appropriate, makes provision for such costs. The Directors are not aware of any material breaches of Australian or international environmental regulations during the year.

The Board monitors compliance with the Group's environmental policies and practices, and believes that any outstanding environmental issues are well understood and are being actively managed. At the date of this Report, any costs associated with remediation or changes to comply with regulations in the jurisdictions in which Group entities operate are not considered material.

Further environmental information will be provided in Ansell's Sustainability Report, due for release in August 2023.

Dividends and Share Issue

The final dividend of US31.20 cents per share (unfranked) in respect of the year ended 30 June 2022 was paid to shareholders on 15 September 2022. An interim dividend of US20.10 cents per share (unfranked) in respect of the half-year ended 31 December 2022 was paid to shareholders on 9 March 2023. A final dividend of US25.80 cents per share (unfranked) in respect of the year ended 30 June 2023 is payable on 7 September 2023 to shareholders registered on 21 August 2023. The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2023 and will be recognised in subsequent financial reports. There are no unissued shares under option at the date of this Report.

Report by the Directors continued

Interests in the Shares of the Company

The relevant interests of each Director in the share capital of the Company, as at the date of this Report, as notified to ASX Limited pursuant to the Listing Rules and Section 205G of the *Corporations Act 2001*, were:

J A Bevan	34,490^
L A Desjardins	15,412
M Falkenberg	4,950^
N D Garrard	10,000^
D L Goodin	486^
W G Reilly	51,480
N I Salmon	117,427
C M Stercken	11,491
C Y Yan	9,092

^ Beneficially held in own name or in the name of a trust, nominee company or private company.

Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of Board Committees) held during the financial year and the number of meetings attended by each Director.

	Board		Audit and Compliance Committee		Sustainability and Risk Committee		Human Resources Committee		Governance Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
J A Bevan	10	10					7	7	6	6
L Desjardins	10	10	6	6			7	7	6	6
M Falkenberg	10	10	6	6	4	4				
N D Garrard	10	10			4	4	7	7		
D L Goodin[1]	6	6	4	4			2	2		
W G Reilly	10	8			4	4	7	7	6	6
N I Salmon	10	10								
C M Stercken	10	10	6	6	4	4				
C Y Yan	10	10	6	6			7	7	6	6

Held – Indicates the number of meetings held while each Director was a member of the Board or Committee.

Attended – Indicates the number of meetings attended during the period that each Director was a member of the Board or Committee.

1. Appointed to the Board on 5 December 2022.

Indemnity

Upon their appointment to the Board, each Director enters into a Deed of Access, Indemnity and Insurance with the Group. These Deeds provide for indemnification of the Directors to the maximum extent permitted under law. They do not indemnify for any liability involving a lack of good faith. No Director or officer of the Group has received the benefit of an indemnity from the Group during or since the end of the 2023 fiscal year. Rule 61 of Ansell's Constitution also provides an indemnity in favour of officers (including the Directors, and Company Secretary) of the Group against liabilities incurred while acting as such officers to the extent permitted by law. In accordance with the powers set out in the Constitution, the Group maintains a Directors' and Officers' insurance policy. Due to confidentiality obligations and undertakings of the policy, no further details in respect of the premium or the policy can be disclosed.

Corporate Governance

Ansell is committed to effective corporate governance. By putting in place the right governance framework, the Board and management have set a culture of integrity, transparency and accountability that permeates throughout the Company.

Ansell's Corporate Governance Statement

A detailed statement outlining Ansell's principal corporate governance practices in place during the financial year ended 30 June 2023 can be found at https://www.ansell.com/sv/en/about-us/sustainability/governance. This statement has been approved by the Board.

Governance Structure

The Board's role is to represent the Company's shareholders, taking into consideration the interests and wants of the broad range of Ansell's stakeholders. The Board leads and oversees the management of the Company and is accountable to shareholders for creating and delivering shareholder value.

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations. The Board also has four standing committees that assist it in discharging its responsibilities:

- Audit & Compliance Committee
- Sustainability & Risk Committee
- Human Resources Committee
- Governance Committee

Each Committee operates under a specific charter and provides advice to the Board on specific matters within the Committee's remit. The Board also delegates specific functions to ad hoc committees of Directors on an 'as needs' basis. Ansell's Board and Committee Charters can be found on the Ansell website at www.ansell.com.

Specific responsibilities for the day-to-day management and administration of the Company are delegated by the Board to the Managing Director and Chief Executive Officer (CEO), assisted by the Executive Leadership Team (ELT). Ansell's Delegation of Authority Policy sets out the powers that are reserved to the Board and those that are delegated to the CEO.

Board Composition and Processes

Ansell is committed to ensuring an appropriate mix of skills, expertise, experience and diversity (including gender diversity) on the Board and its Committees so that the Board can effectively discharge its corporate governance and oversight responsibilities. Refer to the Board Skills Matrix in Ansell's 2023 Corporate Governance Statement.

Over the last several years, the Board's ongoing succession planning has seen the retirement and appointment of several directors. In FY23, Debra Goodin joined the Board as a Non-executive Director on 5 December 2022. On 13 June 2023, the Board announced that after almost 12 years' service as a Non-executive Director, John Bevan intended to retire as Chairman and Non-executive Director of the Company at the conclusion of the 2023 AGM (to be held on 24 October 2023). The Board also announced that current Non-executive Director Nigel Garrard will replace John Bevan as Chairman, effective from the same date. The Governance Committee will continue to consider the forward skill and experience requirements of the Board.

The Board annually reviews the performance of the Board and each Committee, as well as individual Directors and the Chair, and requires all Directors (except the Managing Director/CEO) to submit themselves for re-election at least once every three years.

The Board will endorse a retiring Director for re-election only where his or her performance over the preceding years meets or exceeds the Board's expectations. The Board has had a general policy that Non-executive Directors should not serve for a period exceeding 15 years, and that the Chair should not serve in that role for more than 10 years. While the Board does not consider this length of tenure of a Non-executive Director would necessarily compromise independence or interfere in a material way with an ability to act in the best interests of the Company, the Board has determined to reduce the maximum length of tenure for a Non-executive Director to 12 years, effective from FY24. This period applies to the Chair, taking into account his tenure as Non-executive Director prior to becoming Chair. The Board will continue to assess the application of this policy to each Director having regard to the mix of experience, skills and knowledge on the Board.

Report by the Directors continued

An external review of the Board is also completed every three years. In FY22, the Board engaged an independent external consultant to conduct a review of the Board, its Committees and its individual Non-executive Directors. This review was completed in April 2023. This review was comprehensive and involved interviews with the Board, ELT and other management, the provision of requested information including Board and Committee papers and minutes of meetings, as well as attendance at the Board and Committee meetings held in February 2023.

The results of the review have been provided to the Directors. The Board and Committee results have been considered and discussed at a Governance Committee meeting at which all Directors were in attendance. The Chairman has also discussed the results of the individual performance reviews separately with each Board member and his own results with the Chair of the Human Resources Committee. Refer to the Corporate Governance Statement for more information.

Ansell is committed to increasing the representation of women at all levels of the organisation and the Board has endorsed strategies designed to increase gender diversity, as part of Ansell's broader commitment to diversity and inclusion. The Company has reset its gender diversity target to now commit to have at least 40% of women across all levels of the business. The Board currently meets this target, with women representing 44% of the Board.

Refer to the Ansell Sustainability Report for further information on diversity within the Company, which will be released in August 2023 and made available on www.ansell.com.

Shareholder Engagement

Ansell is committed to positive and meaningful stakeholder engagement. Ansell knows that it builds greater trust with stakeholders when the Company is transparent and accountable. Ansell's engagement occurs through a number of channels, including ASX disclosures, Annual General Meetings, Annual Reports, the Ansell website and social media and interactions with large investor groups, proxy analysts and regulators.

The Chair typically meets proxy advisers and Ansell's largest shareholders once or twice per year to discuss governance aspects and proposed developments. The CEO and CFO meet investors post half and full year results.

Corporate Responsibility

Ansell is committed to sound corporate governance to underpin its sustainability practices. Its Core Values, Code of Conduct and related policies constitute the governance framework for its activities, an important part of which are its corporate social responsibility and sustainability activities.

Code of Conduct

The Code of Conduct is Ansell's core policy, serving as a guide to ethical behaviour and business conduct for all employees. It sets out what it means to work for Ansell and the standards expected of all employees.

Whistleblower Policy

The Whistleblower Policy promotes and supports a culture of honest and ethical behaviour. The policy encourages reporting of suspected unethical, illegal, fraudulent or undesirable conduct, and ensures that anyone who makes a report can do so safely, securely and with confidence that they will be protected and supported.

Anti-Bribery & Corruption Policy

The Anti-Bribery & Corruption Policy is designed to bring awareness to all employees, directors, officers, contractors and consultants that certain types of payments may constitute corruption, an illegal benefit or an act of bribery and that any such payments are prohibited. Ansell operates a zero-tolerance policy when it comes to bribery and corruption. Compliance with this policy is foundational to the Company's values and standing in the wider community.

Human Rights Statement

As a responsible corporate citizen, Ansell is committed to operating in accordance with all applicable laws and in accordance with the Universal Declaration of Human Rights. Ansell aligns with the United Nations Guiding Principles on Business and Human Rights as well as the International Labour Organization (ILO) Core Conventions. Ansell's Human Rights Statement can be found at www.ansell.com.

Labour Rights Reports (and Modern Slavery Statement)

The Australian Modern Slavery Act was passed in December 2018 and Ansell meets the requirements of this Act. Ansell's 2022 Modern Slavery Statement can be found at www.ansell.com and 2023 Labour Rights Report (and Modern Slavery Statement) is to be released in August 2023.

Risk Management

Ansell recognises that effective risk management and internal controls are an integral part of sound management practice and good corporate governance. Ansell has established controls and procedures that are designed to safeguard the Group's assets and the integrity of its reporting. The Group's internal controls cover accounting, financial reporting, safety, sustainability, fraud, delegation of authority and other control points.

Ansell has also established practices for the oversight and management of key business risks. Ansell recognises that the identification, evaluation and management of risk, and the communication of a well-established risk tolerance guidance in a formal Risk Management Framework is central to achieving the Company's corporate purpose of creating long-term shareholder value.

Further details of Ansell's Risk Management Framework are contained in Ansell's Corporate Governance Statement.

Risk is inherent to our business and the effective management of risk is vital to the growth and success of the Company. We continuously seek to identify, measure and monitor the most material risks across our organisation and review our processes to help best ensure that material risks are appropriately identified and escalated through to senior levels of the organisation.

Material Risks – Description and Mitigation Actions

Below is a summary of the key material risks that could impact the achievement of Ansell's business objectives and how we seek to manage them. These risks are not listed in any order of significance, nor are they all encompassing. Rather, they reflect the most significant risks identified at a whole-of-entity level through our risk management process. There may be additional risks unknown to Ansell and other risks that are currently believed to be immaterial which could become material.

The Group's process for managing risk is set out in the Corporate Governance Statement.

Risk	Nature of Risk	Mitigation Actions
Global economic, market and geo-political instability and uncertainty	The Group's presence in over 55 countries globally and its growing presence in emerging markets exposes it to geopolitical risks, regulatory risks and other factors beyond its control. These include political and economic instability and uncertainty, war and changes in regulation and legislation such as changes in tariff barriers, trade wars, taxation policies globally and policies to implement or vary sanctions by one country on another. The Group continues to manage distributor and end user reduced inventory demands as they reduce higher inventory levels maintained during the COVID-19 pandemic period. The Group is exposed to inflationary risks in respect to the price of materials and finished goods purchased from its third party suppliers, and labour and energy costs in its own facilities. The Group continues to monitor disruptions related to energy, including availability, cost and energy type.	• Whilst the Group's geographic diversification provides overall protection, we continually monitor the Group's exposure to these risks through its local presence. • Careful monitoring and management of customer credit risk. Enhance credit risk management in place in emerging markets. • Using in-house and external local expertise to advise on matters of country risk. • Implementation and use of more tailored contractual arrangements. • Continued review of inventory and logistic programs to ensure the Group has flexibility to respond to uncertainties. • Continued rebalance of the proportion of product manufactured in house versus outsourced to protect cost and supply of Examination and Single Use products and to ensure optimal use of manufacturing facilities. • The Group actively monitors market conditions to ensure price adjustments can be made when appropriate. • Strengthened risk identification processes in respect to changes in regulatory and statutory requirements to ensure management can act quickly in the event of statutory or regulatory changes.

Report by the Directors continued

Systems and technology, including cyber security	As a modern business Ansell relies on Information Technology (IT) platforms. Interruption, compromise to, or failure of these platforms could affect Ansell's ability to service its customers effectively. The Group is exposed to the risk of network attacks, including the risk of theft of confidential data, fraud committed through cyber means, and has an obligation to adequately protect the data it holds on employees and all stakeholders in compliance with increasingly complex global data protection regulations. The Group is also exposed to the risk of network attacks by malicious outsiders and insiders.	• Modern ERP systems are in place in the largest regions of North America and EMEA. Disaster recovery plans are updated and tested regularly. Roll out of new generation ERP and Supply Chain systems has begun across the Group's manufacturing sites to take advantage of the latest technologies. • The Group has an active cyber risk management program, including vendor risk assessment and remediation, conducting tests on the vulnerability of key systems, monitoring suspicious activity, providing ongoing training to employees on their responsibility for mitigating cyber fraud risk and enhancement of controls to minimise risk of data exfiltration by insiders. • The Group has implemented new data protection procedures and ensured compliance with European GDPR and other global regulations.
Product quality	As a manufacturer, quality is paramount to the Group and failures in this area can have a significant negative affect on financial results, customer relationships, reputation and brand credibility.	• Continued investment in quality assurance and governance practices, including systematic quality assurance testing during and after the manufacturing and procurement process. • Manufacturing facilities are externally certified to either ISO 9001 or ISO 14001. • Continual monitoring of quality metrics to monitor and correct defective processes before the product is released to the market. • Management and monitoring of customer feedback.
Major incident at a significant manufacturing site or warehouse	The Group has several materially sized manufacturing sites and warehouses. These are vital to the business and financial losses from natural disasters and pandemics, civil or labour unrest, terrorism, major fire or other supply disruptions are possible.	• The Group has Business Continuity Plans in place at all manufacturing sites and major warehouses. • Property Damage insurance including business interruption cover is in place for all manufacturing sites. • The Group monitors its overall exposure to individual sites and seeks to limit its dependence on any one site through dual sourcing strategies. • Regular risk engineering and safety audits are conducted at each of the Group's manufacturing sites and major warehouses. • Ongoing safety and fire preparedness reviews are conducted with continual investment in upgraded protection systems. • Duplication of key production lines minimises business interruption risk. • Expanding capacity at some of the smaller manufacturing sites. • Investment in a new manufacturing site in India which will have the capacity to produce a wide range of products.
Third party supply interruptions	Ansell relies on supplies of various raw materials and finished goods from a number of third-party suppliers. Significant interruptions or a failure of the supplier to perform can leave Ansell short of a vital raw material or finished product, impacting its ability to fulfil orders. A supplier being placed under a Withhold Release Order from US Customs & Border Protection, or similar enforcement agency in other countries, can impact the Group's ability to fulfil orders.	• Secondary and/or alternate suppliers for key supplies and/or materials. • Rigorous due diligence and contract approval processes to mitigate risks, including continuity of supply. • Continued strategy of vertical integration which reduces dependency on third parties. • Increased audits and inspections of third-party facilities for compliance with Ansell's standards. Increased focus on sustainability standards (including labour standards) of outsourced suppliers. • Financial risks (and liquidity) of suppliers monitored frequently. • Our business partners work with Ansell to provide agreed metrics on their performance. • Implementation of the Supplier Management Framework.

Environment, social and governance (ESG) risks	Failure to comply with social and environmental standards, or poor environmental and social practices in the Group's operations or supply chains, may give rise to reputational, legal and/or market risks. The physical impacts of climate change can compound existing environmental risks (including natural disasters and extreme weather events) to operations, supply chains and markets, and impact on the Group's ability to obtain key inputs or to service customer needs. This may include disruption to upstream suppliers, manufacturing sites, and downstream warehousing and distribution. The economic transition risks associated with climate change may also impact on cost inputs or customer demand preferences.	• Cross-functional Sustainability Council in place for governance, consisting of all ELT members. The Sustainability Council is responsible and accountable for overall implementation of Ansell's sustainability strategy and provides regular updates to the Board. • Labour Rights Committee (LRC) consists of a core group of ELT members and functional leads who are responsible for the management of labour rights risks for the Group's operations and supply chain. LRC is responsible to review, test and challenge the Group's performance on labour rights and modern slavery management in-depth and provide recommendations to the CEO and broader ELT. • Enforcement of supplier assessments and audits through SEDEX and third party forced labour assessments for transparency and baseline on Human Rights, Environment and Governance. • Continued strong focus on Ansell's Code of Conduct, Values and Leadership Competencies. • Qualitative and quantitative goals established in respect to core social and environmental issues. • Diversity initiatives and inclusion policies underway. • Increased emphasis and focus on sustainability at the Board level, within the remit of the Board, the Sustainability and Risk Committee and the Audit and Compliance Committee. • Further developments in the Group's sustainability diligence systems for management of both its operations and supply chain, including implementation of the Labour Standards Management Framework and the Supplier Management Framework. • Continued drive of the Group's sustainability strategy and significant investment in systems and processes. • Incorporating the consideration of climate related impacts into the Risk Management processes, providing a framework for prioritising climate impacts and other emerging risks based on consideration of the likelihood and the impact of potential risks and opportunities. • Full alignment with the recommendation of the Task Force on Climate-related Financials Disclosures. • Undertook climate change scenario analysis for the Group's largest manufacturing sites. GHG emissions, water consumption, zero landfill targets set and followed up on. Completed corporate-level assessment of climate change risk and opportunities across the value chain under different climate change scenarios and undertaking deep-dive analysis of material impacts to quantify financial consequences. Refining metrics and targets to inform strategic decision making and business planning (including product life cycle analysis and initiatives). • The Group publicly committed to achieve Net Zero for its operations by 2040, supported by mid-term target of a 42% reduction in Scope 1 and 2 emissions by 2030, from a FY20 baseline. • The Group publicly committed to water and waste reduction targets – reduce water withdrawals by 35% by the end of FY25 and Zero Waste to Landfill by the end of FY23 at our manufacturing facilities.
Foreign exchange exposure	Around half of the Group's revenues and costs are in currencies other than the US Dollar. With volatile foreign exchange markets, significant changes can occur in foreign exchange rates and result in a significant impact on US Dollar earnings.	• A robust foreign currency management policy is in place (monitored by the Audit and Compliance Committee and the Board). • Ongoing monitoring of currency volatility and forecasts. • Ongoing assessment of impacts to our financial metrics (including EPS and ROCE). • The Group's foreign exchange risks and management strategies are detailed in Note 17 Financial Risk Management of the Group's audited Financial Statements.

Report by the Directors continued

Climate Risks

Climate change presents both physical and transitional risks and opportunities for Ansell. To manage the risks, capture opportunities, and support the transition to a low-carbon future, Ansell has established an operational decarbonisation strategy. The strategy will enable us to remain resilient under a range of plausible future scenarios.

Two Board-level committees, the Sustainability & Risk Committee (SRC) and the Audit & Compliance Committee (ACC), support the Board to oversee Ansell's approach to climate change. The SRC and ACC work collaboratively to ensure linkage and alignment between climate-related mitigation activities (SRC) and the Task Force on Climate-related Financial Disclosures (TCFD) and other finance-related disclosures (ACC). For further information on Ansell's sustainability governance refer to Ansell's Sustainability Report, to be released in August 2023.

In FY22, we completed a TCFD quantitative analysis of priority risks and opportunities identified in our FY21 qualitative analysis. The quantification methodology considered the potential financial impacts under high, moderate and low emission scenarios[1] over three time horizons (2030, 2040 and 2050). This included potential changes to revenue and operating expenditure amounts, and long term asset's useful lives. The analysis also considered how the financial impact identified may influence Ansell's financial statements. The analysis did not identify any new material risks that are expected to affect the assets and liabilities recognised in Ansell's Financial Statements, see pages 67 to 114.

Throughout FY23, Ansell's TCFD Steering Committee and ELT proactively monitored the development of environmental regulatory requirements and the progress of Ansell's climate initiatives. The monitoring did not identify any material changes to Ansell's climate risk profile. No anticipated delays to achieving the climate targets set out in FY22's full TCFD disclosure have been identified.

This year Ansell acquired the remaining 50% of Careplus (M) Sdn Bhd (Careplus), which has been renamed to Ansell Seremban Sdn Bhd (Ansell Seremban) since it has transitioned to Ansell's full operational control. Previously, the Careplus Joint Venture was considered as part of Ansell's Scope 3 emissions. The renamed Ansell Seremban is now transitioning to Scope 1 and 2 as Ansell assumes full ownership and operational control. We are currently collating baseline Scope 1 and 2 emissions data for Ansell Seremban to reassess our baseline calculations for Ansell's overall climate targets. The updated baseline and inclusion of Ansell Seremban in Ansell's Scope 1 and 2 emissions disclosures is expected for FY24.

Table 1: Ansell's priority climate risks and opportunities

Priority transition risks and opportunities	Ansell's strategic response
Risks • Introduction of carbon pricing. • Increased demand for low-carbon products to reduce emissions resulting in loss of competitive advantage if Ansell fails to take action. • Increased climate-related regulatory requirements set by governments. • Increased stakeholder expectations in relation to climate mitigation efforts, resulting in reputational damage if Ansell does not meet stakeholder expectations. **Opportunities** • Increased demand for low-carbon products to reduce emissions resulting in increased revenue through pricing premiums/rising demand. • Improvement in resource recovery and process efficiency. • Demand rises for PPE under a high emissions scenario. The quantitative analysis considered shifts in consumer preferences and market demand, along with impacts to Ansell's operational and capital expenditure as a result of the above transition risks and opportunities.	Key strategic response options identified by Ansell include: • Operational decarbonisation strategy. • Development of low-carbon/carbon neutral products. • Circular economy including recycling and waste to energy. • Communication/marketing of Ansell's climate action.

Priority physical risks and opportunities	Ansell's strategic response
Risks • Increased frequency and severity of droughts. • Increased frequency and severity of storms and cyclones. • Increased frequency and severity of flooding events. The quantitative analysis considered impacts on upstream suppliers/raw materials, manufacturing sites, and downstream warehousing and distribution.	Key strategic response options identified by Ansell include: • 30-day safety stock policy to mitigate the impact of disruptions. • Reducing water intensity, increase reuse. • Increasing raw materials and on-site water inventory. • Establishing regular monsoon season planning. • Increasing supply chain agility.

1. The High Emissions Scenario considers future global warming of c.4°C+, aligned with IPCC's Representative Concentration Pathway (RCP)8.5, the Moderate Emissions Scenario aligns with IPCC's RCP4.5 and the International Energy Agency's (IEA) Stated Policies Scenario, and the Low Emissions Scenario aligns with IPCC's RCP2.6 and IEA's Sustainable Development Scenario, where global warming is limited to less than 2°C above pre-industrial levels.

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Ansell Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Ansell Limited for the financial year ended 30 June 2023 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG
KPMG

Penny Stragalinos
Partner

Melbourne

14 August 2023

Report by the Directors continued

Non-audit Services

During the year, the Group's auditor, KPMG, was paid the following amounts in relation to non-audit services provided by KPMG:

Other audit and assurance services	$57,873
Taxation services	$16,352

The Directors are satisfied that the provision of such non-audit services is compatible with the general standards of independence for auditors and does not compromise the auditor independence requirements of the *Corporations Act 2001* in view of both the amount and the nature of the services provided. All non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit and Compliance Committee to ensure they do not impact the integrity and objectivity of the auditor.

Rounding

The Group is a company of the kind referred to in Australian Securities and Investments Commission Instrument 2016/191 and in accordance with that Instrument, unless otherwise shown, amounts in this Report and the accompanying financial statements have been rounded off to the nearest one hundred thousand dollars.

This Report is made in accordance with a resolution of the Board of Directors made pursuant to Section 298(2) of the *Corporations Act 2001* and is signed for and on behalf of the Directors.

J A Bevan
Chairman

Neil I Salmon
Managing Director and Chief Executive Officer

Dated in Melbourne on this the 14th day of August 2023.

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Letter from Chair of the Human Resources Committee

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present Ansell's Remuneration Report for the year ended 30 June 2023.

Our Performance

The FY23 year presented continuing challenges as the after-shocks of the COVID-pandemic continued to impact our business performance. Recognising Ansell's pivotal role in supplying key products that formed part of the global response to the pandemic, Ansell experienced significant growth during this period. However, as COVID-19 has slowed, the company is now largely back to its pre-pandemic size. This shift in Ansell's operating environment, together with other factors including Ansell's exit from Russia, influenced outcomes against key business metrics, including:

- Adjusted EBIT for FY23 was $206.3m (FY22: $245.1m).
- Adjusted EPS was US115.3¢ in FY23 (FY22: US138.6), with EPS Growth 18.5% over the 3-year period from FY21 to FY23 and Organic Sales Growth 6.7% (CAGR 2.2%) over the same period.

Inventory management also presented challenges, as distributors, governments and end customers increased orders and built inventories following the onset of COVID-19 due to supply chain disruptions, and then sought to reduce inventories once concerns around supply chain risk and product availability had diminished. The volatility in customer ordering through this period has been very difficult to forecast and manage.

Notwithstanding the financial headwinds, in FY23 management contributed towards the establishment of foundational programs that are intended to drive long term growth and shareholder value creation. Initiatives included the establishment of a highly effective integrated business planning methodology for supply chain management which has resulted in improved customer satisfaction and service reliability, the acquisition of the balance of the Careplus joint venture and continued attention to sustainability initiatives, to name a few. These performance outcomes have been reflected in our Executive remuneration outcomes for the year.

Remuneration Outcomes

Executive KMP received increases to base salaries of between 3 - 5% following a two year period of no increases in FY22 and FY21 (with the exception of Mr Nazareth who received a market adjustment in FY22). Both Mr Salmon and Mr Javeed are remunerated in Euros and British Pounds respectively. Despite the annual increases in their base pay, their effective USD realised base pay in FY23 was lower than in FY22.

In relation to STI outcomes, EBIT Growth was slightly above threshold with an achievement of 34% of maximum. At the time of assessing performance against the FY23 targets the Board elected to exercise negative discretion and to exclude the favourable net gain from a successful completion of Ansell's exit from Russian operations. This was to ensure that management did not benefit from the fact that the amount provisioned to take account of the exit from Russia was higher than the actuals, with the net effect that the exercise of discretion resulted in lower incentive outcomes to executives.

Given the lower than expected financial results overall, outcomes were modest in a range between 38% and 45% of maximum, reflecting the challenging financial conditions, while recognising achievement against important individual performance objectives focussed on Ansell's long term growth strategy and shareholder value creation. Details of the achievement of individual objectives can be found in Section 4 - FY23 Remuneration Framework in Detail and Outcomes on page 53.

Further, the FY21-FY23 LTI grant was tested at the end of the financial year with the ROCE gateway not achieved and as a result there was nil vesting and the award subsequently lapsed including the reversal of the prior year accruals of this plan. The FY22-FY24 LTI grant was also considered lapsed and accordingly the prior year accruals were reversed. Both reversals resulted in a one-off credit to FY23 earnings.

As a result of these outcomes, and reflecting the challenging conditions, FY23 realised pay is down compared to the prior year.

Remuneration Framework Changes

Our remuneration framework is based upon our emphasis on Ansell's commitment to our sustainable long-term growth agenda and our desire to further align Executives to the experience of our shareholders.

The FY23 remuneration framework was designed to ensure targets are suitably challenging and aligned to Ansell's overall strategic direction. With the uncertainty in international markets post COVID and relatively high industry inventory, we removed our STI metric of sales growth and increased the weighting of the EBIT measure to 70%. Individual objectives remained at 30% of the STI scorecard. The weighting of the EPS Growth metric in the LTI increased from 70% to 85% with a subsequent decrease of the Organic Sales Growth metric from 30% to 15%. Sales growth continues to be a strategic priority for the business and we expect that the weighting given to this metric will increase in future years.

Further details of the remuneration framework can be found in Section 4.2 of this report from pages 51 to 57.

Looking Forward

Ansell continues to be an Australian business that has operations around the globe. As such, it is critical that our remuneration practices remain competitive, as well as regionally appropriate, for our global workforce.

We hope that you find this year's remuneration report informative and, as always, we encourage you to open a dialogue with us where you require further clarification or information in the report.

Nigel Garrard
Chair of the Human Resources Committee
Ansell Limited

Remuneration Report

Section 1 – At a Glance

1.1 FY23 Performance

This section is intended to provide a high-level visual summary of the remuneration outcomes for FY23 Realised Pay, which is a non-IFRS measure and is defined in Section 9 – Glossary. Further detail is provided on each of these in the ensuing sections of the Remuneration Report.

Highlights

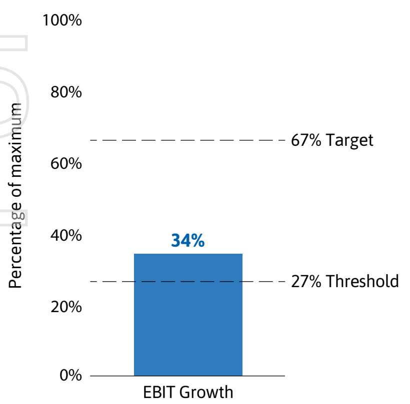
- Ansell delivered sales of $1,655.1m, representing a decline of 15.2% on a reported basis and decline of 11.0% on an Organic Constant Currency basis. Organic Sales Growth over the 3-year period from FY21 to FY23 was 6.7% (CAGR 2.2%).
- Ansell's EBIT for FY23 was $206.3m, which included a $1.5m share of loss from the Careplus joint venture (equity accounted). Excluding this loss, EBIT was 18.1% lower than that of FY22 on a reported basis and 9.4% lower on an Organic Constant Currency basis. The larger decline in reported EBIT was due to the exit from Russia in FY22 and unfavourable foreign exchange movements.
- Ansell delivered statutory FY23 EPS of US117.5¢. After excluding the benefit of Significant Items (being the net gain associated with the Russia exit), underlying EPS was US115.3¢, being in the middle of the FY23 guidance range provided at the half year results on 14 February 2023 and at the low end of the original FY23 guidance range provided at the FY22 full year results on 23 August 2022.
- At the time of assessing performance against the FY23 targets the Board elected to exercise discretion and to exclude the favourable net gain from a successful completion of Ansell's exit from Russian operations.
- The STI financial measure of EBIT Growth was slightly above the threshold.
- For LTI financial measures, Organic Sales Growth and ROCE were below minimum and were considered as "missed". EPS Growth over the 3-year period from FY21 to FY23 would have achieved 13.2% of maximum, however, due to the EPS Growth metric being subject to the ROCE gateway of 13.5% tested at 30 June 2023, which was not met, EPS Growth was also considered as "missed".

Figure 1.1

The table below outlines Ansell's FY23 financial outcomes (as defined in the Section 9 – Glossary and disclosed elsewhere in the Annual Report) that were used as the base to calculate incentive outcomes:

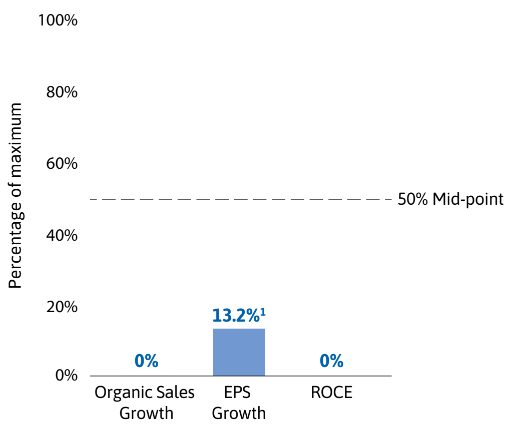
Sales	$1,655.1m
EBIT	$206.3m
EPS	117.5¢
EPS (excluding Significant Items)	115.3¢
Dividends per share	45.90¢
ROCE	10.9%

Figure 1.2 FY23 STI Financial Metric and Performance



Target: 11.2%

Figure 1.3 FY21-23 LTI Financial Metrics and Performance



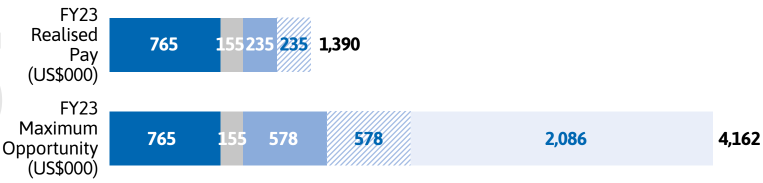
Mid-point: 14.2% 26.3% 14.7%

1. Actual EPS Growth of 18.5% achieved 13.2% of maximum, however, due to the ROCE gateway of 13.5% tested at 30 June 2023 was not met, EPS Growth was also considered as 'missed'.

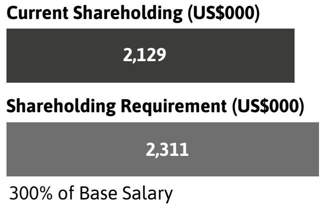
1.2 Executive Realised Pay Summary

The below pay information is on a realised basis, which is a non-IFRS measure and is defined in Section 9 – Glossary.

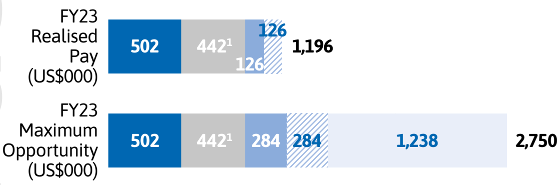
Neil Salmon – Managing Director & Chief Executive Officer
Term as KMP: Full Year



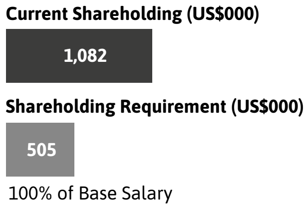
Minimal Shareholding Requirements



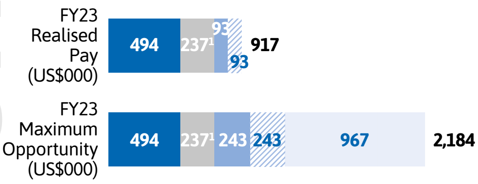
Zubair Javeed – Chief Financial Officer
Term as KMP: Full Year



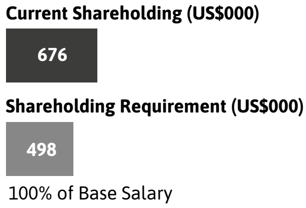
Minimal Shareholding Requirements



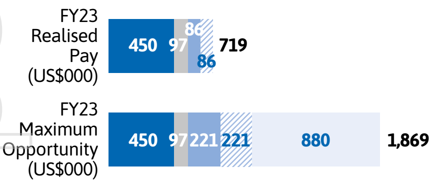
Darryl Nazareth – President of the Healthcare GBU (HGBU)
Term as KMP: Full Year



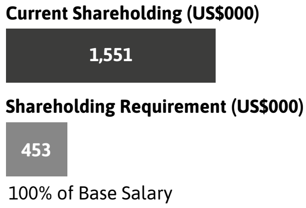
Minimal Shareholding Requirements



Rikard Froberg – President of the Industrial GBU (IGBU)
Term as KMP: Full Year



Minimal Shareholding Requirements



Legend Base Salary | Retirement and Other Benefits[2] | STI[3] – Cash | STI[3] – Restricted Shares | Vested LTI[4] (N/A in FY23) | LTI Opportunity[4] (grant share price) | Current Shareholding | Required Shareholding

1. Mr Javeed's and Mr Nazareth's other benefits include a retention award which is outlined in section 4.2 on page 56. The closing share price of Ansell Limited on the ASX was A$26.73 and the foreign exchange rate was A$1:US$0.6616 on 30 June 2023.
2. Retirement benefits include all retirement benefits earned by the individual in the current financial year. Other benefits include the cost to the Company of cash benefits such as motor vehicle, expatriation and relocation expenses, insurance, tax equalisation, retrospective base salary and other amounts. Retirement and other benefits have been included within maximum opportunity for comparison to realised pay purposes.
3. The STI amounts shown reflect the amount received in FY23. The STI is delivered half in immediate cash, and half as a grant of restricted shares with a two-year restriction period.
4. The vested LTI (FY21-23) award is a 'nil' vesting because the threshold levels for each of the three financial performance conditions were not met. The LTI Opportunity (FY23-25) represents the US$ value of the number of Performance Share Rights (PSRs) granted multiplied by the average closing share price of Ansell Limited on the ASX over ninety trading days prior to 17 August 2022, being A$25.31.

Remuneration Report (Audited) continued

Section 2 – Introduction and KMP Composition

2.1 Introduction

The Directors of Ansell Limited (Ansell) and its subsidiaries (the 'Group') present the Remuneration Report. This Report has been prepared in accordance with Section 300A of the *Corporations Act 2001* for FY23. This Report, which has been audited by KPMG, forms part of the Report of the Directors.

The Report outlines the remuneration arrangements in place for the Non-Executive Directors and Executive Key Management Personnel (KMP) of Ansell, being those executives who have authority and responsibility for planning, directing and controlling the activities of the Group. In this Report, 'Executives' refers to members of the Group Executive team identified as KMP.

2.2 KMPs Comprising the Board of Directors and Executives

The table below details Ansell's KMP during FY23:

Non-Executive Directors	Location	Role
John A Bevan	Australia	Chairman, Independent Non-Executive Director
Leslie A Desjardins	United States	Independent Non-Executive Director
Morten Falkenberg	Denmark	Independent Non-Executive Director
Nigel D Garrard	Australia	Independent Non-Executive Director
Debra L Goodin[1]	Australia	Independent Non-Executive Director
William G Reilly	United States	Independent Non-Executive Director
Christina M Stercken	Germany	Independent Non-Executive Director
Christine Y Yan	United States	Independent Non-Executive Director

Executive Director	Location	Role
Neil Salmon	Belgium	Managing Director (MD) and Chief Executive Officer (CEO)

Other Executives	Location	Role
Zubair Javeed	United Kingdom	Chief Financial Officer (CFO)
Darryl Nazareth	United States	President of the Healthcare GBU (HGBU)
Rikard Froberg	United States	President of the Industrial GBU (IGBU)

1. Ms Goodin was appointed as a Non-Executive Director on 5 December 2022. Ms Goodin's remuneration disclosed in this report only relates to the period she was a KMP.

Section 3 – Remuneration Policy

3.1 Philosophy and Strategy

The Board's remuneration philosophy links the achievement of our strategic objectives and corporate plans with appropriate and measured rewards for the Company's Executives.

Our governing principles are summarised below:

Performance Accountability

Think and Act like Shareholders

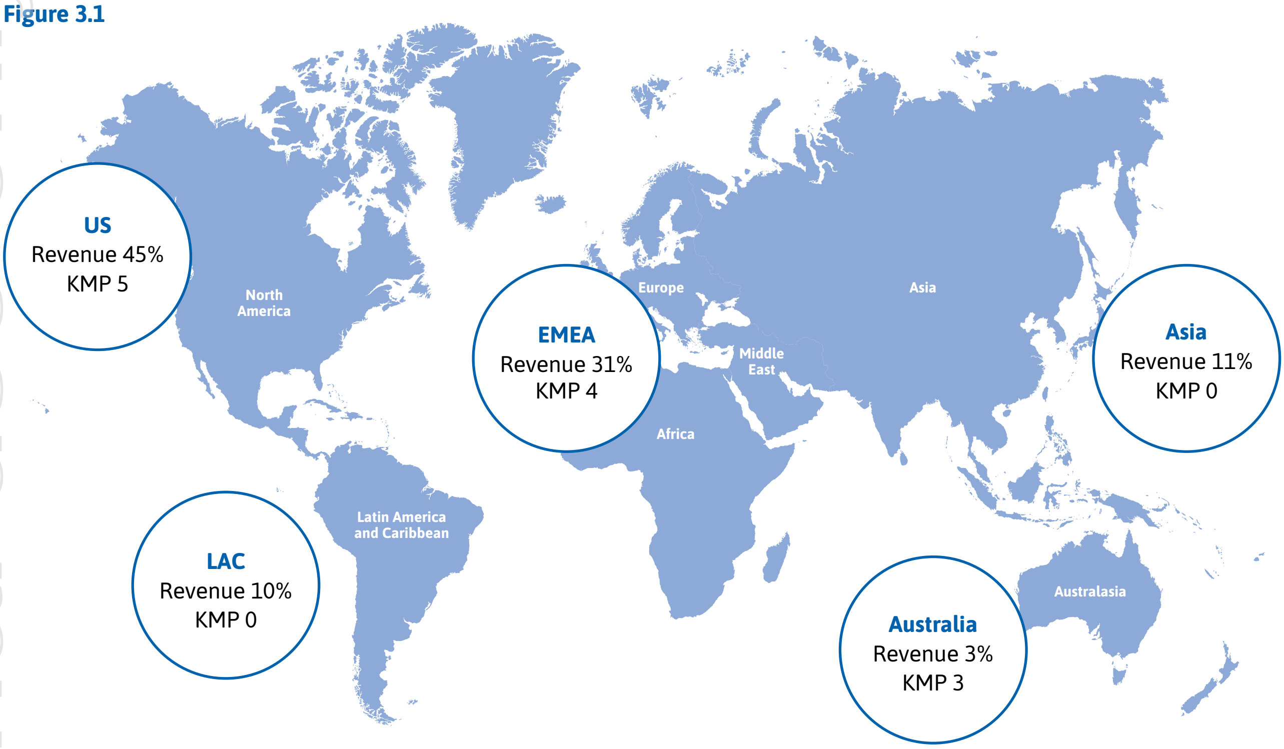
Reflect the markets and locations we recruit from

Transparent Governance

Stakeholder Engagement

Even though Ansell is listed on the Australian Stock Exchange, staff are located in approximately 55+ worldwide locations, with the KMP, inclusive of the Board of Directors and Executive KMP, based in Belgium and other European countries, USA and Australia.

Figure 3.1



3.2 Remuneration Framework Components

Our Executive remuneration framework consists of the following components:

Figure 3.2

Component	Operation and Performance Measure	Strategic Objective/Performance Link
Fixed Annual Remuneration (FAR) Base salary plus retirement and other benefits. Pay mix[1] FAR: 66%-80%[2] Remuneration delivery timeline: 1 year	Takes into account: • responsibilities, qualifications, experience; and • performance, location and market rate for a comparable role.	• Attract, engage and retain talented Executives. • Consider, but not be constrained by, relevant benchmarks. • Increases are linked to individual performance, the organisation he/she leads and indirectly the overall business.
+		
STI Half in cash and half in restricted shares[3]. Pay mix[1] STI: 20% – 34%[2] Remuneration delivery timeline: 1-3 years[3]	• Combination of financial and non-financial performance metrics. • Performance weighted more towards financial KPIs (i.e. not less than 70% of the award).	• Aligned with the Group's short-term objectives. • Clear line of sight for participants. • Deferral of 50% of the award in restricted shares encourages longer-term sustainable performance.
+		
LTI Rights to receive fully paid ordinary shares subject to performance. Pay mix[1] LTI: 0%[2] Remuneration delivery timeline: 3 years	• Three-year performance and vesting period. • Combination of key financial and shareholder value measures.	• Reflects key long-term priorities of the business at the time. • Relevant indicator of shareholder value creation. • Suitable line of sight for participants to encourage and motivate executive performance.
=		
Total Remuneration	• Attract, retain and motivate highly capable Executives. • Reinforce short and long-term objectives.	• Alignment with shareholder value. • Deliver sustainable growth.

1. Pay mix is calculated based on the remuneration information as per Section 4.1 – Realised Pay Summary.
2. The relative portion of the fixed remuneration is significantly higher than prior years due to the 'nil' vesting of the FY21-23 LTI grant and low FY23 STI achievement. If the FY21-23 LTI grant and F23 STI were achieved at target and Mr Froberg was considered a KMP for the full 36 months of the FY21-23 LTI grant, the pay mix for FY23 changes to FAR: 42% to 54%, STI: 21% to 35%, and LTI: 22% to 26%.
3. The restriction on shares issued for half of the STI payable will see the shares held for a minimum period of two years from when the shares are vested.

Remuneration Report (Audited) continued

Section 4 – FY23 Remuneration Framework in Detail and Outcomes

This section uses non-IFRS financial information to detail realised pay earned by Executive KMPs during FY23, together with prior year comparatives. This is a voluntary disclosure and is supplemental information to the statutory remuneration disclosure contained in Section 5 of this Remuneration Report. Realised pay includes base salary, retirement and other benefits paid/payable in relation to FY23. It also includes the full value of incentive payments earned in relation to the FY23 performance period. This differs from the statutory amount as it excludes accruals and estimations and is thus a closer measure of 'take home pay' received in respect of the current year.

Ansell's reporting currency is US$ and US based Executive KMPs are paid in US$. For non-US based Executive KMPs, the reported numbers in the statutory and realised pay tables are subject to currency translation differences from year to year.

4.1 Realised Pay Summary (US$)

Figure 4.1

					STI[4]		LTI[5]	
Executives	**Year**	**Base Salary[1]**	**Retirement Benefits[2]**	**Other Benefits[3]**	**Cash**	**Restricted Shares**	**Equity**	**Total Earnings**
CEO								
Neil Salmon[6]	**2023**	**764,760**	**111,762**	**43,421**	**235,238**	**235,238**	**–**	**1,390,419**
	2022	767,268	111,019	41,381	–	–	717,061	1,636,729
Other Executives								
Zubair Javeed	**2023**	**501,869**	**51,105**	**390,410**	**126,519**	**126,519**	**–**	**1,196,422**
	2022	535,016	59,430	38,506	58,183	58,183	664,991	1,414,309
Darryl Nazareth	**2023**	**494,471**	**71,821**	**164,824**	**92,552**	**92,552**	**–**	**916,220**
	2022	468,936	113,635	149,717	36,148	36,148	438,497	1,243,081
Rikard Froberg[7]	**2023**	**449,900**	**70,874**	**25,657**	**85,977**	**85,977**	**–**	**718,385**
	2022	364,645	87,075	864,842	28,600	28,600	107,392	1,481,154

1. Base salary includes the salary earned by the individual in the financial year. The increases in base salary for Executives are based on performance and external benchmarking of similar positions in the jurisdictions in which the Executives are based. Mr Salmon's FY23 base salary was increased by 3% effective 1 October 2022 and as he is remunerated in Euro, any US$ movement above also reflects foreign exchange conversion impacts. Mr Javeed received a pay increase of 5% and as he is remunerated in British Pounds, any US$ movement above also reflects foreign exchange conversion impacts. Both Mr Nazareth and Mr Froberg received a 3% increase in salary in FY23 driven by the market benchmarking analysis.
2. Retirement benefits include all the retirement benefits earned by the individual in the current year.
3. Other benefits include the cost to the Company of benefits such as motor vehicle, expatriation and relocation expenses, insurance, expat tax equalisation payments, retrospective base salary and other amounts.

   Mr Javeed's and Mr Nazareth's 2023 other benefits include a retention award which is outlined in Section 4.2. The closing share price of Ansell Limited on the ASX was A$26.73 and the foreign exchange rate was A$1:US$0.6616 on 30 June 2023.

   In Mr Froberg's previous role as Chief Commercial Officer of EMEA and APAC he relocated to Belgium from the USA. Upon his appointment as President of IGBU he returned to the USA, which exposed Mr Froberg to various complex income tax issues. As a result, Mr Froberg's 2022 other benefits includes relocation payments of $206,595 and tax equalisation payments of $631,078 (based on a tax gross up of $1,414,288 for the 12-month period ended 31 December 2021).
4. 2023 and 2022 STI represent amounts payable under the FY23 and FY22 STI Plans respectively. In both years, the STI was delivered half in immediate cash, and half in restricted shares, subject to a two-year sale restriction. The amounts shown in the table above are pre-tax and the number of restricted shares issued is calculated based on a post-tax STI award basis.
5. 2023 and 2022 LTI relate to the FY21 and FY20 grants respectively, outcomes of which were approved by the HRC on 8 August 2023 and 15 August 2022 respectively. The FY21 award is a 'nil' vesting because the threshold levels for each of the three financial performance conditions were not met. The FY20 award was determined to be 51% of the maximum award. The 2022 equity figure represents the US$ value of the number of PSRs that have vested multiplied by the closing share price of Ansell Limited on the ASX on 15 August 2022, being A$25.80. This was the date on which the HRC approved the vesting of the shares. The 2022 translation to US$ used a foreign exchange (FX) rate of A$1:US$0.7022.
6. Mr Salmon was previously the President of the IGBU until his appointment as MD and CEO on 1 September 2021. Mr Salmon's 2022 remuneration reflects the amounts earned in both roles. Noting Ansell's disappointing financial performance, the Board agreed with Mr Salmon's decision to forego his 2022 STI payable, despite his strong performance on his individual scorecard metrics.
7. Mr Froberg was appointed President of the IGBU and became a KMP from 1 September 2021. Mr Froberg's 2022 pay disclosed in this report only relates to the period he was KMP (i.e., 10 months).

4.2 Remuneration Framework Details

Fixed Annual Remuneration

Our fixed remuneration practices are reviewed regularly to ensure that they continue to reflect the scale and complexity of Ansell and its operations. Fixed remuneration is maintained with the global market in mind to ensure that we continue to attract, motivate and retain a talented and truly diverse global workforce.

There were no policy changes to any element of Fixed Remuneration in FY23.

Base salary

Base salaries are reviewed annually. In conducting this review, the HRC considers a number of factors to ensure decision making processes are suitably robust. Factors considered include market benchmarking analysis, internal relativities, changes in scope of responsibilities, local market trends and the wider macro-economic environment.

The base salaries for the Executive KMPs for FY23 were:

Figure 4.2

Executives	Base Salary	Increase
Neil Salmon	€736,450 (USD equivalent $770,369)	3%
Zubair Javeed	£420,000 (USD equivalent $505,274)	5%
Darryl Nazareth	$498,098	3%
Rikard Froberg	$453,200	3%

Retirement benefits

Includes contributions to US benefit or non-qualified pension plans and UK and Belgian retirement savings plans (as applicable).

Other benefits

May vary between Executives, depending on their local market and their particular circumstances. May include benefits such as motor vehicle, Executive expatriation/repatriation and relocation allowances, Executive insurance, expatriate tax equalisation payments and other amounts.

Reflects the Company's overall policy on international mobility.

Remuneration Report (Audited) continued

Short-Term Incentive (STI)

FY23 STI Details

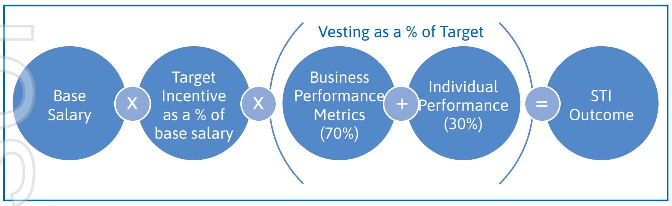
The STI plan focuses on rewarding annual performance against both Group and individual objectives, enabling differentiated and genuinely variable pay outcomes that are commensurate with Ansell's performance.

Our STI scorecard focuses on our key financial drivers of success, while also affording the flexibility to recognise function-specific objectives and non-financial performance, to further differentiate outcomes amongst our leaders.

There have only been a small number of changes made to the STI plan for FY23, all of which have been presented in detail in this section below.

Eligibility to participate in the STI plan is determined at the discretion of the Board. For FY23, all Executives were eligible to participate in the STI plan.

The STI plan is an annual award, payable part in immediate cash and part in restricted shares. Half of the awards received will be deferred into restricted shares, with the restriction period requiring the shares be held for a minimum period of two years from when the shares are granted. The number of restricted shares granted are calculated based on a post-tax STI award basis.



FY23 STI opportunity

Figure 4.3

Executives	Target STI as a % of base salary	Business Performance Metrics Vesting as a % of Target: Threshold[1]	Business Performance Metrics Vesting as a % of Target: Maximum
Neil Salmon	100%	40%	150%
Zubair Javeed	75%	40%	150%
Darryl Nazareth	65%	40%	150%
Rikard Froberg	65%	40%	150%

1. If a business performance metric does not meet its threshold hurdle, 0% will vest for that performance measure.

FY23 STI performance measures

The retained STI metric for FY23 emphasises bottom-line growth. Individual objectives provide for recognition of individual contribution and subsequent differentiation, as measured through a functional and individual scorecard, including non-financial and ESG goals per our corporate sustainability agenda. With the uncertainty in international markets post COVID and relatively high industry inventory, we removed the sales growth metric and increased the EBIT measure to 70%.

Ansell's target setting process considers prior fiscal year performance, incremental growth returns on committed significant investments as well excluding any previous discretionary adjustments to outcomes made for the purpose of remuneration.

In reviewing the formulaic method presented in this section, the Board compared the proposed targets against their performance expectations of the business. This process ensures all targets set are suitably challenging and aligned to Ansell's overall strategic direction.

The metrics for each Executive in FY23 are listed below:

Executives	Performance Measures: EBIT	Performance Measures: Individual Objectives	Performance Measures: Total
All Executives	70%	30%	100%

Target	Target Setting Methodology
EBIT Growth	The target starting point assumed 1.5X GDP growth at normalised levels in markets weighted for Industrial and Healthcare. FY23 targets also considered the exit from Russia and the socio-economic instability in Sri Lanka.
Individual Metrics	The individual metrics are measured through a scorecard approach combining functional area goals within the control of the KMP with individual objectives. The functional area goals could be financial or non-financial in nature and include ESG metrics which are specific to the respective areas of responsibility of each KMP.

FY23 STI Outcomes

In determining the STI outcome for FY23, the formulaic outcome of the EBIT measure was assessed, followed by a qualitative assessment of performance by the Board.

At the time of assessing performance against the FY23 targets the Board elected to exercise discretion and to exclude the favourable net gain from a successful completion of Ansell's exit from Russian operations. This was to ensure that management did not benefit from the fact that the amount provisioned to take account of the exit from Russia was higher than the actuals, with the net effect that the exercise of discretion resulted in lower incentive outcomes to Executives. After this discretionary adjustment, the Board further carefully evaluated various external factors, such as but not limited to the significant inflationary impacts, the Russia – Ukraine conflict and the socio-economic instability in Sri Lanka, and determined that the formulaic outcomes presented had not been sufficiently impacted by these external factors.

EBIT Growth was slightly above threshold with an achievement of 34% of maximum. The low achievement was mainly due to the effects of channel partners and end customers reducing high levels of inventory accumulated over the past two years.

Consistent with past practice, the impact of FX volatility on the financial results in FY23 have been adjusted via the Group's Constant Currency target-setting and measuring process. As outlined in the FY22 Remuneration Report, the exit from Russia is considered an adjustable event and therefore the contribution forgone as a result of the exit from Russia, subject to Constant Currency, is excluded from the base of STI financial measures.

Achievement against individual metrics have been summarised as follows:

Executives	Performance Against Individual Objectives
Neil Salmon	Mr Salmon has led the Company through a period of continued business volatility and whilst the financial targets were not fully realised, he has improved many fundamentals of Ansell's capability as a company. He has continued to balance short term priorities and stabilisation of operations with a focus on resetting the longer-term company objectives. Good progress in meeting customer commitments through improved supply chain delivery as well as continued focus on driving digital initiatives in operations and for commercial customers. He has continued to drive key sustainability and ESG commitments. A challenging year due to the various headwinds but Mr Salmon continues to build out the company for future growth.
Zubair Javeed	Mr Javeed made a major contribution to the Company in the year as he led in the establishment of foundational programs that will drive long term shareholder value creation. Most notably he led the establishment of a highly effective integrated business planning methodology for supply chain management which has resulted in a marked improvement in customer satisfaction and service reliability. He has also driven the development of the Accelerated Productivity Investment Program (APIP) that was announced to the market in July 2023. Core finance functional objectives continued to be delivered with excellence including managing the complex exit from Ansell's Russian operations.
Darryl Nazareth	Mr Nazareth ensured the HGBU stayed focused on the execution of its long term growth strategy in a year in which challenging market conditions including the effects of customer destocking led to an underperformance by the HGBU business against its shorter term financial goals. Most notably he drove the acquisition of the Careplus joint venture and achieved success in accomplishing the business integration objectives for FY23. He also ensured renewed innovation focus with a strengthened new product pipeline and success with recent launches across Surgical, Life Sciences and Exam/Single Use businesses.
Rikard Froberg	Mr Froberg led the IGBU to a successful year of organic EBIT and sales growth, driven by a very strong performance on new product sales for the Mechanical business and continued success in emerging markets. He ensured enhanced focus for our emerging Inteliforz safety solutions product offering, securing our first customer subscriptions. He also developed a comprehensive plan for improved profitability within the Chemical business that represents a key component of the Accelerated Productivity Investment Program announced to the market in July 2023.

For the FY23 STI, the Board approved the following payments to the Executives (US$):

Figure 4.4

	STI Outcome Attributable to		Total STI Payable		STI Payment Method[1]		
Executives	Financial	Individual	Total STI Payable	% Award Achieved[2]	Cash	Restricted Shares	% Forfeited[2]
Neil Salmon	274,801	195,675	470,476	41%	235,238	235,238	59%
Zubair Javeed	135,179	117,859	253,038	45%	126,519	126,519	55%
Darryl Nazareth	115,491	69,613	185,104	38%	92,552	92,552	62%
Rikard Froberg	105,081	66,873	171,954	39%	85,977	85,977	61%

1. Any STI payable will be delivered half in immediate cash, and half as a grant of restricted shares, subject to a two-year sale restriction. The amounts shown in the table are pre-tax and the number of restricted shares granted is calculated based on a post-tax basis.

2. All outcomes are expressed as a percentage of maximum.

Remuneration Report (Audited) continued

Long-Term Incentive (LTI)

The LTI plan intends to drive an appropriate focus towards our long-term strategic priorities and the sustainable growth of the business, while also ensuring Executives remain motivated to consistently deliver strong performance outcomes.

Annual awards granted will vest after three years subject to the achievement of predetermined performance conditions and continued service. Awards that do not vest at vesting date automatically lapse.

LTI awards discussed in this section are:

- FY23-FY25 LTI Plan: LTI awards granted during the year (unvested by FY23)
- FY21-FY23 LTI Plan: LTI awards vesting in FY23

LTI awards are awarded entirely in the form of PSRs at face value. Eligibility is determined at the discretion of the Board. For FY23, all Executives were deemed eligible and invited to participate in the LTI Plan.

How awards are granted:

Base Salary X Target Award Amount as a % of Base Salary ÷ Share Price at Grant = Number of Awards Granted

How awards will vest:

Number of Awards Granted X Business Performance Metrics X Share Price on Vesting = Value of Awards on Vesting

FY23-FY25 LTI Plan Opportunity

Figure 4.5

Executives	Maximum LTI Award as a % of base salary	Business Performance Metrics Vesting as a % of Maximum Award: Minimum[1] Hurdle	Business Performance Metrics Vesting as a % of Maximum Award: Maximum Hurdle
Neil Salmon	280%	0%	100%
Zubair Javeed	250%	0%	100%
Darryl Nazareth	200%	0%	100%
Rikard Froberg	200%	0%	100%

1. LTI bonus opportunity for Ansell Executives begins at 0% achievement, which is more challenging in comparison to most peer companies where achieving the minimum performance condition earns a threshold incentive outcome.

FY23-FY25 LTI Plan Performance Metrics

The LTI metrics reflect the business strategy of maximising sustainable growth organically and through acquisitions aligned with leadership as a safety solutions company. Growth will be measured against FY23 operations at Constant Currency. Given the uncertainty in international markets post COVID and the high industry inventory, the weighting of the EPS growth metric increased from 70% to 85% with a commensurate decrease of the Organic Sales Growth metric from 30% to 15%.

The Board evaluated these performance metrics against the strategic objectives of the Company and considered these measures to be appropriate. The performance measures for the FY23–FY25 Plan awards are:

Figure 4.6

Performance Measure	Weighting	Minimum Hurdle (0% Vesting)	Maximum Hurdle (100% Vesting)
Return on Capital Employed (ROCE)	Gateway	12.5% simple 3-year average	
EPS Growth	85%	12.5% growth by year three (= 4% Compound Annual Growth Rate – CAGR)	33.1% growth by year three (= 10% CAGR)
Organic Sales Growth	15%	6.1% growth by year three (= 2% CAGR)	15.8% growth by year three (= 5% CAGR)

Ansell's LTI is designed to align the remuneration of the Executives to the long-term business strategy and shareholder value creation model.

In reviewing the formulaic method presented above, the Board compared the proposed targets against their performance expectations of the business. This process ensures all targets set are suitably challenging and aligned to Ansell's overall strategic direction.

FY21-FY23 LTI Plan Performance Outcomes

After careful consideration of various external factors, such as but not limited to the significant inflationary impacts, the Russia – Ukraine conflict and the socio-economic instability in Sri Lanka, the Board determined that the formulaic outcomes presented had not been sufficiently impacted by these external factors and that the financial metric would not be subject to any discretionary adjustment.

The performance conditions comprise three components with each component worth one-third of the total LTI award. These, along with a summary of their outcomes against maximum targets are shown below.

Figure 4.7

Performance Measure	Weighting	Minimum (0% vesting)	Maximum (100% vesting)	Actual	Vesting (% of Maximum)
EPS Growth (also subject to year 3 ROCE gateway of 13.5%)	33.3%	15.8% growth by year 3 (5% Compound Annual Growth Rate – CAGR)	36.8% growth by year 3 (11% CAGR)	18.5% (5.8% CAGR)	0%[1]
Organic Sales Growth	33.3%	9.3% growth by year 3 (3% CAGR)	19.1% growth by year 3 (6% CAGR)	6.7% (2.2% CAGR)	0%
ROCE	33.4%	13.9% in year 3	15.5% in year 3	10.9%	0%
Overall	**100%**	**n/a**	**n/a**		**0%**

1. Actual EPS Growth of 18.5% would have achieved 13.2% of maximum, however, due to the ROCE gateway of 13.5% tested at 30 June 2023 was not met, EPS Growth was also considered as 'missed'.

The FY21-FY23 achievement was therefore considered 'missed'. The breakdown of the performance measures are explained further in the following sections.

FY21-FY23 EPS Growth

The Board assessed the 3-year EPS Growth relevant for incentive purposes as 18.5%, with a reconciliation from statutory EPS for each year shown below. EPS Growth would have achieved 13.2% of maximum, however, due to the EPS Growth metric being subject to the ROCE gateway of 13.5% tested at 30 June 2023, which was not met, EPS Growth was considered 'missed'.

Figure 4.8

US cents	FY20	FY21	FY22	FY23
Statutory EPS	**120.2**	**192.2**	**125.2**	**117.5**
Reported one-off items	–	–	13.4	**(2.1)**
Statutory EPS excluding reported one-off items	**120.2**	**192.2**	**138.6**	**115.3**
FX (gain)/loss adjustment	(0.9)	10.0	(10.0)	**(5.5)**
FY18 & FY19 Transformation Program amortisation[1]	(8.9)	(8.8)	(7.7)	**–**
FY21 cloud computing accounting change[2]	1.6	1.7	2.0	**1.5**
Other Board approved one-time adjustments[3]	(3.2)	–	–	**–**
EPS for LTI award	**108.8**	**195.1**	**122.9**	**111.3**
Constant currency	13.1	(8.6)	(18.0)	**n/a**
Russia exit[4]	–	–	(5.8)	**–**
Base for next year's growth	**121.9**	**186.5**	**99.1**	**111.3**
Growth % each year		60.0%	-34.1%	**12.3%**
3-year growth		**60.0%**	**5.5%**	18.5%

1. In keeping with past practice, an amortised portion of the one-time Transformation Program costs previously excluded from the calculation of the LTI awards has been included. The amortisation adjustment impacts were explained in detail in the FY18 and FY19 Remuneration Reports respectively.
2. In keeping with past practice, the impact from change in accounting policy was excluded from the EPS Growth calculation ensuring financial information on a consistent accounting basis as that of the grant year. As such, the effects of the FY21 change in accounting policy (IFRIC Agenda Decision – cloud computing) was excluded from the EPS Growth calculation. The detail was explained at Note 1 Summary of Significant Accounting Policies of the Group's audited FY21 Financial Statements.
3. Individually immaterial one-time adjustments approved by the Board.
4. As outlined in the FY22 Remuneration Report, the exit from Russia is considered an adjustable event and therefore the contribution forgone as a result of the exit from Russia, subject to constant currency, is excluded from the base of LTI financial measures.

FY21-FY23 Organic Sales Growth

Organic Sales Growth achieved 6.7% growth by year 3, which was below minimum of 9.3% and therefore was considered 'missed'. This was mainly due to Exam/Single Use, whereby the pricing benefit seen in FY21 declined in FY22 and FY23 compounded more recently by customer inventory depletion following periods of inventory accumulation during the pandemic across Exam/Single Use, Life Sciences and Surgical. Consistent with past practice, Organic Sales Growth is calculated as a 3-year compound annualised sales growth on an Organic Constant Currency basis.

FY23 ROCE

ROCE of 10.9% was below the minimum of 13.9% and therefore was considered as "missed". This was mainly due to lower EBIT and higher capital employed from an increase in working capital and continuation of a multi-year capex program to expand capacity and position Ansell for long-term growth.

In keeping with past practice, the ROCE was calculated by using financial information on a consistent accounting basis as that of the grant year. As such, the effects of the FY21 change in accounting policy (IFRIC Agenda Decision – cloud computing) was excluded from the ROCE calculation. See Note 1 Summary of Significant Accounting Policies of the Group's FY21 audited Financial Statements.

FY21-FY23 LTI Plan Vesting Outcomes for KMP

Figure 4.9

	Date Award Granted	Maximum Value of PSRs Granted (US$)	Number of PSRs Vested (Shares)	Number of PSRs Forfeited (Shares)
CEO				
Neil Salmon	18/08/2020	1,440,040	–	60,542
Other Executives				
Zubair Javeed	18/08/2020	1,335,472	–	56,146
Darryl Nazareth	18/08/2020	879,254	–	36,974
Rikard Froberg[1]	18/08/2020	478,471	–	20,120

1. Mr Froberg was appointed President of the IGBU and became a KMP from 1 September 2021. Mr Froberg's LTI pursuant to FY21-FY23 LTI plan disclosed in this report only relates to the period from 1 September 2021 (i.e., 22 months after becoming a KMP).

Remuneration Report (Audited) continued

One-off Award made in FY22

The Board approved a special grant in the FY22 Ansell Limited Long-Term Incentive Plan to Mr Javeed and Mr Nazareth. The Board believes this one-off retention equity award is designed to:

- Recognise the importance of Mr Javeed and Mr Nazareth to the leadership of Ansell;
- Maintain the stability of our Executive Leadership Team in a competitive employment market, to ensure the execution of the Group's strategic growth initiatives; and
- Provide further alignment with our investors from the increase in potential shareholding.

The special grant was granted on 1 July 2021 and was issued in the form of Restricted Stock Units (RSUs). The RSUs are only subject to continued employment and will vest if Mr Javeed and Mr Nazareth are employed on the vesting dates. The number of RSUs granted to Mr Javeed and Mr Nazareth were calculated by referencing Ansell's average closing share price over the ninety trading days prior to 1 July 2021 and are equal to 100% of their FY21 annual base salary. The table below provides an overview of the special grant. The special grant is reported within other benefits.

Executive	Grant date	Number of RSUs granted	Vesting date
Zubair Javeed	1 July 2021	20,000	30 June 2023
Darryl Nazareth	1 July 2021	15,400	50% at 30 June 2022 50% at 30 June 2023

Other policy matters

Board discretion on adjustments

a. The Board and the HRC, retains the ability to make discretionary adjustments to all elements of remuneration. This ability extends to the application of upward or downward discretion, as well as the use of malus and clawback on incentive outcomes. The recovery and withholding provisions are consistent across both the STI and LTI plans. The Board can claw back and apply malus to incentives to cover the following events:
   1. Material misstatement of the financial statements
   2. Misconduct
   3. Error in calculation of the performance condition
   4. Serious reputational damage to the Group
   5. Any other instance or practice which the Board deems to have had a detrimental impact on the Group, its performance, employees or shareholders.

b. In line with the ability to apply discretion, the Board applies a robust process for decision making which is guided by a set of predetermined adjustment principles in the Board-approved Discretion Policy. This policy ensures that regular consideration is given to the application of discretionary adjustments, and that in events where discretion is deemed unnecessary, there is a sound rationale for such treatment.

c. The overarching objective of the Discretion Policy is to ensure that any Board discretion adjustments are fair and reasonable and make the performance condition not more nor less difficult to achieve than if the triggering event had not occurred, and to continue to drive the right outcomes and expected behaviours (i.e. sustainable profitable growth).

d. The robust assessment principles contained in the Discretion Policy are:
   1. Focused on materiality. In other words, focus needs to be on adjustments where there is a significant variance from the financial year plan assumptions which are unforeseen and out of Management's control or opportunity to adequately manage.
   2. Non-financial considerations such as customer and/or supplier perceptions, reputation impact and broader societal sensitivities should be part of the assessment of the need to apply a discretionary adjustment to incentive outcomes.
   3. In assessing each material change or effect, we consider:
      i. Was the triggering event factored into the original financial or non-financial targets?
      ii. Was the outcome in Management's control?
      iii. Could the triggering event have been foreseen, planned or reasonably responded to by Management?
      iv. Is the outcome a result of Management's efforts or in Management's control?
   4. Based on a combination of the above, whether and how much adjustment, positively or negatively, is applied to any of the incentive metric results is compared to the formulaic outcome of the incentive plan rules.
   5. Finally, the broader macro-economic conditions and/or relevant market expectations should be considered.

e. As described on pages 52 and 55, at the time of assessing performance against the FY23 targets the Board elected to exercise discretion and to exclude the favourable net gain from a successful completion of Ansell's exit from Russian operations. The Board applies a robust process in the determination of whether the application of discretion to incentive outcomes is appropriate.

Change of control

a. On a change of control, the Board has discretion to end the restriction period ahead of the agreed schedule in respect of previous financial year's STI plans.

b. On a change of control, the Board has discretion to vest some or all of the LTI awards, but, unless it uses its discretion, awards will vest as if the applicable performance condition has met the target level of performance (and without time pro-rating). In exercising this discretion, the Board will consider all relevant circumstances, including performance against the various measures and conditions for the part period up to the change of control event and the portion of the performance period that has expired.

Leaver treatment

a. If an Executive ceases his or her employment with Ansell at any time prior to the end of the performance period, the Executive shall not be entitled to any in-year STI payment. However, the Board may, in its sole discretion, pay a pro-rated award in certain circumstances, such as death, disablement, retirement or other situations approved by the Board. For any STI restricted shares that have been earned but are still under a holding restriction, there is no forfeiture in the case of cessation of employment.

b. If an Executive ceases his or her employment with Ansell at any time prior to the end of the vesting period, the Executive shall not be entitled to any LTI award. However, the Board may, in its sole discretion, pay either a full or a pro-rated award in certain circumstances, such as death, disability, retirement or any other situation approved by the Board. The Board has, in very limited circumstances, exercised its discretion to enable such schemes to remain on foot after the departure of Senior Executives.

Section 5 – Statutory Information

5.1 Executive Service Agreements

Chief Executive Officer

Mr Salmon was recruited as a US-based Executive and his contract reflects this. He has subsequently relocated to Belgium and there has been no substantial change to the terms and conditions of his contract. He is engaged by the Group under an agreement that:

- does not specify a fixed term of engagement;
- provides that the Group may terminate the CEO's engagement upon giving 12 months' notice or payment in lieu and may terminate immediately in the case of cause;
- provides that in certain circumstances, such as a material diminution of responsibility or the CEO ceasing to be the most Senior Executive of Ansell, the CEO may be entitled to a payment equivalent to 12 months' base salary;
- requires the CEO to give the Group at least six months' notice of termination of services; and
- in order to protect the Group's business interests, prohibits the CEO from engaging in any activity that would compete with the Group for a period of 12 months following termination of his engagement for any reason.

The agreement entered into with the CEO has been drafted to comply with the *Corporations Act 2001* regarding the payment of benefits.

Following a legislative change and in line with common Belgium senior management arrangements, it is expected that Mr Salmon will be transitioned to a structure involving a single purpose management company during the FY24 year. There will not be any change to Mr Salmon's overall remuneration as a result and there will not be any additional cost to the Company. The contractual arrangement will be drafted to comply with the *Corporations Act 2001*.

Other Executives

Mr Javeed is a UK-based Executive whose agreement does not specify a fixed term of employment. He is entitled to a severance fee equal to 12 months' base salary assuming a termination for any reason other than resignation, serious misconduct or serious fault. The service agreement with Mr Javeed includes a non-competition clause which prohibits the CFO from, directly or indirectly, engaging in any activity that would compete with the Group for a period of 12 months following termination of his engagement for any reason. He is required to give the Group six months' prior notice of termination of services.

Mr Nazareth was domiciled in Malaysia and transferred to the US from July 2019 as part of his new responsibilities. The employment relationship is 'at will' and, as such, the employment relationship does not have a fixed term of employment and may be terminated by either party for any reason. In line with the other Executive KMP's, Mr Nazareth is entitled to a severance fee equal to 12 months' base salary plus certain other contractual entitlements assuming a termination for any reason other than resignation, performance issues or cause.

Mr Froberg was domiciled in Belgium on assignment in his previous role as Chief Commercial Officer of EMEA and APAC and returned to the US from September 2021 as part of his new responsibilities as President of the Industrial GBU. The employment relationship is 'at will' and, as such, the employment relationship does not have a fixed term of employment and may be terminated by either party for any reason. In line with the other Executive KMP's, Mr Froberg is entitled to a severance fee equal to 12 months' base salary plus certain other contractual entitlements assuming a termination for any reason other than resignation, performance issues or cause.

Remuneration Report (Audited) continued

5.2 Securities Trading Policy

Ansell's Securities Trading Policy outlines the law relating to insider trading and details the Company's requirements with regards to dealings in Ansell securities. The policy applies to all Directors and employees and aims to prevent the misuse (or perceived misuse) of sensitive information and ensure compliance with insider trading laws. The policy can be found on the Ansell website at www.ansell.com.

5.3 Shareholder Alignment

Mandatory Shareholding Requirements

To encourage alignment with shareholder interests, the Company adopted mandatory shareholding requirements, known as the Mandatory Purchasing Policy (introduced in 2013 and amended in August 2021). This policy requires Directors and Executives to hold a multiple of their fee/base salary in Ansell shares. The current requirement is:

- CEO: 3 x base salary to be achieved within 6 years of being appointed.
- Executives: 1 x base salary to be achieved by the later of August 2023 or within 6 years of being appointed.
- Non-Executive Directors: 2 x annual Director fees to be achieved by the later of August 2023 or within 10 years of being appointed if appointed after 2013.

Vested but unexercised awards are included in the target assessment. Unvested equity rights held pursuant to the incentive plans are not included in the target assessment.

Voluntary Share Purchase Plan

Ansell has developed a mechanism to enable KMP to regularly purchase Ansell shares, known as the Voluntary Share Purchase Plan (VSPP). While optional, the VSPP facilitates compliance with the Share Purchasing Policy, while complying with the Securities Trading Policy and ASX Listing Rules.

The VSPP rules were updated in FY23. Under the VSPP, a pre-agreed amount of Ansell shares (by % of director fees or base salary, as applicable) are acquired during each trading window during the year on the ASX through a trustee company at the prevailing market price and are transferred into the name of the applicable KMP but are subject to a restriction on dealing until the KMP ceases to hold office.

Shares were purchased on market (at no discount) on behalf of the Directors throughout FY23 pursuant to the VSPP (as shown in Figure 5.1).

5.4 Current Shareholding

The table below details the movement of shares held by each KMP and the progress of each KMP during FY23 in achieving their respective share ownership goals in accordance with the mandatory shareholder requirements set out in Section 5.3.

Figure 5.1

		Held at 1 July (or Date Appointed KMP)	VSPP Purchases[1]	Other Purchases	Awarded During the Year	Net Movement Due to Other Changes	Held at 30 June	% of Share Ownership Goal Met[2]	Target year to comply
Non-Executive Directors									
John A Bevan	**2023**	**32,888**	**1,602**	**–**	**n/a**	**–**	**34,490**	**98%**	**2023**
	2022	31,482	1,406	–	n/a	–	32,888	116%	2023
Leslie A Desjardins	**2023**	**15,412**	**–**	**–**	**n/a**	**–**	**15,412**	**86%**	**2025**
	2022	15,412	–	–	n/a	–	15,412	107%	2025
Morten Falkenberg[3]	**2023**	**–**	**–**	**4,950**	**n/a**	**–**	**4,950**	**31%**	**2031**
	2022	–	–	–	n/a	–	–	0%	2031
Nigel D Garrard	**2023**	**9,150**	**–**	**850**	**n/a**	**–**	**10,000**	**56%**	**2030**
	2022	7,150	–	2,000	n/a	–	9,150	64%	2030
Debra L Goodin[4]	**2023**	**–**	**–**	**486**	**n/a**	**–**	**486**	**3%**	**2032**
William G Reilly	**2023**	**51,480**	**–**	**–**	**n/a**	**–**	**51,480**	**324%**	**2027**
	2022	51,480	–	–	n/a	–	51,480	403%	2027
Christina M Stercken	**2023**	**9,063**	**2,428**	**–**	**n/a**	**–**	**11,491**	**64%**	**2027**
	2022	6,981	2,082	–	n/a	–	9,063	63%	2027
Christine Y Yan	**2023**	**6,452**	**2,640**	**–**	**n/a**	**–**	**9,092**	**57%**	**2029**
	2022	4,207	2,245	–	n/a	–	6,452	51%	2029
Former Non-Executive Directors									
W Peter Day[5]	2022	30,559	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Marissa T Peterson[5]	2022	23,647	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Executive Director									
Neil Salmon[6]	**2023**	**94,574**	**–**	**–**	**39,567**	**(16,714)**	**117,427**	**92%**	**2027**
	2022	56,413	–	–	89,054	(50,893)	94,574	88%	2027
Other Executives									
Zubair Javeed	**2023**	**30,598**	**–**	**–**	**58,007**	**(28,919)**	**59,686**	**214%**	**2025**
	2022	26,475	–	–	4,123	–	30,598	129%	2025
Darryl Nazareth	**2023**	**28,885**	**–**	**–**	**33,149**	**(24,757)**	**37,277**	**136%**	**2024**
	2022	36,655	–	–	46,283	(54,053)	28,885	135%	2024
Rikard Froberg[7]	**2023**	**70,398**	**–**	**–**	**22,448**	**(7,330)**	**85,516**	**342%**	**2024**
	2022	70,398	–	–	0	–	70,398	361%	2024
Former Executive Director									
Magnus R Nicolin[8]	2022	290,766	–	–	205,495	(120,787)	n/a	n/a	n/a

1. Purchases made under the Voluntary Share Purchase Plan (see Section 5.3).
2. The percentage of ownership goals met are based upon a multiple of an individual's base pay or directors fees (as applicable). Calculation uses base pay at 30 June 2023 and 12-month average share price and FX rates.
3. Mr Falkenberg was appointed as a Non-Executive Director on 11 November 2021.
4. Ms Goodin was appointed as a Non-Executive Director on 5 December 2022.
5. Mr Day and Mrs Peterson retired from the Ansell Board of Directors on 11 November 2021.
6. Mr Salmon became MD and CEO on 1 Setepmber 2021.
7. Mr Froberg became a KMP on 1 September 2021 and the movement in his shareholding above is disclosed from that date.
8. Mr Nicolin ceased to be MD and CEO, and therefore KMP, on 31 August 2021 and retired on 31 December 2021.

Remuneration Report (Audited) continued

5.5 Equity Instruments

The table below details the movement in the number of PSRs and RSUs over ordinary shares of Ansell Limited held by the CEO and Other Executive KMPs during FY23.

Figure 5.2

		Held at 1 July or Date Appointed	PSRs Granted During the Year[1]	PSRs Vested During the Year[2]	Forfeited During the Year[2]	RSUs Granted During the Year[3]	RSUs Vested During theYear[3]	Held at 30 June
CEO								
Neil Salmon	**2023**	**211,522**	**117,764**	**(39,567)**	**(38,321)**	**–**	**–**	**251,398**
	2022	232,406	73,092	(85,377)	(8,599)	–	–	211,522
Other Executives								
Zubair Javeed	**2023**	**194,504**	**69,852**	**(36,694)**	**(35,538)**	**–**	**(20,000)**	**172,124**
	2022	128,378	46,126	–	–	20,000	–	194,504
Darryl Nazareth	**2023**	**120,804**	**54,582**	**(24,196)**	**(23,434)**	**–**	**(7,700)**	**120,056**
	2022	123,810	28,500	(35,619)	(3,587)	15,400	(7,700)	120,804
Rikard Froberg[4]	**2023**	**100,314**	**49,662**	**(21,333)**	**(20,661)**	**–**	**–**	**107,982**
	2022	115,168	25,378	(36,551)	(3,681)	–	–	100,314
Former Executive								
Magnus R Nicolin[5]	2022	572,330	20,732	(184,505)	(18,584)	n/a	n/a	n/a

1. PSRs were granted during FY23 pursuant to the FY23-FY25 LTI Plan, calculated by way of a face value methodology using an average price of Ansell Limited Shares on the ASX over a 90-day period to 17 August 2022, this being A$25.31 (FY22: 90-day period to 17 August 2021, this being A$40.62). Grants are recorded at maximum.
2. PSRs vested and forfeited during FY23 pursuant to the FY21-FY23 LTI Plan (FY22: FY20-FY22 LTI Plan).
3. RSUs were granted and vested during FY23 and FY22 pursuant to the special grant of the FY22 LTI Plan. The special grant is outlined within section 4.2 on page 56.
4. Mr Froberg became a KMP on 1 September 2021.
5. Mr Nicolin ceased to be MD and CEO, and therefore KMP, on 31 August 2021 and retired on 31 December 2021.

5.6 Executive Statutory Remuneration (US$)

Figure 5.3

Executives	Year	Base Salary[1]	Retirement Benefits[2]	Other Benefits[3]	STI[4] Cash	STI[4] Restricted Shares	LTI[5] Equity	Total Earnings
Neil Salmon[6]	**2023**	**764,760**	**111,762**	**43,421**	**235,238**	**235,238**	**(503,202)**	**887,217**
	2022	767,268	111,019	41,381	–	–	130,321	1,049,989
Zubair Javeed	**2023**	**501,869**	**51,105**	**303,467**	**126,519**	**126,519**	**(479,147)**	**630,331**
	2022	535,016	59,430	326,127	58,183	58,183	24,084	1,061,023
Darryl Nazareth	**2023**	**494,471**	**71,821**	**131,351**	**92,552**	**92,552**	**(285,474)**	**597,273**
	2022	468,936	113,635	371,100	36,148	36,148	7,309	1,033,276
Rikard Froberg[7]	**2023**	**449,900**	**70,874**	**25,657**	**85,977**	**85,977**	**(251,454)**	**466,931**
	2022	364,645	87,075	864,842	28,600	28,600	6,376	1,380,138
Former Executive								
Magnus R Nicolin[8]	2022	177,667	17,297	21,622	–	–	(234,533)	(17,947)

1. Base salary includes the salary earned by the individual in the financial year. The increases in base salary for Executives are based on performance and external benchmarking of similar positions in the jurisdictions in which the Executives are based. Mr Salmon's FY23 base salary was increased by 3% effective 1 October 2022 and as he is remunerated in Euro, any US$ movement above also reflects foreign exchange conversion impacts. Mr Javeed received a pay increase of 5% and as he is remunerated in British Pounds, any US$ movement above also reflects foreign exchange conversion impacts. Both Mr Nazareth and Mr Froberg received a 3% increase in salary in FY23 driven by the market benchmarking analysis.
2. Retirement benefits include all the retirement benefits earned by the individual in FY23. Mr Nicolin's retirement benefits are based on his base salary plus prior year STI achievement and will vary from year to year.
3. Other benefits include the cost to the Company of benefits such as motor vehicle, expatriation and relocation expenses, insurance, expat tax equalisation payments, retrospective base salary and other amounts.

   Mr Javeed and Mr Nazareth's 2023 and 2022 other benefits include a retention award which is outlined within section 4.2 on page 56.

   In Mr Froberg's previous role as Chief Commercial officer of EMEA and APAC he relocated to Belgium from the USA. Upon his appointment as President of IGBU he returned to the USA, which exposed Mr Froberg to various complex income tax issues. As a result, Mr Froberg's 2022 other benefits includes relocation payments of $206,595 and tax equalisation payments of $631,078 (based on a tax gross up of $1,414,288 for the 12-month period ending 31 December 2021).
4. 2023 and 2022 STI represent amounts payable under the FY23 and FY22 STI Plans respectively. In both years, the STI was delivered half in immediate cash, and half in restricted shares, subject to a two-year sale restriction. The amounts shown in the table above are pre-tax and the number of restricted shares issued is calculated based on a post-tax STI award basis.
5. LTI includes amounts provided in respect of the Group's LTI Plans. Negative LTI remuneration reflects the reversal of previously recognised share-based payment expense in accordance with AASB 2 *Share-based Payment*.
6. Mr Salmon was previously the President of the IGBU until his appointment as MD and CEO on 1 September 2021. Mr Salmon's 2022 remuneration reflects the amounts earned in both roles. Noting Ansell's disappointing financial performance, the Board agreed with Mr Salmon's decision to forego his 2022 STI payable, despite his strong performance on his individual scorecard metrics.
7. Mr Froberg was appointed President of the IGBU and became a KMP from 1 September 2021. Mr Froberg's 2022 remuneration disclosed in this report only relates to the period he was KMP (i.e. 10 months).
8. Mr Nicolin ceased to be MD and CEO on 31 August 2021 and retired on 31 December 2021. Mr Nicolin's remuneration disclosed in this report only relates to the period he was a KMP (i.e. 2 months).

Remuneration Report (Audited) continued

Section 6 – Non-Executive Directors

6.1 Policy and Approach

Overview of policy

(a) Structured with a fixed fee component only.

(b) Fees are not linked to the performance of Ansell, so that independence and impartiality are maintained.

(c) Director fees are paid in US dollars; however, Directors may elect to be paid in their local currencies (subject to applicable currency exchange rates).

(d) Board and Committee fees are set by reference to several relevant considerations including:

- accountabilities and responsibilities attaching to the role of Director;
- time commitment expected of Directors;
- fees paid by peer companies;
- independent advice received from external advisers;
- the global nature of our businesses (to ensure that the Directors' fee attracts and retains the best international Directors); and
- the requirement to travel internationally to familiarise oneself with international operations and for required meetings.

Aggregate fees approved by shareholders

The current aggregate fee pool for Non-Executive Directors of US$1,600,000 was approved by shareholders at the 2014 AGM. The fee pool in US$ reflects the fact that business operations are run from outside Australia.

Base fees for FY23

Fees for Non-Executive Directors during FY23 were as follows:

Base Fees (Board)		
Non-Executive Chairman	US$320,000 (inclusive of Committee fees)	
Non-Executive Director	US$120,000	
Committee Fees	**Committee Chair**	**Committee Member**
Audit & Compliance Committee	US$30,000	US$12,000
Human Resources Committee	US$30,000	US$12,000
Sustainability and Risk Committee	US$30,000	US$12,000
Governance Committee*		US$6,000

* Fees for Governance Committee membership are incorporated in Human Resources Committee fees. Where a member of the Governance Committee is not a member of the Human Resources Committee, a pro rated fee is paid.

Directors are permitted to be paid additional fees for special duties, including fees paid for serving on ad hoc projects or transaction-focused committees.

Directors are entitled to be reimbursed for all business-related expenses, including travel expenses incurred performing their duties.

A travel allowance is paid to each Non-Executive Director, which is in addition to the above fees. Effective from 1 July 2022, the travel allowance increased from US$15,000 per annum to US$30,000 per annum, to compensate Non-Exectuvie Directors for additional travel.

Superannuation contributions are made on behalf of the Non-Executive Directors at a rate of 10.5% (FY22: 10.0%) as required by Australian law. For non-Australian-based Directors, these payments are pro rated for the period of time spent in Australia. The Directors' fees above are inclusive of any superannuation payments payable by law.

FY24 – Base fees will increase by 4%, effective 1 July 2023. No changes to Committee fees or travel allowance.

6.2 Non-Executive Directors' Statutory Remuneration (US$)

Details of Non-Executive Directors' remuneration are set out in the table below:

Figure 6.1

Non-Executive Directors	Year	Directors' Fees[1]	Superannuation[2]	Total
John A Bevan (Chairman)	**2023**	**342,100**	**8,315**	**350,415**
	2022	327,500	–	327,500
Leslie A Desjardins	**2023**	**192,000**	**–**	**192,000**
	2022	177,000	–	177,000
Morten Falkenberg[3]	**2023**	**174,000**	**–**	**174,000**
	2022	101,142	–	101,142
Nigel D Garrard	**2023**	**192,000**	**–**	**192,000**
	2022	169,500	–	169,500
Debra L Goodin[4]	**2023**	**90,162**	**9,467**	**99,629**
	2022	n/a	n/a	n/a
William G Reilly	**2023**	**174,000**	**–**	**174,000**
	2022	159,000	–	159,000
Christina M Stercken	**2023**	**192,000**	**–**	**192,000**
	2022	177,000	–	177,000
Christine Y Yan	**2023**	**174,000**	**–**	**174,000**
	2022	159,000	–	159,000
Former Non-Executive Directors				
W Peter Day[5]	**2023**	**n/a**	**n/a**	**n/a**
	2022	56,818	5,682	62,500
Marissa T Peterson[5]	**2023**	**n/a**	**n/a**	**n/a**
	2022	66,250	–	66,250
Total Non-Executive Directors' remuneration	**2023**	**1,530,262**	**17,782**	**1,548,044**
	2022	1,393,210	5,682	1,398,892

1. Directors Fees include Base and Committee Fees plus travel allowances less Superannuation (see footnote (2) below). All Fees are expressed in US$. Due to COVID-19 travel related restrictions, Australian based Non-Executive Directors were unable to travel for part of FY22 and as such their travel allowance was pro-rated for the period they were able to travel. The methodology of converting the fees into the base currency of the Directors has not changed.
2. Superannuation contributions are made on behalf of the Non-Executive Directors at a rate of 10.5% (FY22: 10.0%) as required by Australian law. Some Australian directors have elected to opt-out of superannuation guarantee payments in accordance with an ATO ruling. As the non-Australian based Directors did not spend any time in Australia in FY23 and FY22, no superannuation was payable.
3. Mr Falkenberg was appointed on 11 November 2021 and his Directors fees and associated entitlements reflect a part year entitlement in FY22 from the date of his appointment.
4. Ms Goodin was appointed on 5 December 2022 and her Directors fees and associated entitlements reflect a part year entitlement in FY23 from the date of her appointment.
5. Mr Day and Mrs Peterson retired from the Ansell Board of Directors on 11 November 2021 and their Directors fees and associated entitlements reflect a part year entitlement in FY22 up to their retirement date.

The composition of the Committees is summarised in the Report by the Directors.

Remuneration Report (Audited) continued

Section 7 – Group Performance and Remuneration Outcomes

7.1 Group Performance

The five-year performance history of the Group is summarised below.

Figure 7.1

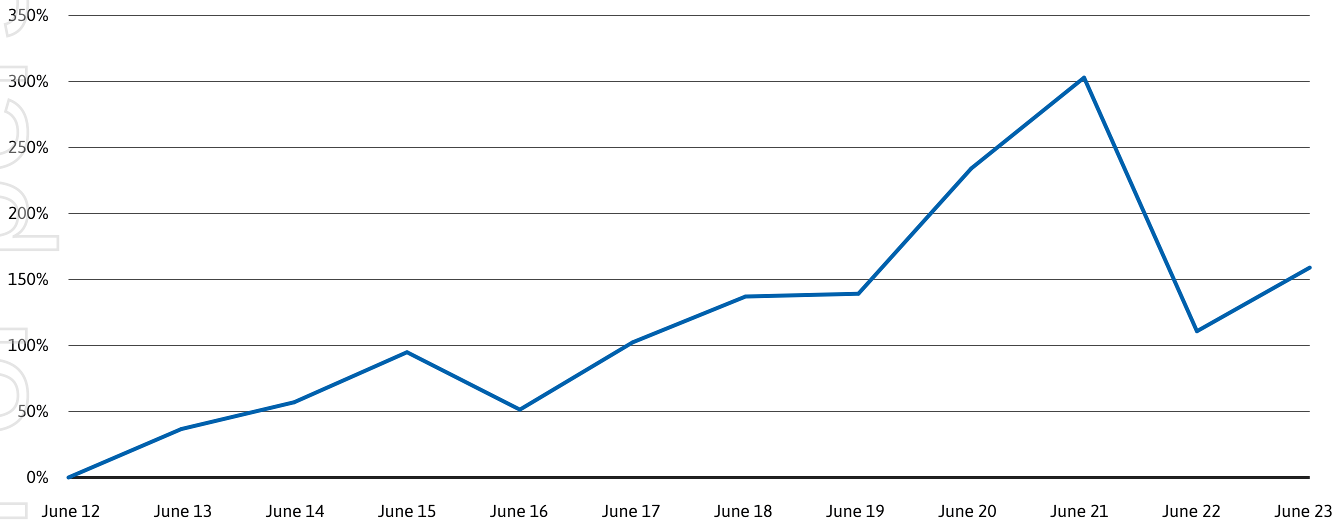
	2019 Adjusted[3]	2020 Restated[4]	2021	2022 Adjusted[5]	2023 Adjusted[5]
Sales (US$m)	1,499.0	1,613.7	2,026.9	1,952.1	**1,655.1**
EBIT (US$m)	202.8	216.7	338.0	245.1	**206.2**
Profit Attributable (US$m)	150.9	156.6	246.7	175.7	**145.6**
Operating Cash Flow (US$m)	164.7	191.7	49.2	114.0	**74.3**
Earnings Per Share (US cents)	111.5	120.2	192.2	138.6	**115.3**
Dividends Per Share[1] (US cents)	46.75	50.0	76.80	55.45	**45.90**
Ansell share price (A$)[2]	26.85	36.70	43.51	22.24	**26.73**

1. Dividends have been declared in US$ since Ansell adopted the US$ as its reporting currency in FY14.
2. FY23 Share price is at 30 June 2023.
3. Adjusted results are continuing operations adjusted for the Transformation Program and other one-off costs.
4. 2020 results have been restated on account of FY21 change in accounting policy. Refer to Note 1 Summary of Significant Accounting Policies of the Group's audited FY21 Financial Statements.
5. 2022 and 2023 Adjusted excludes Significant Items. Refer to Note 3(b) Significant Items of the Group's audited FY23 Financial Statements.

7.2 Cumulative Total Shareholder Return (TSR)

TSR is the total shareholder return expressed as a percentage representing the growth received by an investor from holding shares in Ansell, assuming USD dividends are converted to AUD and reinvested in Ansell's shares. The chart below shows the TSR performance as a cumulative percentage from a starting value at 1 July 2012 to a finishing value on 30 June 2023.

Figure 7.2 Ansell TSR Performance



7.3 STI/LTI Payouts as Percentage of Maximum

CEO Incentive Outcomes	FY18	FY19	FY20	FY21	FY22	FY23
STI (% of maximum)	37%	51%	66%	81%	0%	**44%**
LTI (% of maximum)	42%	48%	55%	91%	51%	**0%**

Section 8 – Governance

8.1 Role of the Human Resources Committee (HRC)

Board

The Board is responsible for:

- defining Ansell's remuneration strategy; and
- determining the structure and quantum of remuneration for the CEO and Other Executives that support and drive the achievement of Ansell's strategic objectives.

The Board has an overarching discretion with respect to the awards given under Ansell's incentive plans.

Consultation with shareholders and other stakeholders

Remuneration consultants and other external advisers

- Provide independent advice, information and recommendations relevant to remuneration decisions.
- In performing its duties and making recommendations to the Board, the Chairman of the HRC seeks independent advice from external advisers on various remuneration-related matters.
- Any advice or recommendations provided by external advisers are used to assist the Board – they do not substitute for the Board and HRC process.

HRC

The HRC is delegated responsibility by the Board to review and make recommendations on the remuneration policy, strategy and structure for Ansell's Board members, the CEO and Other Executives.

The HRC has in place a process of engaging and seeking independent advice from external remuneration advisers and ensures remuneration recommendations in relation to Other Executives are free from undue influence by management.

Management

Provides information relevant to remuneration decisions and makes recommendations to the HRC.

Obtains remuneration information from external advisers to assist the HRC (i.e. market data, legal advice, accounting advice, tax advice).

Remuneration consultants and other external advisers

- Management may seek its own independent advice with respect to information and recommendations relevant to remuneration decisions.

8.2 External Consultants

In the previous year, the HRC and Management undertook a review of external consultants resulting in the engagement of PWC to provide independent advice on remuneration, which includes provision of an Australian market practice perspective on management's international remuneration proposals, disclosure in the Remuneration Report and to provide regular updates on Australian regulatory and market trends. No remuneration recommendations as defined in Section 9B of the *Corporations Act 2001* were provided by PwC.

8.3 Shareholder Engagement

The HRC maintains a regular dialogue with major shareholders, relevant institutional investor bodies and proxy advisers. The views and opinions expressed are considered when determining remuneration. The HRC monitors trends and developments in corporate governance and market practice to ensure the structure of Executive remuneration remains appropriate. The HRC would undertake a consultation process in advance of any material changes to the remuneration policy.

Remuneration Report (Audited) continued

Section 9 – Glossary

Board means the Board of Directors of Ansell Limited.

CAGR means Compound Average Growth Rate, which as used in this document measures the average year over year growth rate of a financial metric over the specified time period.

Constant Currency refers to page 16 of this Report.

Corporations Act means the *Corporations Act 2001* (Cth).

EBIT refers to page 16 of this Report.

EBIT Margin refers to page 16 of this Report.

EBITDA refers to page 16 of this Report.

EMEA means Europe, Middle East and Africa.

EPS means Earnings Per Share, which means the portion of Ansell's profit that is allocated to each outstanding ordinary fully paid share.

EPS Growth is defined as a 3-year compound annualised EPS growth on a Constant Currency basis (as described above) after excluding the impact of acquisitions, divestments and exited products.

Executive or **Group Executive** in this Report refers to the CEO and Other Executives.

FY19 means the 2019 financial year commencing on 1 July 2018 and ending on 30 June 2019. **FY20** means the 2020 financial year commencing on 1 July 2019 and ending on 30 June 2020. **FY21** means the 2021 financial year commencing on 1 July 2020 and ending on 30 June 2021. **FY22** means the 2022 financial year commencing on 1 July 2021 and ending on 30 June 2022. **FY23** means the 2023 financial year commencing on 1 July 2022 and ending on 30 June 2023.

KMP means the Key Management Personnel of Ansell, which comprises all Directors (Executive and Non-Executive) and those Executives who have authority and responsibility for planning, directing and controlling the activities of the Group.

LAC means Latin American and Caribbean.

Long-Term Incentive (LTI) means the Ansell Long-Term Incentive Plan, which is subject to the rules of the Ansell Long-Term Incentive Plan as periodically approved by the Board.

Operating Cash Flow is defined Net Receipts from Operations per the Consolidated Statement of Cash Flows adjusted for net expenditure on property, plant equipment, intangible assets, lease repayments, net interest and tax.

Organic Constant Currency refers to page 16 of this Report.

Organic Sales Growth is defined as a 3-year compound annualised sales growth on a Constant Currency basis (as described above) after excluding the impact of acquisitions, divestments and exited products.

Other Executives means the group of people who are KMP, but are not Non-Executive Directors or the CEO.

Profit Attributable means those profits of the Company that are available to the shareholders for distribution.

PSRs means Performance Share Rights.

Realised pay means the pay actually received/receivable by the Executive during the financial year, including salary, benefits, STI in relation to the relevant financial year and any equity incentives that vested in relation to the completion of the relevant financial year. Equity incentives were valued using the values of the shares determined as at the vesting date.

RSUs means Restricted Stock Units.

ROCE means Return on Capital Employed, which is the amount of EBIT returned as a percentage of the average funds that are employed (both equity and debt used in the business). ROCE for remuneration outcomes is adjusted for acquisitions.

ROCE gateway means the ROCE required for the successful achievement of the relevant award.

Significant Items refers to page 16 of this Report.

SG&A means Selling, General and Administration expenses.

Short-Term Incentive Plan (STI) means the Ansell Short-Term Incentive Plan, which is subject to the rules of the Ansell Short-Term Incentive Plan as periodically approved by the Board.

TSR means the Total Shareholder Return expressed as a percentage representing the growth received by an investor from holding shares in Ansell, assuming USD dividends are converted to AUD and reinvested in Ansell's shares.

TSR (A$) means Total Shareholder Return calculated in Australian dollars.

Working capital is the balance as defined in Note 7 Working Capital to the Group's audited Financial Statements.

WACC means the Weighted Average Cost of Capital, which is a calculation of the average cost to Ansell of the debt and equity capital employed in the business.

Consolidated Income Statement

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 US$m	2022 US$m
Revenue			
Sales revenue	2, 3(c)	1,655.1	1,952.1
Expenses			
Cost of goods sold		(1,038.4)	(1,286.3)
Distribution		(105.1)	(101.6)
Selling, general and administration including Significant Items	3(b)	(301.1)	(327.6)
Total expenses, excluding financing costs		(1,444.6)	(1,715.5)
Operating profit		210.5	236.6
Share of loss of equity accounted investment, net of tax	21	(1.5)	(8.5)
Profit before net financing costs and income tax expense		209.0	228.1
Net financing costs	3(a)	(19.4)	(19.7)
Profit before income tax		189.6	208.4
Income tax expense	4(a)	(39.7)	(48.6)
Profit for the period		149.9	159.8
Profit for the period is attributable to:			
Ansell Limited shareholders		148.3	158.7
Non-controlling interests		1.6	1.1
Profit for the period		149.9	159.8

	Note	2023 US cents	2022 US cents
Earnings Per Share:			
Basic Earnings Per Share	5	117.5	125.2
Diluted Earnings Per Share	5	116.7	123.8

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 US$m	2022 US$m
Profit for the period		**149.9**	159.8
Other comprehensive income			
Items that will not be reclassified to the Income Statement:			
Retained earnings			
Remeasurement of defined benefit superannuation/post-retirement health benefit plans	14(a)	**1.5**	5.5
Tax expense on items that will not be subsequently reclassified to the Income Statement	4(a)	**(0.4)**	(1.4)
Other reserve			
Change in fair value of equity investment designated as fair value through other comprehensive income	8	**0.3**	0.3
Tax expense on items that will not be subsequently reclassified to the Income Statement	4(a)	**(0.1)**	(0.1)
Total items that will not be reclassified to the Income Statement		**1.3**	4.3
Items that may subsequently be reclassified to the Income Statement:			
Foreign currency translation reserve			
Net exchange differences on translation of financial statements of foreign subsidiaries		**(5.0)**	(41.1)
Hedging reserve			
Movement in effective cash flow hedges for the year		**(13.3)**	14.7
Movement in time value of options for the year		**(1.0)**	(0.1)
Tax benefit/(expense) on items that may subsequently be reclassified to the Income Statement	4(a)	**4.4**	(4.7)
Total items that may subsequently be reclassified to the Income Statement		**(14.9)**	(31.2)
Other comprehensive income for the period, net of tax where applicable		**(13.6)**	(26.9)
Total comprehensive income for the period		**136.3**	132.9
Attributable to:			
Ansell Limited shareholders		**135.5**	132.6
Non-controlling interests		**0.8**	0.3
Total comprehensive income for the period		**136.3**	132.9

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

OF ANSELL LIMITED AND SUBSIDIARIES AS AT 30 JUNE 2023

	Note	2023 US$m	2022 US$m
Current assets			
Cash and cash equivalents	6(a)	**159.4**	206.2
Trade and other receivables	7(a)	**191.2**	201.7
Derivative financial instruments	17(c)	**4.2**	17.2
Inventories	7(b)	**526.1**	521.3
Other current assets		**31.1**	38.1
Total current assets		**912.0**	984.5
Non-current assets			
Trade and other receivables		**1.5**	1.7
Derivative financial instruments	17(c)	**5.7**	1.9
Equity accounted investment	21	**–**	9.6
Financial assets	8	**6.5**	8.4
Property, plant and equipment	9	**351.7**	299.4
Right-of-use assets	10(a)	**85.1**	57.2
Intangible assets	11	**1,059.7**	1,049.4
Deferred tax assets	4(b)	**73.6**	65.1
Retirement benefit assets	14(a)	**2.4**	2.4
Other non-current assets		**32.4**	26.6
Total non-current assets		**1,618.6**	1,521.7
Total assets		**2,530.6**	2,506.2
Current liabilities			
Trade and other payables	7(c)	**219.5**	276.3
Interest bearing liabilities	12	**100.0**	–
Derivative financial instruments	17(d)	**9.7**	6.2
Lease liabilities	10(b)	**17.3**	18.2
Provisions	13	**53.2**	49.1
Current tax liabilities		**14.9**	10.5
Total current liabilities		**414.6**	360.3
Non-current liabilities			
Trade and other payables		**–**	0.7
Interest bearing liabilities	12	**307.0**	426.3
Lease liabilities	10(b)	**70.0**	41.3
Provisions	13	**8.5**	8.7
Retirement benefit obligations	14(a)	**7.1**	8.2
Deferred tax liabilities	4(c)	**82.0**	80.4
Other non-current liabilities		**26.0**	23.7
Total non-current liabilities		**500.6**	589.3
Total liabilities		**915.2**	949.6
Net assets		**1,615.4**	1,556.6
Equity			
Contributed equity	15(a)	**750.7**	743.8
Reserves		**(176.4)**	(142.9)
Retained profits		**1,026.6**	942.0
Total equity attributable to Ansell Limited shareholders		**1,600.9**	1,542.9
Non-controlling interests		**14.5**	13.7
Total equity		**1,615.4**	1,556.6

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

		Attributable to Ansell Limited Shareholders								
2023	**Note**	**Contributed Equity US$m**	**Share-based Payment Reserve US$m**	**Hedging Reserve US$m**	**Other Reserve US$m**	**Foreign Currency Translation Reserve US$m**	**Retained Profits US$m**	**Total US$m**	**Non-controlling Interests US$m**	**Total Equity US$m**
Balance as at 30 June 2022		743.8	43.6	8.8	14.1	(209.4)	942.0	1,542.9	13.7	1,556.6
Effect of change in functional currency of a subsidiary		–	–	–	–	–	(0.8)	(0.8)	–	(0.8)
		743.8	43.6	8.8	14.1	(209.4)	941.2	1,542.1	13.7	1,555.8
Comprehensive income										
Profit for the year		–	–	–	–	–	148.3	148.3	1.6	149.9
Other comprehensive income		–	–	(9.9)	0.2	(4.2)	1.1	(12.8)	(0.8)	(13.6)
Total comprehensive income		–	–	(9.9)	0.2	(4.2)	149.4	135.5	0.8	136.3
Transactions with owners										
Share-based payments forfeiture		–	(5.5)	–	–	–	–	(5.5)	–	(5.5)
Transfer from retained profits		–	–	–	1.1	–	(1.1)	–	–	–
Shares used to settle the Group's Long-Term Incentive plans		15.2	(15.2)	–	–	–	–	–	–	–
Share buybacks		(8.0)	–	–	–	–	–	(8.0)	–	(8.0)
Purchase of treasury shares		(0.3)	–	–	–	–	–	(0.3)	–	(0.3)
Dividends paid*	16	–	–	–	–	–	(62.9)	(62.9)	–	(62.9)
Total transactions with owners		6.9	(20.7)	–	1.1	–	(64.0)	(76.7)	–	(76.7)
Total equity as at 30 June 2023		750.7	22.9	(1.1)	15.4	(213.6)	1,026.6	1,600.9	14.5	1,615.4

* Dividends paid includes $0.4m paid to the Ansell Limited Employee Share Plan Trust due to the Trust holding unallocated shares at the record date for the final dividend. Refer to Note 23 Ansell Limited Employee Share Plan Trust.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

		Attributable to Ansell Limited Shareholders								
2022	**Note**	**Contributed Equity US$m**	**Share-based Payment Reserve US$m**	**Hedging Reserve US$m**	**Other Reserve US$m**	**Foreign Currency Translation Reserve US$m**	**Retained Profits US$m**	**Total US$m**	**Non-controlling Interests US$m**	**Total Equity US$m**
Balance as at 30 June 2021		769.0	72.5	(1.1)	13.1	(169.1)	866.8	1,551.2	13.4	1,564.6
Comprehensive income										
Profit for the year		–	–	–	–	–	158.7	158.7	1.1	159.8
Other comprehensive income		–	–	9.9	0.2	(40.3)	4.1	(26.1)	(0.8)	(26.9)
Total comprehensive income		**–**	**–**	**9.9**	**0.2**	**(40.3)**	**162.8**	**132.6**	**0.3**	**132.9**
Transactions with owners										
Share-based payments forfeiture		–	(2.6)	–	–	–	–	(2.6)	–	(2.6)
Transfer from retained profits		–	–	–	0.8	–	(0.8)	–	–	–
Shares used to settle the Group's Long-Term Incentive plans		23.3	(26.3)	–	–	–	–	(3.0)	–	(3.0)
Share buybacks		(14.6)	–	–	–	–	–	(14.6)	–	(14.6)
Purchase of treasury shares		(33.9)	–	–	–	–	–	(33.9)	–	(33.9)
Dividends paid*	16	–	–	–	–	–	(86.8)	(86.8)	–	(86.8)
Total transactions with owners		**(25.2)**	**(28.9)**	**–**	**0.8**	**–**	**(87.6)**	**(140.9)**	**–**	**(140.9)**
Total equity as at 30 June 2022		**743.8**	**43.6**	**8.8**	**14.1**	**(209.4)**	**942.0**	**1,542.9**	**13.7**	**1,556.6**

* Dividends paid includes $0.4m paid to the Ansell Limited Employee Share Plan Trust due to the Trust holding unallocated shares at the record date for the final dividend. Refer to Note 23 Ansell Limited Employee Share Plan Trust.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 US$m	2022 US$m
Cash flows related to operating activities			
Receipts from customers		**1,670.7**	2,012.4
Payments to suppliers and employees		**(1,450.4)**	(1,740.5)
Net receipts from operations		**220.3**	271.9
Income taxes paid		**(39.8)**	(49.9)
Net cash provided by operating activities	6(b)	**180.5**	222.0
Cash flows related to investing activities			
Payments for businesses, net of cash acquired		**(10.9)**	(0.9)
Payments for property, plant, equipment and intangible assets		**(67.2)**	(67.5)
Payments for financial asset investments	8	**(0.1)**	(5.1)
Net proceeds from Russia exit	3(b)	**2.7**	–
Proceeds from the sale of property, plant and equipment		**–**	2.3
Net cash used in investing activities		**(75.5)**	(71.2)
Cash flows related to financing activities			
Proceeds from borrowings		**19.8**	103.2
Repayments of borrowings		**(58.8)**	(98.8)
Repayments of lease liabilities		**(20.5)**	(21.5)
Payments for share buybacks		**(8.0)**	(14.6)
Payments for shares acquired to settle the Group's Long-Term Incentive plans		**–**	(3.0)
Payments for purchases of treasury shares		**(0.3)**	(33.9)
Dividends paid – Ansell Limited shareholders*		**(62.9)**	(86.8)
Interest received		**2.2**	0.2
Interest on interest bearing liabilities and financing costs paid		**(18.9)**	(20.0)
Interest paid on lease liabilities		**(1.8)**	(1.5)
Net cash used in financing activities		**(149.2)**	(176.7)
Net decrease in cash and cash equivalents		**(44.2)**	(25.9)
Cash and cash equivalents at the beginning of the financial year		**206.2**	240.2
Effect of movements in exchange rates on cash held		**(2.6)**	(8.1)
Cash and cash equivalents at the end of the financial year	6(a)	**159.4**	206.2

* 2023 dividends paid includes $0.4m (2022: $0.4m) paid to the Ansell Limited Employee Share Plan Trust due to the Trust holding unallocated shares at the record date for the final dividend. Refer to Note 23 Ansell Limited Employee Share Plan Trust.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

1. Summary of Significant Accounting Policies

General

Ansell Limited (the 'Company') is a company domiciled in Australia. The Company and its subsidiaries (together referred to as the 'Group') is a global leader in protection solutions. The Group is a for-profit entity and designs, develops and manufactures a wide range of hand, arm and body protection solutions and clothing and is organised around two Global Business Units (GBUs) as detailed in Note 2 Segment Information.

- Healthcare GBU
- Industrial GBU

Statement of Compliance

The Financial Report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The financial report of the Group also complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board ('IFRS' or 'IAS').

The consolidated financial statements were authorised for issue by the Board of Directors on 14 August 2023.

Basis of Accounting

The Financial Report is presented in United States dollars and on the historical cost basis except that assets and liabilities in respect of derivative financial instruments and available-for-sale financial assets are stated at their fair value. The Financial Report has been prepared on a going concern basis, which assumes the continuity of normal operations.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with the Instrument, amounts in the Financial Report and Directors' Report have been rounded off to the nearest hundred thousand dollars, unless otherwise stated.

A summary of the significant accounting policies of the Group is disclosed below. The accounting policies have been applied consistently by all entities in the Group.

Changes in Accounting Standards

The Group has adopted AASB 2023-2 *Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules*. This amendment to AASB 112 *Income Taxes* provides temporary relief from accounting for deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development's (OECD). We continue to monitor the OECD Pillar Two Solution to address the tax challenges arising from the digitalisation of the economy. We are in the process of evaluating the cash tax and accounting implications of the Pillar Two global minimum tax rules under AASB 112. No material impact was foreseen as at the date of this report.

Other than the above, there are no accounting standards, amendments to accounting standards or interpretations that have been identified that will materially impact the Group.

Principles of Consolidation

The financial statements of the Group include the Company being the parent entity, and its subsidiaries.

The financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at balance date and the results of all subsidiaries for the year then ended. Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Results of subsidiaries are included in the Income Statement from the date on which control commences and continue to be included until the date control ceases to exist. The effects of all transactions between entities in the Group are eliminated in full. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Income Statement and Statement of Financial Position respectively.

Foreign Currency

Transactions

Transactions in foreign currencies are recorded at the rate of exchange ruling on the date of each transaction. At balance date, amounts payable and receivable in foreign currencies are converted at the rates of exchange ruling at that date, with any resultant gain or loss recognised in the Income Statement except when deferred in equity as qualifying cash flow hedges.

Translation

The financial statements of overseas subsidiaries are maintained in their functional currencies and are converted to the Group's presentation currency as follows:

- assets and liabilities are translated at the rate of exchange as at balance date;
- income statements are translated at average exchange rates for the reporting period which approximate the rates ruling at the dates of the transactions; and
- all resultant exchange differences are recorded within equity in the foreign currency translation reserve.

When an overseas subsidiary is sold, the cumulative amount recognised in the foreign currency translation reserve relating to the subsidiary is recognised in the Income Statement as part of the gain or loss on sale.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

1. Summary of Significant Accounting Policies continued

Significant Accounting Estimates and Judgements

Current Asset Provisions

In the course of normal trading activities, management uses its judgement in establishing the net realisable value of various elements of working capital – principally inventory and accounts receivable. Provisions are established for obsolete or slow moving inventories and bad or doubtful receivables. The actual level of obsolete or slow moving inventories and bad or doubtful receivables in future periods may be different from the provisions established, and any such differences would affect future earnings of the Group. The factors considered are detailed in Note 7 Working Capital.

Property, Plant and Equipment and Finite Life Intangible Assets

The Group's property, plant and equipment and intangible assets, other than indefinite life intangible assets, are depreciated/amortised on a straight-line basis over their useful economic lives. Management reviews the appropriateness of useful economic lives of assets at least annually, and any changes to useful economic lives may affect prospective depreciation rates and asset carrying values. The useful economic lives are detailed in Note 9 Property, Plant and Equipment and Note 11 Intangible Assets.

Impairment of Goodwill and Brand Names

The Group tests whether goodwill and brand names are impaired at least annually, or more frequently if events or changes in circumstances indicate that their carrying values may be impaired, in accordance with the accounting policy on intangible assets. The policy requires the use of assumptions in assessing the carrying values of cash generating units (CGUs). These assumptions are detailed in Note 11 Intangible Assets.

Income Tax

The Group operates in a number of tax jurisdictions and needs to consider their varying complexities, differing tax rules and the changing tax environments. The Group has processes to assess and manage these issues.

The reviews undertaken to determine whether a deferred tax asset should be recognised in jurisdictions where unbooked tax losses exist and in assessing the recoverability of booked tax losses involve the use of judgements and estimates in assessing the projected future trading performances of relevant operations. These judgements and estimates are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact on the amount of the deferred tax asset in respect of tax losses recognised on the Statement of Financial Position. In such circumstances the carrying amount of this asset may require adjustment resulting in a corresponding credit or charge to the Income Statement.

Contingencies and Provisions

Contingent liabilities include but are not limited to pending, potential or future legal, judicial, regulatory, and other proceedings of a litigious nature that cannot be predicted with certainty. Proceedings are evaluated on a case by case basis considering the available information, including that from legal counsel, to assess potential outcomes. Where it is considered probable that a present obligation will result in an outflow of resources, and a reliable estimate of the amount of the obligation can be made, a provision is recognised. See Note 13 Provisions and Note 18 (b) Contingent Liabilities for detail.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are assessed continually and if they become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements in the period that the change from probable to virtually certain occurs.

Employee Benefits

The amount recognised as an expense for the Long-Term Incentive Plan (LTIP) reflects the fair value of Performance Share Rights (PSRs) and Restricted Stock Units (RSUs) granted and the number of awards based on estimated non-market performance and service conditions at the vesting date. The estimated non-market performance conditions have been determined based on management's estimate of future performance, including the budget for the 2024 financial year as approved by the Board. The fair value of PSRs and RSUs are detailed in Note 24 Ownership-based Remuneration Schemes.

Various actuarial assumptions are utilised in the determination of the Group's defined benefit superannuation plan obligations. These assumptions are detailed in Note 14 Retirement Benefit Obligations.

Other Accounting Policies

Other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

2. Segment Information

The Group comprises the following operating segments:

Healthcare GBU: surgical and examination gloves, healthcare safety devices and active infection prevention products for healthcare professionals and patients and single use industrial application gloves.

Industrial GBU: multi-use hand and body protection solutions for industrial worker environments and specialty applications.

		Operating Segments			
2023	**Note**	**Healthcare US$m**	**Industrial US$m**	**Unallocated US$m**	**Total Group US$m**
Sales revenue		**904.2**	**750.9**	**–**	**1,655.1**
Operating profit/(loss) before significant items		**114.9**	**103.9**	**(11.0)**	**207.8**
Share of loss of equity accounted investment, net of tax		**(1.5)**	**–**	**–**	**(1.5)**
Profit/(loss) before significant items, net financing costs and income tax expense		**113.4**	**103.9**	**(11.0)**	**206.3**
Significant items	3(b)				**2.7**
Profit before net financing costs and income tax expense					**209.0**
Net financing costs					**(19.4)**
Profit before income tax expense					**189.6**
Income tax expense					**(39.7)**
Profit after income tax					**149.9**
Non-controlling interests					**(1.6)**
Net profit attributable to Ansell Limited shareholders					**148.3**
Segment assets		**1,275.0**	**951.7**	**303.9**	**2,530.6**
Segment liabilities		**103.0**	**124.8**	**687.4**	**915.2**
Segment depreciation and amortisation		**30.5**	**33.8**	**3.7**	**68.0**
Segment capital expenditure		**46.0**	**17.6**	**3.6**	**67.2**

		Operating Segments			
2022	**Note**	**Healthcare US$m**	**Industrial US$m**	**Unallocated US$m**	**Total Group US$m**
Sales revenue		1,189.6	762.5	–	1,952.1
Operating profit/(loss) before significant items		159.2	107.0	(12.6)	253.6
Share of loss of equity accounted investment, net of tax		(8.5)	–	–	(8.5)
Profit before significant items, net financing costs and income tax expense		150.7	107.0	(12.6)	245.1
Significant Items	3(b)				(17.0)
Profit before net financing costs and income tax expense					228.1
Net financing costs					(19.7)
Profit before income tax expense					208.4
Income tax expense					(48.6)
Profit after income tax					159.8
Non-controlling interests					(1.1)
Net profit attributable to Ansell Limited shareholders					158.7
Segment assets		1,239.2	928.4	338.6	2,506.2
Segment liabilities		141.2	149.5	658.9	949.6
Segment depreciation and amortisation		28.0	32.1	5.2	65.3
Segment capital expenditure		40.7	23.4	3.4	67.5

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***2. Segment Information** continued*

Regional Information

Sales revenue is disclosed in the four geographical regions based on where the products are sold to external customers.

Assets (excluding goodwill, brand names and other intangibles) are allocated to the geographical regions in which the assets are located.

Asia Pacific: manufacturing facilities in Malaysia, Thailand, Sri Lanka, China, India and Vietnam.

Europe, Middle East and Africa: manufacturing facilities in Lithuania and Portugal.

Latin America and Caribbean: manufacturing facility in Brazil.

North America: manufacturing facility in Mexico.

	Sales Revenue		Regional Assets	
Regions	**2023 US$m**	**2022 US$m**	**2023 US$m**	**2022 US$m**
Asia Pacific	**232.8**	273.5	**537.9**	508.8
Europe, Middle East and Africa	**519.8**	649.9	**223.5**	222.0
Latin America and Caribbean	**169.6**	156.4	**108.1**	93.3
North America	**732.9**	872.3	**302.3**	287.5
Total regions	**1,655.1**	1,952.1	**1,171.8**	1,111.6

Country of Domicile

The Company's country of domicile is Australia. The sales revenue and assets for the Australian entities (reported within the Asia Pacific region) are as follows:

	2023 US$m	**2022 US$m**
Sales revenue	**54.8**	70.1
Assets	**10.0**	16.0

3. Profit Before Income Tax

	2023 US$m	2022 US$m
(a) Profit Before Income Tax has been Arrived at after Charging/(Crediting) the Following Items		
This table summarises expenses by nature:		
Interest expense on interest bearing liabilities	16.7	14.7
Interest expense on lease liabilities	1.8	1.5
Other financing costs	3.2	3.7
Interest income	(2.3)	(0.2)
Net financing costs	19.4	19.7
Bad debts written off	–	0.2
Provision for impairment of trade receivables – recognised/(credited)	0.3	(0.4)
Net bad debts expense/(credit) and provision for impairment of trade receivables	0.3	(0.2)
Wages and salaries	236.1	230.9
Increase in provision for employee entitlements	14.5	15.0
Defined contribution superannuation plan expense	12.4	12.8
Defined benefit superannuation plan expense	2.4	2.3
Equity settled share-based payments forfeiture	(5.5)	(2.6)
Employee benefits expense	259.9	258.4
Research and development costs	17.9	17.5
Net foreign exchange gain	(8.7)	(5.9)
Loss/(gain) on the sale of property, plant and equipment	0.3	(1.3)
Expenses relating to short term leases	3.0	0.8
Income from sub-leasing of right-of-use assets	(0.5)	(0.6)
Variable lease payments	14.2	12.5
Write-down in value of inventories	4.9	7.4

(b) Significant Items

Russia Business Disruption and Exit (gain)/loss	2023 US$m	2022 US$m
Net proceeds from Russia exit	(2.7)	–
Business restructuring	–	7.2
Asset impairment	–	9.8
Total	(2.7)	17.0
Related tax expense	–	–
Net (profit)/loss	(2.7)	17.0
EPS equivalent	(2.2 cents)	13.4 cents

Before the commencement of the Russia/Ukraine conflict, the Group operated a legal entity in Russia responsible for importing, marketing and selling Ansell's products in Russia and operated a small manufacturing facility in Russia, of which the production served the local market (collectively known as Ansell Russia). There were no exports from Russia. In FY21, Ansell Russia generated $37.2m sales.

The Ansell Russia business incurred disruption since March 2022 and the Group decided to cease Ansell Russia's commercial and manufacturing operations. By 30 June 2022, the Group recognised $17.0m one-off expenses at nil income tax impact (EPS equivalent of 13.4 cents), including $9.8m asset impairment, being the amount where the carrying amount of an asset exceeds its recoverable amount and $7.2m business restructuring. The recoverable amount of each asset is an asset's fair value less costs of disposal. At each balance sheet date, management uses its judgement in determining the fair value less costs of disposal for each asset and establishing a provision based on the expected settlement of various payment obligations. The actual value to be realised or settled in the future may be different from the estimated amounts, and any such differences would affect future earnings of the Group.

In April 2023, the Group completed the divestment of its Russian operations with net proceeds of $2.7m.

(c) Recognition and Measurement

Sales Revenue

Sales revenue is recognised when control of the goods has been transferred to the customer in accordance with the trading terms which are generally specified in their sales agreements. Sales revenue is recorded based on the consideration received or receivable from the customer net of returns, trade discounts and allowances.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

4. Income Tax

	2023 US$m	2022 US$m
(a) Income Tax Expense		
Prima facie income tax calculated at 30% (2022: 30%) on profit before income tax	**56.9**	62.5
Adjusted by the tax effect of:		
Investment and export incentive allowances	**(5.2)**	(10.4)
Share of loss of equity accounted investment	**0.4**	2.0
Net lower overseas tax rates	**(7.2)**	(11.6)
Tax (gains)/losses generated but not recognised	**(5.4)**	11.7
Prior year over provision	**(1.2)**	(5.5)
Tax rate change in foreign jurisdiction	**1.8**	–
Other permanent differences	**(0.4)**	(0.1)
Income tax expense attributable to profit before income tax	**39.7**	48.6
Income tax expense attributable to profit before income tax is made up of:		
Current year income tax	**43.7**	32.3
Deferred income tax attributable to:		
Increase in deferred tax liability	**3.8**	4.3
(Increase)/decrease in deferred tax asset	**(7.8)**	12.0
	39.7	48.6

	2023 US$m	2022 US$m
Income tax (expense)/benefit recognised in other comprehensive income		
Remeasurement of defined benefit superannuation/post-retirement health benefit plans	**0.4**	1.4
Change in fair value of equity investments at fair value through other comprehensive income	**0.1**	0.1
Movement in effective hedges for year	**(4.4)**	4.7
	(3.9)	6.2

	2023 US$m	2022 US$m
(b) Deferred Tax Assets		
Deferred tax assets arising from:		
Deductible temporary differences	**53.6**	44.6
Accumulated tax losses	**20.0**	20.5
	73.6	65.1
Deferred tax assets are attributable to the following:		
Trading stock tax adjustments	**17.2**	15.1
Provisions	**27.5**	20.7
Accruals	**2.3**	2.3
Leased assets	**0.8**	0.6
Amortisation of intangible assets	**5.1**	5.9
Tax rate change in foreign jurisdiction	**0.7**	–
Accumulated tax losses	**20.0**	20.5
Total deferred tax assets	**73.6**	65.1
Details of the movement in the balance of deferred tax assets are as follows:		
Balance at the beginning of the financial year	**65.1**	83.1
Under/(over) provision of prior year balance	**1.5**	(0.5)
Amount credited/(charged) to the Income Statement	**7.8**	(12.0)
Amount debited to other comprehensive income	**(0.4)**	(1.4)
Net exchange differences on translation of foreign subsidiaries	**(0.4)**	(4.1)
Balance at the end of the financial year	**73.6**	65.1
(c) Deferred Tax Liabilities		
Deferred tax liabilities are attributable to the following:		
Depreciation on plant and equipment	**12.7**	11.2
Amortisation of intangible assets	**66.7**	65.6
Financial instruments	**–**	4.4
Tax rate change in foreign jurisdiction	**2.5**	–
Additions through entities/businesses acquired	**0.8**	–
Other	**(0.7)**	(0.8)
Total deferred tax liabilities	**82.0**	80.4
Details of the movement in the balance of deferred tax liabilities are as follows:		
Balance at the beginning of the financial year	**80.4**	72.3
Under provision of prior year balance	**1.7**	0.2
Amount charged to the Income Statement	**3.8**	4.3
Additions through entities/businesses acquired	**0.9**	–
Amount (credited)/debited to other comprehensive income	**(4.3)**	4.8
Net exchange differences on translation of foreign subsidiaries	**(0.5)**	(1.2)
Balance at the end of the financial year	**82.0**	80.4

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***4. Income Tax** continued*

(d) Recognition and Measurement

Current Tax

Income tax on the profit or loss for the financial year comprises current and deferred tax and is recognised in the Income Statement. Current tax is the expected tax payable or receivable on taxable income for the financial year using tax rates enacted or substantively enacted at reporting date, and any adjustments to tax payable or receivable in respect of previous years.

Deferred Tax

Deferred tax balances are determined using the balance sheet method, which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the Balance Sheet and their associated tax bases. The amount of deferred tax provided is based on the expected manner of realisation of the asset or settlement of the liability using tax rates enacted or substantively enacted at reporting date.

In jurisdictions where unbooked tax losses exist, regular reviews are undertaken of the past trading history and projected future trading performance of the operations in these jurisdictions as part of the determination of the value of any deferred tax asset that should be reflected in the accounts in respect of such losses. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent it is no longer probable that the related tax benefit will be realised.

The Group has not recognised the tax value of deferred tax assets in respect of trading tax losses of $24.8m (2022: $28.8m) and $80.2m of capital losses (2022: $54.2m). Deferred tax assets in respect of these unbooked losses have not been recognised as it is not probable that future taxable profits will be available against which these losses can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income. In this case, the associated tax is also recognised in other comprehensive income.

5. Earnings Per Share

	2023 US$m	2022 US$m
Earnings reconciliation		
Profit for the period	**149.9**	159.8
Less profit for the period attributable to non-controlling interests	**(1.6)**	(1.1)
Basic earnings	**148.3**	158.7
Diluted earnings	**148.3**	158.7
	Number of Shares (Millions)	
Weighted average number of ordinary shares used as the denominator		
Number of ordinary shares for basic Earnings Per Share	**126.3**	126.8
Effect of potential ordinary shares	**0.8**	1.4
Number of ordinary shares for diluted Earnings Per Share	**127.1**	128.2
	US Cents	**US Cents**
Earnings Per Share		
Basic Earnings Per Share	**117.5**	125.2
Diluted Earnings Per Share	**116.7**	123.8

Recognition and Measurement

Earnings Per Share (EPS) is the amount of profit attributable to each share. Basic EPS is calculated on the Group's profit for the year attributable to equity shareholders divided by the weighted average number of shares on issue during the year. Diluted EPS reflects any commitments the Group has to issue shares in the future, including under the Executive Share Plan (refer to Note 15 Contributed Equity and Reserves) and the Long-Term Incentive Plan (refer to Note 24 Ownership-based Remuneration Schemes).

6. Cash and Cash Equivalents

	2023 US$m	2022 US$m
(a) Cash and Cash Equivalents		
Cash at bank	65.9	85.7
Short-term deposits	90.6	117.3
	156.5	203.0
Restricted cash	0.2	0.4
Restricted deposits	2.7	2.8
Total cash and cash equivalents	159.4	206.2

	2023 US$m	2022 US$m
(b) Reconciliation of Net Profit After Tax to Net Cash Provided by Operating Activities		
Profit for the period	149.9	159.8
Add/(less) non-cash items:		
Depreciation	42.4	37.7
Amortisation	25.6	27.6
Impairment – trade receivables charged/(credited)	0.3	(0.4)
Share-based payments forfeiture	(5.5)	(2.6)
Write-down of property, plant and equipment and intangible assets	0.2	10.4
Add/(less) items classified as investing/financing activities:		
Interest income	(2.3)	(0.2)
Interest expense on interest bearing liabilities and financing costs	19.9	18.4
Interest expense on lease liabilities	1.8	1.5
Share of loss from equity accounted investment, net of tax	1.5	8.5
Loss/(gain) on the sale of property, plant and equipment	0.3	(1.3)
Net proceeds from Russia exit	(2.7)	–
Net cash provided by operating activities before change in assets and liabilities	231.4	259.4
Change in assets and liabilities:		
Decrease in trade and other receivables	14.8	59.1
Decrease in inventories	8.8	67.9
Increase in other assets	(5.7)	(1.6)
Decrease in trade and other payables	(75.1)	(111.7)
Increase/(decrease) in provisions/other liabilities	6.5	(47.3)
Decrease in retirement benefit obligations	(0.1)	–
Increase in deferred tax liabilities	1.1	9.2
(Increase)/decrease in deferred tax assets	(4.9)	7.8
Increase/(decrease) in current tax liabilities	3.7	(18.3)
Other non-cash items (including foreign currency impact)	–	(2.6)
Net cash provided by operating activities	180.5	222.0

(c) Recognition and Measurement

Cash at Bank and on Deposit

Cash and cash equivalents include cash on hand and at banks and investments in money market instruments, net of outstanding bank overdrafts.

Restricted Cash

Restricted cash is cash held by the Ansell Limited Employee Share Plan Trust (refer to Note 23 Ansell Limited Employee Share Plan Trust).

Restricted Deposits

Restricted deposits represent cash set aside (under Court orders) to cover the provisions established to address any remaining liability of members of the Group for claims arising with respect to the Accufix Pacing Lead (refer to Note 13 Provisions – Other Provisions).

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

7. Working Capital

	2023 US$m	2022 US$m
Net trade receivables	**180.9**	191.2
Inventories	**526.1**	521.3
Trade payables	**(169.7)**	(232.0)
Total working capital	**537.3**	480.5

(a) Current Trade and Other Receivables

	2023 US$m	2022 US$m
Trade receivables	**247.5**	265.4
Allowance for impairment	**(3.3)**	(2.9)
Provision for rebates and allowances	**(63.3)**	(71.3)
Net trade receivables	**180.9**	191.2
Other amounts receivable	**10.3**	10.5
Total current trade and other receivables	**191.2**	201.7

Movements in the allowance for impairment of trade receivables:

	2023 US$m	2022 US$m
Balance at the beginning of the financial year	**2.9**	6.7
Amounts charged/(credited) to the Income Statement	**0.3**	(0.4)
Amounts utilised	**(0.1)**	(3.0)
Net exchange differences on translation of foreign subsidiaries	**0.2**	(0.4)
Balance at the end of the financial year	**3.3**	2.9

	Gross Trade Receivables		Allowance for Impairment	
Ageing of Trade Receivables	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Within agreed terms	**228.3**	243.6	**–**	–
Past due 0-60 days	**14.8**	15.8	**–**	–
Past due 61-90 days	**0.9**	1.4	**–**	–
Past due 91 days or more	**3.5**	4.6	**3.3**	2.9
Total	**247.5**	265.4	**3.3**	2.9

(b) Inventories

	2023 US$m	2022 US$m
Raw materials	**76.7**	71.4
Work in progress	**20.3**	20.9
Finished goods	**429.1**	429.0
Total inventories	**526.1**	521.3

	2023 US$m	2022 US$m
Inventories recognised as an expense	**946.8**	1,105.6

(c) Current Trade and Other Payables

	2023 US$m	2022 US$m
Current		
Trade payables	**169.7**	232.0
Other payables	**49.8**	44.3
Total current trade and other payables	**219.5**	276.3

(d) Recognition and Measurement

Trade Receivables

Trade receivables are carried at amounts due. Receivables that are not past due and not impaired are considered recoverable. Trade receivables are recognised initially at the value of the invoice sent to the customer and subsequently at the amount considered recoverable. Customer trading terms are generally between 30 and 60 days.

Allowance for Impairment of Trade Receivables

The collectability of trade receivables is assessed continuously and at balance date specific allowances are made for any doubtful trade receivables based on a review of all outstanding amounts at year end. Bad debts are written off during the year in which they are identified.

The Group determines that the trade receivables are low credit risk financial assets and measures the impairment of trade receivable balances based on an expected credit loss model. The following basis have been used to assess the allowance for impairment of trade receivables:

- individual account by account assessment based on past credit history;
- prior knowledge of debtor insolvency;
- high risk customers' assessments based on continuous analysis of customers' payment trends and monitoring of the political and economic climates particularly for those customers who are located in emerging market countries; and
- customer accounts that have been referred to a collection agency.

Inventories

Inventories are valued at the lower of cost and net realisable value. The net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell. The cost of inventories is based on the first-in, first-out principle. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads.

Provision for Obsolete or Slow-moving Inventories

Allowances are established for obsolete or slow-moving inventories taking into consideration the ageing or seasonal profile of inventories, the nature of inventories, discontinued lines, sell-through history and forecast sales.

Trade and Other Payables

Trade and other payables are normally settled within 30 to 90 days from invoice date or within the agreed payment terms with the supplier.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

8. Financial Assets

Financial Assets

Financial assets designated as:	2023 US$m	2022 US$m
Fair Value through Other Comprehensive Income (FVOCI)	4.4	4.1
Fair Value through Profit or Loss (FVTPL)	2.1	2.0
Amortised cost	–	2.3
	6.5	8.4

Financial assets designated as FVOCI

The Group accounted for its unlisted equity investments in Modjoul, Inc and another company using the FVOCI method. A $0.3m fair value gain was recognised as other comprehensive income during the year (2022: $0.3m gain). No dividend income was recognised during 2023 (2022: nil).

Financial assets designated as FVTPL

The Group holds a $2.1m (2022: $2.0m) investment in a convertible promissory note offering from Modjoul, Inc for a 24 month term with 5% interest.

Financial assets designated as amortised cost

The Group derecognised the loan to Careplus (M) Sdn Bhd (CMSB) as a financial asset at amortised cost, after the consolidation of CMSB as a subsidiary in the Group's financial statements effective 31 December 2022 (2022: $2.3m). Refer to Note 21 Control of Subsidiary.

Recognition and Measurement

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an unlisted equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments at FVOCI are subsequently measured at fair value and any changes are recognised in OCI and reflected in the other reserve in equity. When this financial asset is derecognised, the cumulative gain or loss in equity is transferred to retained earnings. Dividends received are recognised in the Income Statement.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Income Statement.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in the Income Statement.

Investments in financial assets are classified as investing activities within the Group's Statement of Cash Flows.

9. Property, Plant and Equipment

2023	Freehold Land US$m	Freehold Buildings US$m	Leasehold Land and Buildings US$m	Plant and Equipment US$m	Buildings and Plant Under Construction US$m	Total US$m
Cost	8.1	59.0	82.1	548.1	53.6	750.9
Accumulated depreciation	–	(18.0)	(36.5)	(344.7)	–	(399.2)
	8.1	41.0	45.6	203.4	53.6	351.7
Movement						
Balance at the beginning of the financial year	8.1	26.2	42.6	186.1	36.4	299.4
Additions	–	0.4	–	2.9	63.0	66.3
Additions through entities acquired	–	8.2	2.9	13.4	11.1	35.6
Disposals/scrappings/asset impairment	–	–	(0.1)	(0.1)	(0.1)	(0.3)
Transfer from buildings and plant under construction	–	8.3	5.8	42.1	(56.2)	–
Depreciation	–	(1.7)	(4.1)	(36.6)	–	(42.4)
Net exchange differences on translation of foreign subsidiaries	–	(0.4)	(1.5)	(4.4)	(0.6)	(6.9)
Balance at the end of the financial year	8.1	41.0	45.6	203.4	53.6	351.7

2022	Freehold Land US$m	Freehold Buildings US$m	Leasehold Land and Buildings US$m	Plant and Equipment US$m	Buildings and Plant Under Construction US$m	Total US$m
Cost	8.1	42.4	75.5	505.2	36.4	667.6
Accumulated depreciation	–	(16.2)	(32.9)	(319.1)	–	(368.2)
	8.1	26.2	42.6	186.1	36.4	299.4
Movement						
Balance at the beginning of the financial year	9.9	28.3	45.5	184.8	26.4	294.9
Additions	–	–	–	2.2	60.6	62.8
Disposals/scrappings/asset impairment	(1.0)	(0.4)	(1.7)	(4.3)	–	(7.4)
Transfer from buildings and plant under construction	–	1.8	3.1	43.3	(48.2)	–
Depreciation	–	(1.5)	(3.9)	(32.3)	–	(37.7)
Net exchange differences on translation of foreign subsidiaries	(0.8)	(2.0)	(0.5)	(7.6)	(2.4)	(13.2)
Balance at the end of the financial year	8.1	26.2	42.6	186.1	36.4	299.4

Recognition and Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and that the cost of the item can be measured reliably.

Depreciation

Depreciation is generally calculated on a straight-line basis so as to write off the net cost of each item of property, plant and equipment, excluding land, over its estimated useful life.

The expected useful lives in the current and prior years are as follows:

Freehold buildings	20 – 50 years
Leasehold buildings	The lesser of 50 years or the life of the lease
Plant and equipment	3 – 20 years

Depreciation rates and methods are reviewed annually for appropriateness.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

10. Leases

(a) Right-of-use assets

2023	Buildings US$m	Motor Vehicles US$m	Other Plant & Equipment US$m	Total US$m
Cost	152.8	15.4	6.7	174.9
Accumulated depreciation	(80.1)	(7.9)	(1.8)	(89.8)
	72.7	7.5	4.9	85.1
Movement				
Balance at the beginning of the financial year	46.3	8.2	2.7	57.2
New leases	36.8	3.3	0.8	40.9
Additions through entities/businesses acquired	–	–	2.4	2.4
Modifications	5.1	0.1	(0.1)	5.1
Terminations	–	(0.3)	–	(0.3)
Amortisation	(16.1)	(4.0)	(0.8)	(20.9)
Net exchange differences on translation of foreign subsidiaries	0.6	0.2	(0.1)	0.7
Balance at the end of the financial year	72.7	7.5	4.9	85.1

2022	Buildings US$m	Motor Vehicles US$m	Other Plant & Equipment US$m	Total US$m
Cost	128.8	14.8	3.9	147.5
Accumulated depreciation	(82.5)	(6.6)	(1.2)	(90.3)
	46.3	8.2	2.7	57.2
Movement				
Balance at the beginning of the financial year	48.9	10.0	2.2	61.1
New leases	1.2	4.0	1.2	6.4
Modifications	15.1	0.2	–	15.3
Terminations	(1.8)	(1.0)	–	(2.8)
Amortisation	(16.3)	(4.3)	(0.6)	(21.2)
Net exchange differences on translation of foreign subsidiaries	(0.8)	(0.7)	(0.1)	(1.6)
Balance at the end of the financial year	46.3	8.2	2.7	57.2

(b) Lease Liabilities

	2023 US$m	2022 US$m
Balance at the beginning of the financial year	**59.5**	63.8
New leases	**40.9**	6.4
Additions through entities/businesses acquired	**2.0**	–
Modifications	**5.1**	15.3
Terminations	**(0.3)**	(2.8)
Repayments	**(20.5)**	(21.5)
Net exchange differences on translation of foreign subsidiaries	**0.6**	(1.7)
Balance at the end of the financial year	**87.3**	59.5
Ageing of Lease Liabilities		
Current	**17.3**	18.2
Non-current	**70.0**	41.3
	87.3	59.5

(c) Maturity Analysis – Lease Liabilities

The following table sets out the contractual maturities of the Group's lease liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows comprising principal and interest repayments.

	Carrying Amount US$m	Total Contractual Cash Flows US$m	Contractual Maturity (Years) 0-1 US$m	1-2 US$m	2-5 US$m	> 5 US$m
2023						
Lease Liabilities	**87.3**	**108.8**	**20.6**	**16.7**	**30.6**	**40.9**
2022						
Lease Liabilities	59.5	69.5	19.7	14.0	19.5	16.3

(d) Recognition and measurement

The Group leases buildings, motor vehicles and other plant and equipment. Lease terms range from less than 12 months to 99 years with varying implicit discount rates and in numerous currencies. When an arrangement qualifies as a lease under AASB 16 *Leases*, the right-of-use asset and lease liability as at inception are calculated by discounting future payments under the lease contract. The right-of-use asset is amortised on a straight line basis over the term of the lease. Regular lease payments are allocated against the lease liability and interest.

Where lease contracts include an option(s) for renewal the impact of such options is not included in the initial calculation of the right-of-use asset and liability unless it is considered reasonably certain that the option(s) will be exercised.

The Group has also entered into arrangements (predominantly for warehousing and distribution facilities) which may incorporate a fixed monthly charge and/or charges which are dependent on a number of factors i.e. number of pallets stored, number of deliveries etc. (variable charges). The fixed monthly charges of these arrangements are accounted for as a lease under AASB 16 whereas variable charges are expensed to the Income Statement as incurred.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

11. Intangible Assets

2023	Goodwill US$m	Brand Names US$m	Software Costs US$m	Other Intangibles US$m	Total US$m
Cost					
Balance at the beginning of the financial year	973.9	249.7	64.5	23.6	1,311.7
Additions	–	–	3.5	–	3.5
Additions through entities/businesses acquired	7.4	–	–	–	7.4
Asset impairment	–	–	(0.8)	–	(0.8)
Net exchange differences on translation of foreign subsidiaries	4.2	(0.8)	(1.2)	–	2.2
Balance at the end of the financial year	985.5	248.9	66.0	23.6	1,324.0
Provision for amortisation and impairment					
Balance at the beginning of the financial year	139.5	58.5	53.1	11.2	262.3
Amortisation	–	0.1	3.4	1.2	4.7
Asset impairment	–	(0.2)	(0.6)	–	(0.8)
Net exchange differences on translation of foreign subsidiaries	0.7	(1.4)	(1.2)	–	(1.9)
Balance at the end of the financial year	140.2	57.0	54.7	12.4	264.3
Written down value at the end of the financial year	845.3	191.9	11.3	11.2	1,059.7

Software additions and amortisation is net ($2.4m) of the FY21 change in accounting policy for cloud computing arrangements.

2022	Goodwill US$m	Brand Names US$m	Software Costs US$m	Other Intangibles US$m	Total US$m
Cost					
Balance at the beginning of the financial year	991.6	258.9	66.7	23.6	1,340.8
Additions	–	–	4.0	–	4.0
Net exchange differences on translation of foreign subsidiaries	(17.7)	(9.2)	(6.2)	–	(33.1)
Balance at the end of the financial year	973.9	249.7	64.5	23.6	1,311.7
Provision for amortisation and impairment					
Balance at the beginning of the financial year	140.2	60.7	52.8	10.0	263.7
Amortisation	–	0.1	5.1	1.2	6.4
Asset impairment	–	1.1	0.2	–	1.3
Net exchange differences on translation of foreign subsidiaries	(0.7)	(3.4)	(5.0)	–	(9.1)
Balance at the end of the financial year	139.5	58.5	53.1	11.2	262.3
Written down value at the end of the financial year	834.4	191.2	11.4	12.4	1,049.4

Software additions and amortisation is net ($3.2m) of the FY21 change in accounting policy for cloud computing arrangements.

Carrying amount of goodwill and brand names allocated to each of the CGUs:

	2023 US$m	2022 US$m
Healthcare	**688.1**	680.2
Industrial	**349.1**	345.4
	1,037.2	1,025.6

Recognition and Measurement

Goodwill and Brand Names

Goodwill on acquisition is measured at cost being the excess of the cost of the acquisition over the fair value of the Group's share of the net identifiable assets acquired. Goodwill is not amortised. Brand names are initially recorded at cost based on independent valuations at acquisition date, which equates to fair value. Based on the nature of the major brand names acquired by the Group, which are international brands that benefit from competitive advantages due to technology, innovation and product development, it is not possible to make an arbitrary assessment that these brand names have a finite useful life, quantifiable in terms of years except where such brands are subject to licensing agreements covering a finite period or where management intends to phase out the use of a brand. Brand names subject to a licensing arrangement are amortised over the life of the arrangement. Brand names that are intended to be phased out are amortised over the period management anticipates that this process will take. No amortisation is provided against the carrying value of those brand names not subject to a licensing arrangement or phase-out process as the Group believes that the lives of such assets are indefinite at this point.

Software Costs

Capitalised software costs are amortised over a 5 to 10-year period.

Configuration or Customisation Costs in a Cloud Computing Arrangement

Software-as-a-Service (SaaS) arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. Judgement is required to determine whether the additional code meets the definition of an intangible asset.

Where the SaaS arrangement supplier provides both the configuration and customisation services, and the SaaS access over the contract term, judgement is required to determine whether these services are distinct or not from each other. Distinct configuration and customisation costs are expensed as incurred as the software is configured or customised (i.e. upfront). Non-distinct configuration and customisation costs are expensed over the SaaS contract term (i.e. as a prepayment).

Non-distinct customisation activities significantly enhance or modify a SaaS cloud-based application. Judgement is required in determining whether the degree of customisation and modification of the SaaS cloud-based application is significant or not.

Other Intangible Assets

Other intangible assets that are acquired by the Group and have finite useful lives are initially recorded at cost based on independent valuations at acquisition date, which equates to fair value. These assets include patents that are amortised on a straight-line basis over the legal life of the patent and customer and distributor relationships that are amortised on a straight-line basis over their estimated useful lives being which range from 6 to 20 years.

The amortisation of brand names, software costs and other intangible assets are recognised in selling, general and administration costs in the Income Statement.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***11. Intangible Assets** continued*

Recoverability Assessment

Recoverable Amount of Non-Current Assets Valued on the Cost Basis

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date.

The recoverable amount of a non-current asset is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in the Income Statement as part of cost of goods sold and selling, general and administration expenses. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit.

An impairment loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss in respect of goodwill or other indefinite life intangible assets is not reversed.

An impairment loss in other circumstances is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill and Indefinite Life Intangible Assets

Goodwill and indefinite life intangible assets are tested for impairment as part of the year-end reporting process. These assets are also reviewed as part of the interim reporting process to determine whether there are any indicators of impairment.

The carrying amount of other non-current assets, excluding any defined benefit fund assets, deferred tax assets and financial assets are reviewed at each reporting date to determine whether there are any indicators of impairment.

If such indicators exist, the asset is tested for impairment by comparing its recoverable amount to its carrying amount. The recoverable amount of an asset is determined as the higher of fair value less costs of disposal and value in use.

The Group's CGUs are the same as the segments outlined within Note 2 Segment Information.

The recoverable amount of each CGU has been determined based on a value in use calculation derived from five-year cash flow projections:

- The first year's cash flow projection is derived from the budget for the 2024 financial year as approved by the Board.
- Specific growth and after tax discount rates have been used in developing internal forecasts for financial years ending June 2025 to 2028 and for the terminal year. Factors such as country risk, forecasting risk and country specific growth and tax rates have been taken into consideration in arriving at these rates.

Cash flows used for value in use calculations are estimated for the asset in its present condition and committed capital expenditure, including related to Environment, Health and Safety, and therefore do not include cash inflows or outflows that improve or enhance the asset's performance or that may arise from future restructuring. Key assumptions also include the post-tax discount rate, annual revenue growth and margins.

The post-tax discount rate used for a value in use calculation is derived based on an internal assessment of the Group's post-tax weighted average cost of capital in conjunction with risk specific factors for the countries in which the CGU operates. The growth in the terminal year was 2.1% (2022: 1.9% to 2.0%) and the post-tax discount rates applied range between 8.6% and 9.5% (2022: 8.1% and 8.3%).

The potential impacts of climate change have been considered in the Group's impairment testing through downside scenario analysis and key assumption sensitivity assessment. No material financial risks on the carrying value were identified.

12. Interest Bearing Liabilities

	2023 US$m	2022 US$m
Current		
Loans repayable in:		
United States dollars	100.0	–
Total current	100.0	–
Non-current		
Loans repayable in:		
Euros	110.2	114.4
Malaysia ringgit	1.8	–
United States dollars	113.0	218.0
United Kingdom pounds	82.0	93.9
Total non-current	307.0	426.3
Total interest bearing liabilities	407.0	426.3

This table summarises the movement in interest bearing liabilities for the year ended 30 June 2023:

	2023 US$m
Balance at the beginning of the financial year	426.3
Movements in cash flows related to financing activities:	
Proceeds from borrowings as per Consolidated Statement of Cash Flows	19.8
Repayments of borrowings as per Consolidated Statement of Cash Flows	(58.8)
Other movements:	
Changes through entities/businesses acquired	11.5
Net exchange differences on translation of foreign subsidiaries	8.2
Balance at the end of the financial year	407.0

The Group has a syndicated borrowing facility of US$500.0 million with GBP 65.0 million (equivalent of US$82.0 million) and US$13.0 million drawn down at 30 June 2023 maturing in January 2027. In addition, the Group has a Euro 50.0 million revolving credit facility, unutilised at 30 June 2023 maturing in July 2024 and Senior Notes to the equivalent of US$310.2 million. Senior Notes of US$200.0 million and Euro 101.5 million (equivalent of US$110.2 million) mature between April 2024 and June 2029. The Senior Note that matures in April 2024 has a carrying amount of US$100.0 million. These facilities can be accessed by certain Australian, US, Europe and UK subsidiaries. The Group also has a MYR 8.3 million (equivalent of US$1.8 million) loan facility maturing in October 2028 from the acquisition of Ansell Seremban Sdn Bhd (formerly known as Careplus (M) Sdn Bhd).

There are a number of financial covenants attaching to the bank and note facilities including restrictions on the level of borrowings of non-guarantor subsidiaries and ensuring certain financial ratios are maintained. If any breaches of these covenants occur, all monies outstanding under the facility become immediately due and payable. The Group is in compliance with all covenants. The interest rates for these facilities are determined based on market rates at the time amounts are drawn down.

Interest rate benchmark reform

The Group has GBP 65.0 million and US$13.0 million of loans outstanding under Ansell's Syndicated Facility Agreement at 30 June 2023. Of the US$13.0 million of loans, US$8.0 million transitioned to the Term Secured Overnight Financing Rate (SOFR) plus a credit adjustment spread at 30 June 2023 and US$5.0 million will transition from USD LIBOR at their next interest rate roll-over.

	2023 US$m	2022 US$m
Net interest bearing debt		
Current interest bearing liabilities	100.0	–
Current lease liabilities	17.3	18.2
Non-current interest bearing liabilities	307.0	426.3
Non-current lease liabilities	70.0	41.3
Cash at bank and short-term deposits	(156.5)	(203.0)
Net interest bearing debt	337.8	282.8

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***12. Interest Bearing Liabilities** continued*

Recognition and Measurement

Interest bearing liabilities are initially recognised at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing liabilities are stated at amortised cost. Any difference between the cost and redemption value is recognised in the Income Statement over the period of the liability using the effective interest method.

Nature and Currency of Borrowing		Effective Interest Rate % p.a.	Financial Year of Debt Maturity	2023 US$m
Bank loans	Great British pounds	2.10	2027	**25.3**
	Great British pounds	5.99	2027	**56.7**
	Malaysian ringgit	4.77	2028	**0.7**
	Malaysian ringgit	4.87	2029	**1.1**
	United States dollars	6.68	2027	**3.5**
	United States dollars	6.33	2027	**8.0**
	United States dollars	6.45	2027	**1.5**
Other loans	Euros	2.99	2027	**38.8**
	Euros	2.75	2028	**38.8**
	Euros	2.47	2029	**32.6**
	United States dollars	4.70	2024	**100.0**
	United States dollars	4.05	2025	**50.0**
	United States dollars	4.68	2026	**50.0**
Total interest bearing liabilities				**407.0**

Nature and Currency of Borrowing		Effective Interest Rate % p.a.	Financial Year of Debt Maturity	2022 US$m
Bank loans	Euros	1.25	2025	8.4
	Great British pounds	2.27	2027	93.9
	United States dollars	2.72	2027	18.0
Other loans	Euros	0.72	2027	37.3
	Euros	2.75	2028	37.3
	Euros	2.47	2029	31.4
	United States dollars	4.70	2024	100.0
	United States dollars	4.05	2025	50.0
	United States dollars	4.68	2026	50.0
Total interest bearing liabilities				426.3

13. Provisions

	2023 US$m	2022 US$m
Current		
Provision for employee entitlements	**44.8**	38.2
Provision for rationalisation and restructuring costs	**5.2**	7.9
Other provisions	**3.2**	3.0
Total current	**53.2**	49.1
Non-current		
Provision for employee entitlements	**8.5**	8.7
Total non-current	**8.5**	8.7
Total provisions	**61.7**	57.8

Reconciliations of the carrying amount of each class of provision, except for employee entitlements, are set out below:

	2023 US$m	2022 US$m
Provision for rationalisation and restructuring costs		
Balance at the beginning of the financial year	**7.9**	3.8
Amounts charged to the Income Statement	**1.0**	5.6
Payments made	**(3.7)**	(1.3)
Net exchange differences on translation of foreign subsidiaries	**–**	(0.2)
Balance at the end of the financial year	**5.2**	7.9
Other provisions		
Balance at the beginning of the financial year	**3.0**	3.8
Amounts charged to the Income Statement	**0.3**	0.1
Payments made	**–**	(0.7)
Net exchange differences on translation of foreign subsidiaries	**(0.1)**	(0.2)
Balance at the end of the financial year	**3.2**	3.0

Recognition and Measurement

A provision is recognised when there is a legal, equitable or constructive obligation as a result of a past event and it is probable that a future sacrifice of economic benefits will be required to settle the obligation.

A non-current provision is determined by discounting the expected future cash flows required to settle the obligation at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Employee Entitlements

Wages, Salaries and Annual Leave

Liabilities for employee entitlements to wages, salaries and annual leave represent the amount which members of the Group have a present obligation to pay resulting from employees' services provided up to the balance date calculated at undiscounted amounts based on expected wage and salary rates that will be paid when the obligation is settled and include related on-costs.

Long Service Leave and Post-retirement Health Benefits

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the Group resulting from employees' services provided in the current and prior periods. Post-retirement health benefits are subject to annual actuarial reviews.

The liability is calculated using estimated future increases in wage and salary rates including related on-costs, expected settlement dates based on turnover history and medical cost trends and is discounted using corporate bond rates at balance date that most closely match the terms of maturity of the related liabilities.

Provision for Rationalisation and Restructuring Costs

Provisions for rationalisation and restructuring are only recognised when a detailed plan has been approved and the restructuring has either commenced or been publicly announced, or firm contracts related to the restructuring have been entered into. Costs related to ongoing activities are not provided for.

Other Provisions

Other provisions are recognised to cover specifically identified or obligated costs relating to the Accufix Pacing Lead and insurance claims. The Accufix Pacing Lead-related expenses include costs for patients associated with the monitoring and (where appropriate) explantation of the leads and for legal costs in defence of claims made in respect of the Accufix Pacing Leads. This provision is covered by cash required to be set aside by the Courts (refer to Note 6 Cash and Cash Equivalents – Restricted Deposits).

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

14. Retirement Benefit Obligations

Certain members of the Group contribute to defined benefit and defined contribution superannuation plans maintained to provide superannuation benefits for employees. They are obliged to contribute to the various superannuation plans as a consequence of legislation or Trust Deeds. Legal enforceability is dependent on the terms of the legislation or the Trust Deeds.

(a) Defined Benefit Superannuation Plans

Funding for post-employment benefits is carried out in accordance with the requirements of the Trust Deed for the Fund and the advice of the Fund's actuarial adviser. Plan assets are held in trusts which are subject to supervision by prudential regulators. Responsibility for governance of the plan, including investment decisions and plan rules, rests solely with the board of trustees of the plan.

Retirement Benefit Asset

	2023 US$m	2022 US$m
Fair value of defined benefit plan assets	**2.6**	3.8
Present value of accumulated defined benefit obligations	**(0.2)**	(1.4)
Defined benefit asset recognised in the Balance Sheet	**2.4**	2.4

The movements in the defined benefit asset during the year are outlined below:

	2023 US$m	2022 US$m
Balance at the beginning of the financial year	**2.4**	2.8
Actuarial gains/(losses)[(i)]	**0.1**	(0.1)
Benefits paid[(iii)]	**–**	(0.1)
Net exchange differences on translation of foreign subsidiaries	**(0.1)**	(0.2)
Balance at the end of the financial year	**2.4**	2.4

Retirement Benefit Liability

	2023 US$m	2022 US$m
Present value of accumulated defined benefit obligations	**27.7**	27.1
Fair value of defined benefit plan assets	**(20.6)**	(18.9)
Net defined benefit liability recognised in the Balance Sheet	**7.1**	8.2

The movements in the defined benefit liability during the year are outlined below:

	2023 US$m	2022 US$m
Balance at the beginning of the financial year	**8.2**	15.7
Actuarial gains(i)	**(1.4)**	(5.6)
Current service cost(ii)	**2.2**	2.2
Net interest cost(ii)	**0.2**	0.1
Employer contributions(iii)	**(2.3)**	(2.2)
Benefits paid(iii)	**(0.1)**	(0.1)
Net exchange differences on translation of foreign subsidiaries	**0.3**	(1.9)
Balance at the end of the financial year	**7.1**	8.2

The principal actuarial assumptions used (expressed as a weighted average) were as follows:

	2023	2022
Discount rate	**3.68% to 4.9%**	3.1% to 4.3%
Future salary increases	**Nil* to 3.1%**	Nil* to 3.0%

(i) Actuarial gains and losses are recorded in other comprehensive income.
(ii) Current service cost and net interest are recorded in the Consolidated Income Statement as part of selling, general and administration expenses.
(iii) Employer contributions and benefits paid are cash payments and are recorded as part of payments to suppliers and employees in the Consolidated Statement of Cash Flows.
* For those defined benefit plans that have no active employees, no future salary increase was assumed.

The Group expects $1.8m in contributions to be paid to its defined benefit plans during the year ending 30 June 2024.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2023 US$m	2022 US$m
Equity securities	**11%**	9%
Fixed interest securities	**72%**	77%
Property	**4%**	3%
Cash & cash equivalents	**7%**	5%
Other	**6%**	6%

(b) Defined Contribution Superannuation Plans

	2023 US$m	2022 US$m
Contributions to defined contribution plans during the year	**12.4**	12.8

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

15. Contributed Equity and Reserves

(a) Contributed Equity

	Ordinary Shares		Executive Share Plan Shares		Treasury Shares		Contributed Equity	
	Number	**US$m**	**Number**	**US$m**	**Number**	**US$m**	**Number**	**US$m**
At 30 June 2021	128,006,327	791.7	44,700	–	(700,000)	(22.7)	127,351,027	769.0
Buyback/cancellation of shares	(737,576)	(14.6)	(41,800)	–	–	–	(779,376)	(14.6)
Shares used to settle the Group's Long-Term Incentive plans	–	–	–	–	755,232	23.3	755,232	23.3
Purchase of treasury shares	–	–	–	–	(1,462,220)	(33.9)	(1,462,220)	(33.9)
At 30 June 2022	127,268,751	777.1	2,900	–	(1,406,988)	(33.3)	125,864,663	743.8
Buyback/cancellation of shares	**(453,570)**	**(8.0)**	**(2,000)**	**–**	**–**	**–**	**(455,570)**	**(8.0)**
Shares used to settle the Group's Long-Term Incentive plans	**–**	**–**	**–**	**–**	**626,150**	**15.2**	**626,150**	**15.2**
Conversion of Executive Share Plan shares to fully paid shares	**2,000**	**–**	**–**	**–**	**–**	**–**	**2,000**	**–**
Purchase of treasury shares	**–**	**–**	**–**	**–**	**(17,800)**	**(0.3)**	**(17,800)**	**(0.3)**
At 30 June 2023	**126,817,181**	**769.1**	**900**	**–**	**(798,638)**	**(18.4)**	**126,019,443**	**750.7**

Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax where applicable, from the proceeds. When shares are repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity.

Ordinary shares are fully paid and do not have authorised capital or par value. They carry one vote per share and the right to dividends as declared from time to time. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

Dividend Reinvestment Plan

The Company operates a Dividend Reinvestment Plan, which is open to all shareholders. Under this plan, 129,760 shares were purchased on market and issued to shareholders during the year (2022: 223,869 new shares were issued to shareholders).

Executive Share Plan

During the financial year, 2,000 Executive Share Plan shares were paid (2022: nil). Shares allotted under the Pacific Dunlop Executive Share Plan (which was discontinued in 1996) have been paid to A$0.05 per share.

Treasury Shares

When the Ansell Limited Employee Share Plan Trust purchases equity instruments in the Company that have been identified as treasury shares, the consideration paid, including any directly attributable costs is deducted from equity, net of any related income tax effects. When the treasury shares are subsequently sold or reissued, any consideration received, net of any directly attributable costs and the related income tax effects, is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in retained earnings. Refer to Note 23 Ansell Limited Employee Share Plan Trust.

Options

As at the date of this Report, there are nil (2022: nil) unissued shares in the Company remaining under option.

(b) Nature and Purpose of Reserves

Share-based Payments Reserve

This reserve is used to record the value of equity benefits provided to employees as part of their remuneration under various Long-Term Incentive Plans. Refer to Note 24 Ownership-based Remuneration Schemes for further details of these plans.

Hedging Reserve

This reserve records the portion of the unrealised gains or losses on cash flow hedges, the cumulative net change in the intrinsic and time value of options and interest rate swaps that are deemed to be effective.

Other Reserve

The other reserve comprises:

- The cumulative net change in the fair value of equity investments designated at FVOCI; and
- In certain jurisdictions regulatory requirements result in appropriations being made to an other reserve.

Foreign Currency Translation Reserve

The foreign currency translation reserve records the foreign currency differences arising from the translation of the financial statements of foreign subsidiaries where their functional currency is different to the presentation currency of the Group.
Refer to Note 1 Summary of Significant Accounting Policies.

16. Dividends Paid or Declared

	2023 US$m	2022 US$m
Dividends paid		
A final dividend of US31.20 cents per share unfranked for the year ended 30 June 2022 (June 2021: US43.60 cents unfranked) was paid on 15 September 2022 (2021: 16 September 2021)	**38.3**	55.6
An interim dividend of US20.10 cents per share unfranked for the year ended 30 June 2023 (June 2022: US24.25 cents unfranked) was paid on 9 March 2023 (2022: 9 March 2022)	**24.6**	31.2
	62.9	86.8

Dividends Declared

Since the end of the financial year the Directors have declared a final dividend of US25.80 cents per share unfranked, to be paid on 7 September 2023. The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2023 and will be recognised in subsequent financial reports.

Dividend Franking Account

The balance of the dividend franking account as at 30 June 2023 was nil (2022: nil).

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

17. Financial Risk Management

Ansell has a range of financial policies designed to mitigate any potential negative impact financial risks may have on the Group's results. The Group's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's business units. The Board reviews and approves the Group's policies for managing each of these risks which are summarised below:

- Note 17(a) Foreign Exchange Risk;
- Note 17(b) Interest Rate Risk;
- Note 17(c) Credit Risk;
- Note 17(d) Liquidity Risk; and
- Note 17(e) Commodity Price Risk.

These risks affect the fair value measurements applied by the Group, which are discussed in Note 17(f) Fair Value.

(a) Foreign Exchange Risk

The Group is exposed to a number of foreign currencies; however, the predominant operating currency is the US dollar (US$). As such the Group has determined it appropriate to manage its foreign currency exposure against the US$. On this basis the Group manages its transactional exposures as follows:

- Major revenue and cost currency net cash flow exposures are predominantly hedged back to US$ on a 12 to 18-month rolling basis so as to reduce any significant adverse impact of exchange rate fluctuations on the EPS guidance provided by the Company to the market.
- Under the policy, the Group can hedge up to 90% of its estimated foreign currency exposure in respect of forecast purchases and sales.

The Group enters into a range of derivative financial instruments, which can be defined in the following broad categories:

(i) Forward Contracts

These transactions enable the Group to buy or sell specific amounts of foreign exchange or financial instruments at an agreed rate/price at a specified future date. Maturities of these contracts are predominantly up to 1 year.

(ii) Foreign Exchange Options

This is a contract between two parties, which gives the buyer of the put or call option the right, but not the obligation, to transact at a specified exchange rate. The Group typically uses a combination of bought and sold options, generally for zero cost, to hedge foreign currency revenue and cost cash flows predominantly out to 1 year.

As at 30 June, the exposure to foreign currency risk from the Group's primary trading currency (US$) is:

	2023 US$m	2022 US$m
Net receivable in non-US$ reporting entities	15.8	16.7

The following table demonstrates the estimated sensitivity in the valuation of outstanding forward contracts and foreign exchange options to a 10% increase/decrease in the US$ exchange rate, with all other variables held constant, on profit for the period and equity.

	Profit for the Year		Equity	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m
With all other variables held constant:				
10% increase in US$ exchange rate	–	–	4.2	9.7
10% decrease in US$ exchange rate	–	–	(5.0)	(7.2)

(b) Interest Rate Risk

The Group has a broad aim of managing interest rate risk on its debt by setting a minimum level of interest rate risk days (the weighted average term of all interest rates in the portfolio) and a minimum fixed/floating interest rate ratio. The Group enters into interest rate swaps that enable parties to swap interest rates (from or to a fixed or floating basis) for a defined period of time. Maturities of the contracts are principally between 1 and 10 years.

Prior to the beginning of each year, the Group calculates its financial budget for the upcoming year using an updated set of financial assumptions and management's view of the marketplace in the coming financial year. The Group forecasts interest rates for all debt repricing and new financing.

In this context interest rate risk is the risk that the Group will, as a result of adverse movements in interest rates, experience:

- unacceptable variations to the cost of debt in the review period for which the financial budget has been finalised; and
- unacceptable variations in interest expense from year to year.

It is recognised that movements in interest rates may be beneficial to the Group. Within the context of the Group's operations, interest rate exposure occurs from the amount of interest rate repricing that occurs in any 1 year.

The exposure to interest rate risk and the effective weighted average interest rate for interest bearing financial liabilities are set out below:

			Fixed Interest Repricing in:				
	Weighted Average Effective Interest Rate %	Floating US$m	1 Year or Less US$m	1 to 2 Years US$m	2 to 5 Years US$m	> 5 Years US$m	Total US$m
2023							
Bank and other loans	**4.4**	**96.7**	**100.0**	**50.0**	**127.7**	**32.6**	**407.0**
Effect of interest rate swaps*	**(0.2)**	**(25.2)**	**(75.0)**	**–**	**50.2**	**50.0**	**–**
		71.5	**25.0**	**50.0**	**177.9**	**82.6**	**407.0**
2022							
Bank and other loans	3.5	120.3	–	100.0	137.3	68.7	426.3
Effect of interest rate swaps*	(0.2)	13.1	(37.3)	–	24.2	–	–
		133.4	(37.3)	100.0	161.5	68.7	426.3

* Represents notional amount of interest rate swaps.

A separate analysis of debt by currency can be found at Note 12 Interest Bearing Liabilities.

The table below shows the effect on profit for the period and equity, if interest rates had been 10% higher or lower with all other variables held constant, taking into account all underlying exposures and related hedges. A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short-term and long-term US$ interest rates.

	Profit for the Year		Equity	
	2023 US$m	**2022 US$m**	**2023 US$m**	**2022 US$m**
With all other variables held constant:				
If interest rates were 10% higher	**–**	–	**1.5**	0.3
If interest rates were 10% lower	**–**	–	**(1.6)**	(0.3)

Interest rate benchmark reform

The Group has no Interest Rate Swaps (IRS's) subject to IBOR transition at 30 June 2023.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***17. Financial Risk Management** continued*

(c) Credit Risk

The credit risk on financial assets (excluding investments) of the Group is the carrying amount, net of any provision for impairment, that has been recognised on the Statement of Financial Position. The Group is exposed to credit risk from its operating activities, primarily from customer receivables and from its financing activities, including deposits with financial institutions, foreign exchange transactions and other financial instruments.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group does not hold any collateral over any of the receivables.

(i) Credit Risk – Cash and Cash Equivalents

The Group held cash and cash equivalents of US$159.4m at 30 June 2023 (2022: US$206.2m). The material cash and cash equivalent balances are held with bank and financial institution counterparties which are rated A3 or above by Moody's Investor Service.

(ii) Credit Risk – Trade Receivables

Customer credit risk is managed by each region subject to established policies, procedures and controls relating to customer credit risk management.

The Group trades with recognised, creditworthy third parties, and also minimises concentrations of credit risk by undertaking transactions with a large number of customers and counterparties in various countries. Customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. In addition, receivable balances are monitored on an ongoing basis. The Group is not materially exposed to any individual customer. An ageing of trade receivables past due is included in Note 7 Working Capital.

	Carrying Amount	
	2023 US$m	2022 US$m
Net trade receivables	180.9	191.2

Individual trade receivables that are known to be uncollectible are written off by reducing the carrying amount directly. For these receivables, the estimated impairment losses are recognised as an allowance for impairment. Receivables for which an impairment provision was recognised are written off against the provision where there is no expectation of recovering additional cash. Allowances for impairment are recognised in the Income Statement. Subsequent recoveries of amounts previously written off are credited to the Income Statement. Movements in the allowance for impairment and the ageing of trade receivables are included in Note 7 Working Capital.

(iii) Credit Risk by Maturity

Based on the policy of not having material overnight exposures to an entity rated lower than A3 by Moody's Investors Service, the risk to the Group of counter-party default loss is not considered material. The following table indicates the value of amounts owing by counterparties by maturity.

	Foreign Exchange Related Contracts		Interest Rate Contracts		Foreign Exchange Options		Total	
	2023 US$m	2022 US$m	2023 US$m	2022 US$m	2023 US$m	2022 US$m	2023 US$m	2022 US$m
Term:								
0-6 months	2.2	5.8	–	0.2	0.5	5.4	2.7	11.4
6-12 months	0.1	1.2	–	–	1.4	4.7	1.5	5.9
1-2 years	–	–	–	–	–	–	–	–
2-5 years	–	–	4.3	1.8	–	–	4.3	1.8
> 5 years	–	–	1.4	–	–	–	1.4	–
Total	2.3	7.0	5.7	2.0	1.9	10.1	9.9	19.1

(d) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when they are due.

The Group manages liquidity risk by:

(a) maintaining adequate levels of undrawn committed facilities that can be drawn down upon at short notice (the Group's undrawn facilities are explained in Note 12 Interest Bearing Liabilities);

(b) retaining appropriate levels of cash and cash equivalents;

(c) spreading the maturity dates of long-term debt facilities between financial years (to the extent practicable); and

(d) regular monitoring of cash balances and cash requirement forecasts.

The following table sets out the contractual maturities of the Group's financial liabilities (excluding lease liabilities – refer Note 10(c) – Maturity Analysis – Lease Liabilities) into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows comprising principal and interest repayments.

	Carrying Amount US$m	Total Contractual Cash Flows US$m	Contractual Maturity (Years) 0-1 US$m	1-2 US$m	2-5 US$m	> 5 US$m
2023						
Trade and other payables	**219.5**	**219.5**	**219.5**	**–**	**–**	**–**
Bank and other loans	**407.0**	**452.2**	**115.8**	**61.9**	**240.1**	**34.4**
Derivative financial instruments	**9.7**	**9.7**	**9.7**	**–**	**–**	**–**
Total	**636.2**	**681.4**	**345.0**	**61.9**	**240.1**	**34.4**
2022						
Trade and other payables	277.0	277.0	276.3	0.7	–	–
Bank and other loans	426.3	478.3	14.8	113.7	278.9	70.9
Derivative financial instruments	6.2	6.2	6.2	–	–	–
Total	709.5	761.5	297.3	114.4	278.9	70.9

The Group assessed the concentration of risk with respect to its financial liabilities and concluded it to be low. The Group has access to a sufficient variety of potential funding sources.

(e) Commodity Price Risk

Ansell is a significant buyer of natural rubber latex and a range of synthetic latex products. It purchases these products in a number of countries in Asia, predominately Malaysia, Thailand and Sri Lanka. The Group is not active in hedging its purchases on rubber exchanges but may, from time to time, buy from suppliers or brokers at a fixed price for up to several months into the future. To the extent that any increases in these costs cannot be passed through to customers in a timely manner, the Group's profit after income tax and shareholder's equity could be impacted adversely.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***17. Financial Risk Management** continued*

(f) Fair Value

The Group considers that the carrying amount of recognised financial assets and financial liabilities approximates their fair value. Derivative financial instruments are carried at their fair value.

The following table displays:

(i) Nominal/Face Value

This is the contract's value upon which a market rate is applied to produce a gain or loss which becomes the settlement value of the derivative financial instrument.

(ii) Credit Risk (Derivative Financial Instruments)

This is the maximum exposure to the Group in the event that all counterparties who have amounts outstanding to the Group under derivative financial instruments fail to honour their side of the contracts. The Group's exposure is almost entirely to banks. Amounts owed by the Group under derivative financial instruments are not included.

(iii) Net Fair Value

This is the amount at which the instrument could be realised between willing parties in a normal market conditions and not in a liquidation or forced sale environment. The net amount owing (to)/by financial institutions under all derivative financial instruments would have been $0.2m (2022: $12.9m) if all contracts were closed out on 30 June 2023.

2023	Average Exchange Rates	Average Maturity Days	Nominal/ Face Value US$m	Credit Risk US$m	Net Fair Value US$m
Foreign exchange contracts					
Purchase/sale contracts:					
– United States dollars/Euros	1.08	64	37.5	0.1	(0.3)
– United States dollars/Japanese yen	135.46	79	5.4	0.3	0.3
– Malaysian ringgits/United States dollars	4.40	164	85.5	–	(3.4)
– Thai baht/United States dollars	34.27	204	33.3	–	(0.8)
– Sri Lankan rupees/United States dollars	310.47	23	3.2	–	–
– United States dollars/Australian dollars	0.68	86	9.3	0.3	0.3
– United States dollars/Canadian dollars	1.32	25	5.3	–	–
– Other	–	–	90.0	1.6	1.4
Foreign exchange zero cost collar options	**Options strike rates**				
– Euros/United States dollars	1.04 – 1.09	175	150.6	1.1	(2.7)
– Canadian dollars/United States dollars	1.32 – 1.29	104	8.4	0.1	0.1
– Great British pounds/United States dollars	1.20 – 1.24	175	26.8	0.3	(0.8)
– Japanese yen/United States dollars	130.9 – 124.3	174	4.0	0.3	0.3
– United States dollars/Thai Baht	34.8 – 36.6	85	11.0	0.1	0.1
– Australian dollars/United States dollars	0.69 – 0.71	189	0.7	–	–
Interest rate contracts					
Interest Rate Swaps:	**Interest rate %**	**Years**			
– GBP Payable fixed	0.90	3.7	25.2	3.7	3.7
– USD Payable fixed	2.96	5.7	75.0	2.0	2.0
Total			571.2	9.9	0.2

2022	Average Exchange Rates	Average Maturity Days	Nominal/ Face Value US$m	Credit Risk US$m	Net Fair Value US$m
Foreign exchange contracts					
Purchase/sale contracts:					
– United States dollars/Euros	1.10	128	127.3	5.8	5.8
– Australian dollars/Japanese yen	130.07	37	6.3	0.3	0.3
– Malaysian ringgits/United States dollars	4.26	184	97.8	–	(2.8)
– Thai baht/United States dollars	34.96	32	10.5	–	(0.1)
– Sri Lankan rupees/United States dollars	–	–	–	–	–
– United States dollars/Australian dollars	0.72	94	12.2	0.5	0.5
– United States dollars/Canadian dollars	1.28	26	5.3	–	–
– Other	–	–	98.5	0.3	(1.2)
Foreign exchange zero cost collar options	**Options strike rates**				
– Euros/United States dollars	1.14 – 1.16	208	112.6	8.2	7.8
– Canadian dollars/United States dollars	1.28 – 1.22	159	16.0	0.3	0.3
– Great British pounds/United States dollars	1.34 – 1.37	84	6.8	0.6	0.6
– Japanese yen/United States dollars	113.7 – 110.5	144	4.8	0.8	0.7
– United States dollars/Thai Baht	32.6 – 34.2	185	37.0	0.2	(1.1)
Interest rate contracts					
Interest Rate Swaps:	**Interest rate %**	Years			
– GBP Payable fixed	0.90	4.7	24.2	1.9	1.9
– Euros Payable floating	EURIBOR	0.2	37.3	0.2	0.2
Total			596.6	19.1	12.9

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***17. Financial Risk Management** continued*

The effects of hedge accounting on the financial position and performance of the Group is as follows:

2023 US$m	Carrying Amount of Hedging Instruments*	Change in Value of the Hedging Instrument for Calculating Hedge Ineffectiveness	Change in Value of the Hedged Item for Calculating Hedge Ineffectiveness	Change in Value of the Hedging Instrument Recognised in Other Comprehensive Income	Hedge Ineffectiveness Recognised in the Income Statement	Amount Reclassified from Hedging Reserve to the Income Statement
Cash flow hedges						
Revenue (up to 1 year)	(3.0)	(3.0)	3.0	(3.0)	–	15.0
Costs (up to 1 year)	(4.0)	(4.0)	4.0	(4.0)	–	(3.9)
GBP interest	3.7	3.7	(3.7)	3.7	–	1.9
USD interest	2.0	2.0	(2.0)	2.0	–	–

2022 US$m	Carrying Amount of Hedging Instruments*	Change in Value of the Hedging Instrument for Calculating Hedge Ineffectiveness	Change in Value of the Hedged Item for Calculating Hedge Ineffectiveness	Change in Value of the Hedging Instrument Recognised in Other Comprehensive Income	Hedge Ineffectiveness Recognised in the Income Statement	Amount Reclassified from Hedging Reserve to the Income Statement
Cash flow hedges						
Revenue (up to 1 year)	15.0	15.0	(15.0)	15.0	–	0.3
Costs (up to 1 year)	(3.9)	(3.9)	3.9	(3.9)	–	(1.3)
GBP interest	1.9	1.9	(1.9)	1.9	–	(0.4)
Fair value hedges						
EUR interest	0.2	–	–	–	–	–

* Includes the time value of foreign exchange options.

(iv) Fair Value Hierarchy

The table below analyses financial assets and financial liabilities carried at fair value, including their levels in the fair value hierarchy as well as the valuation method. It does not include information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The different valuation methods have been defined as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group currently holds Level 2 derivative financial instruments and Level 3 financial assets designated at FVOCI and FVTPL. In order to determine the fair value of the financial instruments, management used valuation techniques in which all significant inputs were based on observable market data. The fair value of financial assets designated as FVOCI and FVTPL is calculated based on the latest available valuation inputs at each reporting date, including unlisted equity investee's financial information and recent transactions.

The fair values of forward exchange contracts, foreign exchange options and interest rate swaps are determined based on the unrealised gains and losses at the reporting date. This is done using the standard valuation technique based on the applicable market observable rates including spot rate, forward points, volatilities and interest rate data sourced from brokers and third party market data vendors.

	2023 US$m	2022 US$m
Level 2		
Derivative financial assets	**9.9**	19.1
Derivative financial liabilities	**9.7**	6.2
Level 3		
Financial assets designated as FVOCI	**4.4**	4.1
Financial assets designated as FVTPL	**2.1**	2.0

(g) Recognition and Measurement

Derivatives

The Group uses derivative financial instruments, principally foreign exchange and interest rate related, to reduce the exposure to foreign exchange rate and interest rate movements.

The Group has adopted certain principles in relation to derivative financial instruments:

- Derivatives may be used to hedge underlying business exposures of the Group. Trading in derivatives is not undertaken.
- Derivatives acquired must be able to be recorded in the Group's treasury management systems, which contain extensive internal controls.
- The Group predominantly does not deal with counterparties rated lower than A3 by Moody's Investors Service.

The Group follows the same credit policies, legal processes, monitoring of market and operational risks in the area of derivative financial instruments as it does in relation to other financial assets and liabilities on the Balance Sheet.

On a continuing basis, the Group monitors its future exposures and on some occasions hedges all or part of these exposures. The transactions which may be covered are future net cash flows of overseas subsidiaries, future foreign exchange requirements and interest rate positions.

These exposures are then monitored and may be modified from time to time. The foreign exchange hedge instruments are predominantly up to 12 months' duration and are used to hedge operational transactions the Group expects to occur in this time frame. From time to time minor mismatches occur in the forward book; however, these mismatches are managed under guidelines, limits and internal controls. Interest rate derivative instruments can be for periods up to 10 years as the critical terms of the instruments are matched to the underlying borrowings.

Derivative financial instruments are recognised initially at fair value and subsequently remeasured to their fair value at each reporting date. The fair value of forward exchange contracts, foreign exchange options and interest rate swap contracts is determined by reference to current market rates for these instruments.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and continues to satisfy the conditions for hedge accounting, and if so, the nature of the item being hedged. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair Value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Income Statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Derivatives That Do Not Qualify For Hedge Accounting

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the Income Statement.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

***17. Financial Risk Management** continued*

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives (including the intrinsic value of options) that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward and option contracts match the terms of the expected highly probable forecast transactions (i.e. notional amount and expected payment date).

The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement. The time value of options is accounted for as a hedging cost with changes in fair value being recognised in the hedging reserve through Other Comprehensive Income.

Gains or losses that are recognised in the hedging reserve are transferred to the Income Statement in the periods when the hedged item will affect profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains or losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer meets the conditions for hedge accounting. At that point in time, any cumulative gain or loss on the hedging instrument recognised in equity remains in equity until the forecasted transaction is ultimately recognised in the Income Statement. When a hedged transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Income Statement.

Hedge Effectiveness

The Group determines its economic exposure to unexpected movements in foreign currency rates and interest rates and ensures the hedging instruments entered into satisfactorily mitigate these risks. The Group ensures the changes in the fair value of the hedging instruments are highly correlated to the change in the fair value of the underlying hedged item and are therefore effective.

Potential sources of ineffectiveness include, but are not limited to:

- the Group no longer having the economic exposure rendering the hedge instrument ineffective;
- hedging instrument expires or is sold, terminated or exercised; and
- changes in counterparty credit status.

The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component.

18. Commitments and Contingencies

(a) Capital Expenditure Commitments

	2023 US$m	2022 US$m
Contracted but not provided for in the financial statements:		
Plant and equipment	**43.4**	21.0
Payable within one year	**43.4**	21.0

(b) Contingent Liabilities

Contingent liabilities are potential future cash outflows where the likelihood of payment is more than remote but is not considered probable or cannot be reliably measured. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed.

Class action

On 10 August 2023, the Group announced it had been served with a shareholder class action filed in the Supreme Court of Victoria by the law firm Slater & Gordon on behalf of the lead plaintiff, Michael Gary Warner. The claim is expressed to be made on behalf of shareholders who acquired an interest in fully paid ordinary shares in Ansell during the period between 24 August 2021 and 28 January 2022 (inclusive). It is alleged that, during this period, Ansell failed to comply with its continuous disclosure obligations and engaged in misleading and deceptive conduct prior to the release of its FY22 Trading and Business Update on 31 January 2022. Ansell denies any liability and will vigorously defend the claim.

It is not possible to determine the ultimate impact of this claim, if any, on the Group. No provision has been recognised in respect of the year ended 30 June 2023.

Other claims

From time to time, entities within the Group are party to various legal actions as well as inquiries from regulators and government bodies that have arisen in the ordinary course of business. Consideration has been given to such matters and it is expected that the resolution of these contingencies will not have a material impact on the financial position of the Group, or are not at a stage to support a reasonable evaluation of the likely outcome.

19. Particulars Relating to Subsidiaries

	Country of Incorporation	Beneficial Interest 2023 %	2022 %
Ansell Limited	Australia		
Ansell Healthcare Japan Co. Ltd.	Japan*	**100**	100
BNG Battery Technologies Pty. Ltd.	Australia	**100**	100
Corrvas Insurance Pty. Ltd.	Australia	**100**	100
Dunlop Olympic Manufacturing Pty. Ltd.	Australia	**100**	100
FGDP Pty. Ltd.	Australia	**100**	100
Nucleus Ltd.	Australia	**100**	100
Lifetec Project Pty. Ltd.	Australia	**100**	100
Medical TPLC Pty. Ltd.	Australia	**100**	100
N&T Pty. Ltd.	Australia	**100**	100
Nucleus Trading Pte. Ltd.	Singapore*	**100**	100
THLD Ltd.	Australia	**100**	100
TNC Holdings Pte. Ltd.	Singapore*	**100**	100
TPLC Pty. Ltd.	Australia	**100**	100
Societe de Management Financier S.A.	France*	**100**	100
Olympic General Products Pty. Ltd.	Australia	**100**	100
Pacific Dunlop Finance Pty. Ltd.	Australia	**100**	100
Ansell (Shanghai) Management Co. Ltd.	China*	**100**	100
Ansell (Shanghai) Commercial and Trading Co. Ltd.	China*	**100**	100
P.D. Holdings Pty. Ltd.	Australia	**100**	100
P.D. International Pty. Ltd.	Australia	**100**	100
Ansell Canada Inc.	Canada*	**100**	100
Ansell Commercial Mexico S.A. de C.V.	Mexico*	**100**	100
Ansell Colombia SAS	Colombia*	**100**	100
Ansell Global Trading Center (Malaysia) Sdn. Bhd.	Malaysia*	**100**	100
Ansell Lanka (Pvt.) Ltd.	Sri Lanka*	**100**	100
Ansell (Middle East) DMCC	UAE*	**100**	100
Ansell Perry de Mexico S.A. de C.V.	Mexico*	**100**	100
Ansell Protective Solutions Singapore Pte. Ltd.	Singapore*	**100**	100
Ansell Sterile Solutions Pvt Ltd	India*	**100**	100
Ansell Services (Asia) Sdn. Bhd.	Malaysia*	**100**	100
Ansell (Kulim) Sdn. Bhd.	Malaysia*	**100**	100
Ansell N.P. Sdn. Bhd.	Malaysia*	**75**	75
Ansell Malaysia Sdn. Bhd.	Malaysia*	**75**	75
Ansell Seremban Sdn Bhd (also known as Careplus (M) Sdn Bhd)	Malaysia*	**100**	50
Hercules Equipamentos de Protecao Ltda	Brazil*	**100**	100
Ansell Brazil LTDA	Brazil*	**100**	100
Ansell Textiles Lanka (Pvt.) Ltd.	Sri Lanka*	**100**	100
Ansell (Thailand) Ltd.	Thailand*	**100**	100
Ansell US Group Holdings Pty. Ltd.	Australia	**100**	100
Ansell USA LLC	USA*	**100**	100
Ansell (USA) Inc.	USA*	**100**	100
Ansell Edmont Industrial de Mexico S.A. de C.V.	Mexico*	**100**	100
Pacific Dunlop Holdings (USA) LLC	USA*	**100**	100

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

19. Particulars Relating to Subsidiaries continued

	Country of Incorporation	Beneficial Interest 2023 %	Beneficial Interest 2022 %
Barriersafe Solutions International Inc.	USA*	100	100
Ansell Healthcare Products LLC	USA*	100	100
Ansell Sandel Medical Solutions LLC	USA*	100	100
Ansell Liquid Asset Holdings LLC	USA*	100	100
Pacific Chloride Inc.	USA*	100	100
Pacific Dunlop Holdings LLC	USA*	100	100
TPLC Holdings Inc.	USA*	100	100
Accufix Research Institute Inc.	USA*	100	100
Cotac Corporation	USA*	100	100
Pacific Dunlop Finance Company Inc.	USA*	100	100
Comercializadora Ansell Chile Limitada	Chile*	100	100
Corrvas Insurance (Singapore) Pte. Ltd.	Singapore*	100	100
Ansell UK Limited	U.K.*	100	100
Ansell Healthcare Europe N.V.	Belgium*	100	100
Ansell GmbH	Germany*	100	100
Ansell Italy Srl	Italy*	100	100
Ansell Medikal Urunler Ithalat Ihracat Uretim ve Ticaret A.S.	Turkey*	100	100
Ansell Norway AS	Norway*	100	100
Ansell Protective Solutions AB	Sweden*	100	100
Ansell Protective Solutions Lithuania UAB	Lithuania*	100	100
Ansell S.A.	France*	100	100
Ansell Services Poland Sp. Z o.o.	Poland*	100	100
Ansell Spain SL (Sociedad de Responsabilidad Limitada)	Spain*	100	100
Comasec SAS	France*	100	100
Ansell Industrial & Specialty Gloves Malaysia Sdn. Bhd.	Malaysia*	100	100
Ansell Portugal – Industrial Gloves, Sociedade Unipessoal, Lda	Portugal*	100	100
Ansell Korea Co. Ltd.	South Korea*	100	100
Ansell Vina Corporation	Vietnam*	100	100
Ansell Xiamen Limited	China*	100	100
Ansell Microgard Xiamen Limited	China*	100	100
Nitritex Limited	U.K.*	100	100
Nitritex (M) Sdn. Bhd.	Malaysia*	100	100
Pacific Dunlop Holdings (Singapore) Pte. Ltd.	Singapore*	100	100
Ansell India Protective Products Pvt. Ltd.	India*	100	100
Ansell (Hong Kong) Limited.	Hong Kong*	100	100
PDOCB Pty. Ltd.	Australia	100	100
PD Licensing Pty. Ltd.	Australia	100	100
Siteprints Pty. Ltd.	Australia	100	100
The Distribution Group Holdings Pty. Ltd.	Australia	100	100
The Distribution Group Pty. Ltd.	Australia	100[(a)]	100[(a)]
The Distribution Trust	Australia	100	100
Xelo Pty. Ltd.	Australia	100	100
Xelo Sacof Pty. Ltd.	Australia	100	100

* Subsidiaries incorporated outside Australia carry on business in those countries.

(a) The trustee of The Distribution Trust is The Distribution Group Pty. Ltd. The beneficiary of the trust is Ansell Limited.

The following wholly owned subsidiaries were liquidated or merged with another subsidiary during the year:

- Ringers Technologies Denmark ApS
- Ringers Global Middle East FZE
- Ansell Hawkeye, Inc. (merged with Ansell Healthcare Products LLC)
- S.T.P. (Hong Kong) Ltd.
- Ringers Technologies Australia Pty Ltd

The following wholly owned entities were disposed of during the year:

- Ansell Rus LLC
- Ansell Manufacturing Rus LLC

20. Parent Entity Disclosures

As at the end of and throughout the financial year ending 30 June 2023, the parent company of the Group was Ansell Limited.

	2023 US$m	2022 US$m
Result of the parent entity		
Profit for the year	**73.9**	98.8
Other comprehensive income	**(12.1)**	10.3
Total comprehensive income for the period, net of income tax	**61.8**	109.1

Financial Position of the Parent Entity at Year End

	2023 US$m	2022 US$m
Current assets	**1,159.2**	1,228.2
Total assets	**2,498.9**	2,617.9
Current liabilities	**1,582.7**	1,631.5
Total liabilities	**1,581.9**	1,632.8
Total equity of the parent entity comprising:		
Issued capital	**750.7**	743.8
Reserves	**(438.3)**	(352.1)
Retained profits	**604.6**	593.4
Total equity	**917.0**	985.1

The Group has a net current asset position of $497.4m (2022: $624.2m), which the parent company controls. As at 30 June 2023, the parent company has a net current liability position of $423.5m (2022: $403.3m). The Directors will ensure that the parent company has, at all times, sufficient funds available from the Group to meet its commitments.

Parent Entity Guarantee

The parent entity guarantees the debts of certain subsidiaries that are guarantors under the Group's revolving credit bank facility.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

21. Control of Subsidiary

Careplus (M) Sdn Bhd (CMSB) was a joint venture in which the Group had joint control with Careplus Group Berhad and a 50% ownership interest (2022: 50%). On 28 February 2023, the Group completed the acquisition of CMSB, acquiring the balance of 50% of the issued shares in CMSB from Careplus Group Berhad. The Group is deemed to have obtained control of CMSB based on AASB 10 *Consolidated Financial Statements* and consolidated CMSB as a subsidiary in the Group's financial statements effective 31 December 2022. The purpose of the acquisition is to strengthen business synergies through a combination of innovation and best in class manufacturing and quality assurance practices. This investment, along with other capital investments by the Group's wholly-owned manufacturing facilities, delivers the capacity to continue to grow and satisfy the increasing global demand for surgical gloves.

Consideration

	US$m
Remeasurement of pre-existing equity accounted investment	8.0
Fair value of minority equity interest	8.6
Total consideration for 100% equity	**16.6**
Add: Financial assets	2.3
Add: Shareholder loan from minority interests	2.3
Total consideration, net of cash	**21.2**

No gain or loss was recognised on the remeasurement of the pre-existing equity accounted investment.

CMSB was acquired for total cash consideration of $10.9m, with $8.6m for 50% equity interest paid in February 2023 and $2.3m for the MYR 10.0m shareholder loan paid in June 2023, reported as "Payments for businesses, net of cash acquired" within the Statement of Cash Flows. Of the cash consideration for the 50% equity interest, 20% or MYR 7.5m (equivalent to $1.7m) was deposited into an interest bearing fixed term deposit account in accordance with the restrictions and terms stipulated in the Share Purchase Agreement.

Identifiable net assets acquired and liabilities assumed

As at 30 June 2023, the assets and liabilities of CMSB were measured at fair value with fair values having been determined on a provisional basis, as follows:

	Provisional Fair Value US$m
Inventories	6.3
Property, plant and equipment	35.6
Right-of-use assets	2.4
Lease liabilities	(2.0)
Loans and borrowings	(11.5)
Other net liabilities assumed	(17.0)
Fair value of identifiable net assets (100%)	**13.8**
Fair value of net assets (100%)	**13.8**
Goodwill	7.4
Total consideration, net of cash	**21.2**

Goodwill

Goodwill arising from the consolidation has been recognised as follows:

	US$m
Non-controlling interest	10.9
Financial asset at amortised cost	2.3
Pre-existing equity accounted investment interest in CMSB	8.0
Fair value of identifiable net assets	(13.8)
Goodwill	**7.4**

Acquisition related costs

The Group incurred acquisition related costs of $0.5m. These costs are included in the Income Statement for year ended 30 June 2023 and are disclosed in selling, general and administration expenses.

If controlled from 1 July 2022

During the year ended 30 June 2023, a $1.5 million loss (EPS reduction of 1.2 cents) was recognised in the income statement representing 50% of the net loss of CMSB. If CMSB was deemed to have been controlled by the Group from 1 July 2022, there would have been no change to profit attributable to Ansell Limited shareholders.

For the year ended 30 June 2023	As reported US$m	If controlled from 1 July 2022 US$m
Share of loss of equity accounted investment, net of tax	(1.5)	–
Profit for the period is attributable to:		
Ansell Limited shareholders	148.3	148.3
Non-controlling interests	1.6	0.1
Profit for the period	149.9	148.4

Recognition and measurement

Business Combinations

The Group accounts for step acquisitions by remeasuring the previously held equity interest in the acquiree at its fair value and recognise the resulting gain or loss, if any, in the income statement and applying the acquisition method to account for the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at fair value. Any excess of the cost of acquisition over the fair values of the net identifiable assets acquired is recognised as goodwill. Transaction costs are expensed as incurred unless related to the issue of debt or equity securities.

Equity Accounted Investment

The carrying amount of the equity accounted investment has changed as follows:

	2023 US$m	2022 US$m
Balance at the beginning of the financial year	9.6	18.9
Loss for the year	(1.5)	(8.5)
Net exchange differences on translation	(0.1)	(0.8)
Consolidation of CMSB	(8.0)	–
Balance at the end of the financial year	–	9.6

Recognition and Measurement

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities and are accounted for using the equity method. Investments in joint ventures are initially recorded at cost which includes transaction costs.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of joint ventures with a corresponding adjustment to the carrying amount of the investment, until the date on which joint control ceases. Dividends received from joint ventures reduce the carrying amount of the investment.

At each reporting date, the Group reviews the recoverable amount of its equity accounted investments. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Investments in equity accounted investments are classified as investing activities within the Group's Statement of Cash Flows.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

22. Related Party Disclosures

(a) Subsidiaries

Ansell Limited is the parent entity of all entities detailed in Note 19 Particulars Relating to Subsidiaries and from time to time has dealings on normal commercial terms and conditions with those entities, the effects of which are eliminated in these consolidated financial statements.

(b) Transactions With Key Management Personnel

(i) Key Management Personnel Remuneration

	2023 US$	2022 US$
Short-term benefits	**4,956,319**	5,179,321
Retirement benefits	**323,344**	394,138
Long-term equity-based incentives	**(1,149,867)**	331,912
	4,129,796	5,905,371

(ii) Service Agreements With Key Management Personnel

The Company has no service agreements with the Non-Executive Directors. Refer to Section 5 of the Remuneration Report for details of service agreements with the Managing Director and other Key Management Personnel.

23. Ansell Limited Employee Share Plan Trust

The Group holds shares in itself as a result of shares purchased by the Ansell Limited Employee Share Plan Trust (the Trust). The trustee of Ansell Limited Employee Share Plan Trust is CPU Share Plans Pty Ltd. The Trust was established to manage and administer the Company's responsibilities under the Group's incentive plans through the acquiring, holding and transferring of shares, or rights to shares, in the Company to participating employees. In respect of these transactions, at any point in time the Trust may hold 'allocated' and 'unallocated' shares. This Trust is also used to facilitate the acquiring, holding and sale of shares on behalf of the behalf of the Directors under the Voluntary Share Purchase Plan.

As at 30 June 2023, the Trust held 798,638 treasury shares (unallocated shares) in the Company (2022: 1,406,988) and 257,893 allocated shares (2022: 290,452).

Allocated shares

Allocated shares represent those shares that have been purchased and awarded to employees under the Short-Term Incentive Plan and Special Incentive Plan. Those shares awarded under the Short-Term Incentive Plan and Special Incentive Plan contain a post-vesting holding lock and are held on trust in respect of vested grants.

Vested shares that contain a post-vesting holding lock, are restricted in that the employee is unable to dispose of the shares for a period of two years (or as otherwise determined by the Board). The Trust holds these shares on behalf of the employee until the restriction period is lifted at which time, upon the employee's choice, the Trust releases the shares to the employee or continues to hold the shares on their behalf. Allocated shares are not identified or accounted for as treasury shares.

Where the Trust purchases equity instruments in the Company, as a result of managing the Company's responsibilities for those vested shares with a post-vesting holding lock, the consideration paid, including any directly attributable costs is deducted from equity, net of any related income tax effects.

Allocated shares also include shares purchased on behalf of the Directors under the Voluntary Share Purchase Plan.

Unallocated shares

Unallocated shares represent those shares that have been purchased by the Trustee to satisfy the potential future vesting of awards granted under the Group's Long-Term Incentive Plan. As the shares are unallocated, they are identified and accounted for as treasury shares (refer to Note 15 Contributed Equity and Reserves).

Accounting policies

For accounting purposes, the Trust is deemed to be controlled by Ansell Limited. Accordingly, transactions with the Group-sponsored Trust are consolidated into the Group's financial statements. In particular, the Trust's purchases of shares in Ansell Limited are debited directly to equity. The shares are held in the Trust until such time as they may be transferred to participants of the various Group share schemes.

In accordance with the Trust Deed, the Trustees have the power to exercise all voting rights in relation to any investment (including shares) held within the Trust.

24. Ownership-based Remuneration Schemes

Long-Term Incentive (LTI) Plans

These plans involve the granting of Performance Share Rights (PSRs) to the Managing Director, other members of the Executive Leadership Team and other members of senior management. LTI Plan grants also include Restricted Stock Units (RSUs) which were granted to senior management.

The fair value of PSRs and RSUs granted is recognised as an employee benefit expense with a corresponding increase in equity over the vesting period.

In accordance with the disclosure requirements of Australian Accounting Standards, remuneration includes a proportion of the fair value of PSRs and RSUs granted or outstanding during the year. The fair value is determined as at grant date and is progressively allocated over the vesting period for these securities.

The fair values and the factors and assumptions used in determining the fair values of the PSRs and RSUs applicable for the financial year are as follows:

Instrument	Grant Date	Vesting Period	Fair Value	Share Price on Grant Date	Risk Free Interest Rate	Dividend Yield
PSRs	18/08/2020	3 years	A$37.28	A$39.88	N/A	2.25%
PSRs	17/08/2021	3 years	A$36.95	A$40.55	N/A	3.10%
RSUs	17/08/2021	1 to 3 years	A$38.12	A$40.55	N/A	3.10%
PSRs	17/08/2022	3 years	A$23.16	A$25.80	N/A	3.60%
RSUs	17/08/2022	1 to 3 years	A$24.02	A$25.80	N/A	3.60%

The PSRs are subject to service, gateway and performance conditions as outlined in the Remuneration Report. As the hurdles within these conditions are all non-market based performance hurdles the valuation excludes the impact of performance hurdles. The RSUs are only subject to service conditions.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service, gateway and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service, gateway and non-market performance conditions at the vesting date.

Notes to the Financial Statements continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

25. Auditors' Remuneration

	2023 US$	2022 US$
Audit and review of the financial reports:		
Auditors of Ansell Limited and Australian entities – KPMG	**1,368,887**	1,360,493
Other member firms of KPMG(i)	**906,679**	833,019
	2,275,566	2,193,512
Other services(ii):		
Other audit and assurance services		
Auditors of Ansell Limited and Australian entities – KPMG	**46,223**	15,236
Other member firms of KPMG	**11,650**	–
Taxation services		
Other member firms of KPMG	**16,352**	17,371
Total other services	**74,225**	32,607
Total auditors' remuneration	**2,349,791**	2,226,119

(i) Includes fees paid or payable for overseas subsidiaries' local statutory lodgement purposes, Group reporting, and other regulatory compliance requirements.

(ii) Other services primarily include assurance-based engagements undertaken for various compliance and internal governance purposes. Other services provided by KPMG to the Group are subject to appropriate corporate governance procedures encompassing the selection of service providers and the setting of their remuneration.

26. Subsequent Events

On Tuesday 18 July 2023, the Group announced the launch of the Accelerated Productivity Investment Program. This program includes a number of initiatives, including but not limited to, simplifying our organisational structure, improving our manufacturing productivity and implementing IT systems transformation. We expect this program will address economic headwinds foreseen in FY24, though the benefits will not be immediately apparent in FY24, it will position the Group for improved growth and returns in FY25 and beyond.

Other than the matters outlined above and Note 18(b) on page 106, in the interval between the end of the financial year and the date of this report, there have been no matters or circumstances that have significantly affected, or may significantly affect, the Group's operations, the results of those operations, or Group's state of affairs, in the future years.

Directors' Declaration

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

1. In the opinion of the Directors of Ansell Limited ('the Company'):
   (a) the consolidated financial statements and notes, set out on pages 67 to 114 and the Remuneration Report contained in the Report by the Directors, set out on pages 43 to 66, are in accordance with the *Corporations Act 2001*, including:
      (i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance, for the year ended on that date; and
      (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
   (b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and
   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the directors:

J A Bevan
Chairman

Neil I Salmon
Managing Director and Chief Executive Officer

Dated in Melbourne this 14th day of August 2023.

Independent Auditor's Report

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

Independent Auditor's Report

To the shareholders of Ansell Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Ansell Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group***'s financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The Financial Report comprises:

- Consolidated Statement of Financial Position as at 30 June 2023
- Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Valuation of goodwill and brand names
- Taxation

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

Valuation of goodwill and brand names (USD $1,037.2m)	
Refer to Note 11 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
Valuation of goodwill and brand names is a key audit matter due to: • The size of the balance being 41% of total assets. • The inherent complexity in auditing the forward-looking assumptions applied to the Group's value in use (VIU) models for each CGU (cash generating unit) given the significant judgement involved. In particular, the forward-looking assumptions the Group applied in their VIU models including forecast revenue growth rates, margin percentages and terminal growth rates and the impact of market conditions and volatility in the current year and forecast period cash flows, increasing the risk of future fluctuations and inaccurate forecasting. • The significant judgement associated with discount rates including the underlying risks of each CGU, the countries they operate in and the weighting applied to these countries. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	Our procedures included: • We assessed the accuracy of prior period cash flow forecasts with reference to actual performance to inform our evaluation of current forecasts incorporated in the VIU models. • We considered the appropriateness of the VIU method applied by the Group to perform the annual test of goodwill and brand names for impairment against the requirements of the accounting standards. • Using our knowledge of the Group and industry, and working with our valuation specialists where relevant to challenge the significant judgements and assumptions incorporated in the Group's VIU models: ○ We assessed the integrity of the VIU models used, including the accuracy of the underlying calculation formulas; ○ We compared the relevant cash flow forecasts and underlying assumptions against the latest Board approved plan; ○ We challenged the Group's forecast margin percentage assumptions and revenue growth rates by comparing them against the Group's current business performance and industry or geographic growth rates where relevant; ○ We compared the implied valuation multiples from comparable entities to the implied valuation multiples from the Group's models; ○ We compared the terminal growth rates used against relevant forecast Gross Domestic Product growth rates; and ○ We independently developed a discount rate range for each CGU using publicly available market data for comparable entities, adjusted by risk factors specific to the CGU to assess the Group's discount rates. • We assessed the Group's determination of CGU carrying values against the requirements of the accounting standards. • We considered the sensitivity of the model by varying key assumptions, to identify those areas of estimation uncertainty and reasonably possible changes, to focus our further procedures. • We assessed the related financial statement disclosures using our understanding obtained from our testing and against accounting standard requirements.

Independent Auditor's Report continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

KPMG

Taxation (Income Tax Expense USD $39.7m, Deferred Tax Assets USD $73.6m, Deferred Tax Liabilities USD $82.0m, Current Tax Liabilities USD $14.9m)

Refer to Note 4 to the Financial Report

The key audit matter	How the matter was addressed in our audit
Taxation is a key audit matter due to: • The Group undertaking transactions in a number of tax jurisdictions which require the Group to make significant judgements about the interpretation of tax legislation and the application of accounting standards. • The nature of cross-border tax arrangements and our need to involve taxation specialists with cross-border transactions experience and expertise in transfer pricing in key jurisdictions. • The level of judgement applied by the Group in assessing the recoverability of deferred tax assets, given they relate to forecasting future profits. We involved our tax specialists to supplement our senior audit team members in assessing this key audit matter.	Working with our tax specialists where relevant, our procedures included: • We identified the key risks in accounting for taxes across the Group by: ○ considering the latest Board approved Group Tax Risk Management policy; ○ making inquiries of management regarding developments in tax related matters during the year; ○ inspecting correspondence with tax local authorities during the period to assess whether there are any matters raised that may have a significant impact on tax expense for the period; ○ using our knowledge of tax developments in key jurisdictions and the global tax environment. • We evaluated the treatment of key judgemental tax matters in various key jurisdictions by analysing and challenging the assumptions used by management. We compared the treatment against local jurisdiction tax rules, legislation and compliance requirements. • We assessed the completeness of the tax provisions recorded by evaluating sources such as: ○ communications from local tax authorities, including the status and outcomes of tax authority audits and enquiries; and ○ underlying documentation for key transactions. • We inspected tax advice obtained by the Group from external tax advisors, covering key jurisdictions to check for any information that is contradictory to the Group's conclusion. We assessed the skills, competencies and objectivity of external advisors and evaluated the appropriateness of the external advisors' work. • We assessed the Group's global transfer pricing protocols for compliance with applicable regulations by inspecting underlying transfer pricing documentation and evaluating their implementation with regard to cross-border transactions. • We assessed the Group's position on recoverability of deferred tax assets through their tax loss utilisation models by comparing current and historical taxable profit with historical forecast performance to inform our evaluation of future taxable profit forecasts. • We assessed the disclosures in the financial report using our understanding from our testing and against accounting standard requirements.

KPMG

Other Information

Other Information is financial and non-financial information in Ansell Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards and the Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Independent Auditor's Report continued

OF ANSELL LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2023

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Ansell Limited for the year ended 30 June 2023, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included on pages 48 to 66 of the Directors' report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Penny Stragalinos
Partner

Melbourne

14 August 2023

Five Year Summary

OF ANSELL LIMITED AND SUBSIDIARIES AS AT 30 JUNE 2023

	2019 US$m	2020[1] Restated US$m	2021 US$m	2022 US$m	2023 US$m
Income Statement					
Sales	1,499	1,614	2,027	1,952	**1,655**
EBIT[2]	203	217	338	245	**206**
Significant items (gain)/expense[3]	46	-	-	17	**(3)**
Net financing costs	14	17	20	20	**19**
Income tax expense	30	42	69	49	**40**
Non-controlling interests	1	1	2	1	**2**
Profit attributable to Ansell Limited shareholders	**112**	**157**	**247**	**159**	**148**
Statement of Financial Position					
Cash - excluding restricted deposits	395	406	236	203	**157**
Other current assets	564	554	931	782	**755**
Property, plant and equipment	230	252	295	299	**352**
Right-of-use assets	–	56	61	57	**85**
Intangible assets	1,083	1,055	1,077	1,049	**1,060**
Other non-current assets	105	115	138	116	**122**
Total assets	**2,377**	**2,438**	**2,738**	**2,506**	**2,531**
Trade and other payables	226	255	403	276	**220**
Current interest bearing liabilities	20	50	–	–	**100**
Current lease liabilities	–	18	21	18	**17**
Other current liabilities	67	85	126	66	**78**
Non-current interest bearing liabilities	525	470	452	426	**307**
Non-current lease liabilities	–	39	43	41	**70**
Other non-current liabilities	129	124	128	122	**123**
Total liabilities	**967**	**1,042**	**1,173**	**950**	**915**
Net assets	**1,410**	**1,396**	**1,565**	**1,557**	**1,615**
Contributed equity	874	806	769	744	**751**
Reserves	(86)	(120)	(85)	(143)	**(176)**
Retained Profits	610	698	867	942	**1,026**
Ansell Limited shareholders' equity	**1,398**	**1,384**	**1,551**	**1,543**	**1,601**
Non-controlling interests	12	12	14	14	**14**
Total shareholders' equity	**1,410**	**1,396**	**1,565**	**1,557**	**1,615**
Total funds employed	**1,560**	**1,567**	**1,845**	**1,840**	**1,953**
Share information					
Basic earnings per share (US cents)	82.6	120.2	192.2	125.2	**117.5**
Diluted earnings per share (US cents)	81.2	118.4	189.6	123.8	**116.7**
Dividends per share (US cents)	46.75	50.00	76.80	55.45	**45.90**
Net assets per share (US$)	10.7	10.9	12.3	12.4	**12.8**
General					
Net cash from operating activities	189	287	173	222	**181**
Capital expenditure	44	61	86	68	**67**
Shareholders (no.)	33,311	33,903	35,760	46,555	**41,515**
Employees (no.)	12,304	13,513	14,159	14,158	**14,414**
Ratios					
EBIT margin (%)	13.5	13.4	16.7	12.6	**12.5**
Return on average shareholders' equity (%)	7.6	11.3	16.8	10.2	**9.5**
EBIT return on funds employed (%) - ROCE	10.2	13.9	19.8	12.4	**11.0**
Average days working capital	84.3	78.7	79.3	100.6	**119.2**
Interest cover (times)	11.6	12.5	17.0	11.6	**10.8**
Net debt to shareholders' equity (%) - gearing	10.6	12.3	17.9	18.2	**20.9**
Number of shares at 30 June (million)	132	129	127	126	**126**

1. Restated on account of a change in accounting policy. Refer to Note 1 Summary of Significant Accounting Policies of the Group's audited FY21 Financial Statements.
2. EBIT – defined as Earnings Before Interest and Tax excluding Significant Items. Includes share of loss from Careplus joint venture.
3. 2019 Significant Items are inclusive of restructuring and transformation costs ($37.2m) and asset impairment ($8.3m) outlined within Note 3(b) Transformation and Change in Accounting Estimate of the Group's audited FY19 Financial Statements. 2022 and 2023 Significant Items relates to the Russia Exit outlined within Note 3(b) Significant Items of the Group's audited FY23 Financial Statements.

Shareholders

Distribution of Ordinary Shareholders and Shareholdings

Details of quoted shares held in Ansell Limited as at 25 July 2023 are detailed below.

Size of Holding	Number of Shareholders	Number of Shares	Percentage of Total
1 – 1,000*	33,437	11,584,714	9.13
1,001 – 5,000	7,603	14,751,950	11.63
5,001 – 10,000	533	3,740,201	2.95
10,001 – 100,000	193	4,063,484	3.20
100,001 and over	32	92,676,832	73.08
Total	**41,798**	**126,817,181**	**100.00**

* Including 1,307 shareholders holding a parcel of shares of less than A$500 in value (13,821 shares), based on a market price of A$23.64 per unit.

Percentage of the total holdings of the 20 largest shareholders = 71.90%.

In addition to the foregoing, as at 30 June 2023, there were 2 members of the Executive Share Plan, holding a total of 900 plan shares. 1 member has shares paid to A$0.05 each, and 1 member has shares paid to both A$0.05 each and A$7.55 each.

Voting rights as governed by the Constitution of the Company provide that each ordinary share holder present in person or by proxy at a meeting shall have:

(a) on a show of hands, one vote only; and

(b) on a poll, one vote for every fully paid ordinary share held.

Twenty Largest Shareholders (as at 24 July 2023)

Rank	Registered Holder	Number of Fully Paid Shares	Percentage of Issued Capital
1	HSBC Custody Nominees (Australia) Limited	33,834,602	26.68
2	Citicorp Nominees Pty Limited	19,795,585	15.61
3	J P Morgan Nominees Australia Pty Limited	19,427,724	15.32
4	BNP Paribas Noms Pty Ltd <DRP>	5,716,599	4.51
5	National Nominees Limited	5,681,579	4.48
6	HSBC Custody Nominees (Australia) Limited <Nt-Comnwlth Super Corp A/C>	905,971	0.71
7	Australian Foundation Investment Company Limited	870,000	0.69
8	BNP Paribas Nominees Pty Ltd HUB24 Custodial Serv Ltd <Drp A/C>	820,538	0.65
9	CPU Share Plans Pty Ltd	800,144	0.63
10	Netwealth Investments Limited <Wrap Services A/C>	597,014	0.47
11	Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	386,079	0.30
12	HSBC Custody Nominees (Australia) Limited	314,117	0.25
13	IOOF Investment Services Limited <IPS Superfund A/C>	303,084	0.24
14	Netwealth Investments Limited <Super Services A/C>	296,305	0.23
15	Citicorp Nominees Pty Limited <Citibank NY ADR Dep A/C>	288,540	0.23
16	The Pavilion Motor Inn of Wagga Wagga Pty Ltd	285,000	0.22
17	Custodial Services Limited <Beneficiaries Holding A/C>	231,474	0.18
18	The Manly Hotels Pty Limited	222,854	0.18
19	HSBC Custody Nominees (Australia) Limited - A/C 2	220,184	0.17
20	Australian Executor Trustees Limited <No 1 Account>	178,886	0.14
Top 20 Holders of Ordinary Fully Paid Shares		**91,176,279**	**71.90**
Total Remaining Holders Balance		**35,640,902**	**28.10**

Register of Substantial Shareholders (as at 7 July 2023)

The names of substantial shareholders in the Company and the number of fully paid ordinary shares in which each has an interest, as disclosed in substantial shareholder notices to the Company on the respective dates shown, are as follows:

Substantial Date	Name of Shareholder	Number of Shares	Percentage of Issued Shares
7 July 2023	Allan Gray Australia Pty Ltd	22,650,256	17.86%

Shareholder Information

Annual Report

Ansell's Annual Report 2023 provides shareholders with a summary of the Group's operations and contains the full financial statements for FY23. The Annual Report 2023 provides a summary of the Group's financial performance, financial position, and financing and investing activities.

Ansell currently has an on market buyback program which stipulates that the Company cannot buyback more than 10% of its voting shares within the span of any twelve (12) month period.

Ansell Limited has opted to deliver its Annual Report by making it available on the Ansell website, www.ansell.com.

Shareholders are entitled to receive a printed copy of the Annual Report, but the Company will only send a printed copy to shareholders who elect to receive one.

Shareholders can also access other information pertaining to the Company and its activities from its website at www.ansell.com.

Change of Address

Shareholders should notify the Company in writing immediately if there is a change to their registered address.

For added protection, shareholders should quote their Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

Dividend

A final dividend of US25.80 cents per share will be paid on 7 September 2023 to shareholders registered on 21 August 2023.

The dividend will be unfranked.

Australian and US shareholders must elect to have cash dividends paid directly into any bank, building society or credit union account in Australia and the US (respectively). Shareholders with a registered address in Canada can receive their dividends in US dollars.

Company Directory

The Annual Report and the Company's website are the main sources of information for investors. Shareholders who wish to contact the Company on any matter relating to its activities are invited to contact the most convenient office listed below, or contact the Company via its website at www.ansell.com.

Investor Relations Contact

Australia – Registered Company Office

Mr Michael Evans

Ansell Limited
Level 3, 678 Victoria Street
Richmond VIC 3121

Telephone: +61 3 9270 7222

Facsimile: +61 3 9270 7300

Email: michael.evans@ansell.com

Europe

Mr Zubair Javeed

Ansell Limited
Boulevard International 55
1070 Anderlecht, Belgium

Telephone: +32 2 528 75 85

Facsimile: + 32 2 528 74 01

Email: zubair.javeed@ansell.com

Company Secretary

Australia – Registered Company Office

Ms Catherine Stribley

Ansell Limited
Level 3, 678 Victoria Street
Richmond VIC 3121

Telephone: +61 3 9270 7125

Facsimile: +61 3 9270 7300

Email: catherine.stribley@ansell.com

Enquiries

Shareholders requiring information about their shareholdings should contact the Company's registry at:

Computershare Investor Services Pty Ltd

Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

or

GPO Box 2975

Melbourne VIC 3001 Australia

Telephone: +61 3 9415 4000

Facsimile: +61 3 9473 2500

Shareholder Enquiries: 1300 850 505 (Australian residents only)

Email: web.queries@computershare.com.au or visit Computershare's Investor Centre online at www.investorcentre.com where shareholder information can be accessed. You will need to have your SRN or HIN along with your postcode.

Listings

Ansell Limited shares (Ticker Symbol ANN) are listed on the Australian Securities Exchange.

Registered Office

Company Secretary

Catherine Stribley

Level 3, 678 Victoria Street
Richmond VIC 3121 Australia

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John Marsden

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Block 3512, Jalan Teknokrat 6
63000 Cyberjaya Malaysia

2024 Financial Calendar*

Half year results announcement	20 February 2024
Ex-dividend share trading commences	26 February 2024
Record date for interim dividend	27 February 2024
Interim dividend paid	14 March 2024
Annual results announcement	20 August 2024
Ex-dividend share trading commences	26 August 2024
Record date for final dividend	27 August 2024
Closing date for nominations of Directors for elections	27 August 2024
Final dividend paid	12 September 2024
Annual General Meeting	16 October 2024

* Timing of events may be subject to change. Any change will be notified to the Australian Securities Exchange (ASX). See Ansell's website for updates (if any).

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