

## Ansell Limited 2020 Virtual Capital Markets Day

**15 October, 2020** – Ansell Limited (ASX:ANN), a global leader in personal protection safety solutions, today provides the attached presentation in relation to its 2020 Virtual Capital Markets Day.

The Virtual Capital Markets Investor Day will be [webcast live](#) at 3:00pm Australian Eastern Daylight Time today, Thursday 15 October 2020. A replay of the webcast will be made available on Ansell's website in the [Investors](#) section shortly after the event.

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

ENDS

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#### About Ansell

Ansell is a world leader in providing superior health and safety protection solutions that enhance human well-being. The world's need for better protection never stops, so Ansell is constantly researching, developing and investing to manufacture and distribute cutting edge product innovation and technology, marketed under well-known brands that customers trust.

Operating in two main business segments, Industrial and Healthcare, Ansell is the market leader that continues to grow, employing 13,500 people worldwide. With operations in North America, Latin America/Caribbean, EMEA and Asia Pacific, customers in more than 100 countries around the world trust Ansell and its protection solutions.

Information on Ansell and its products can be found at [www.ansell.com](http://www.ansell.com). **#AnsellProtects**

**HyFlex**  **AlphaTec** 

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# Ansell Limited Capital Markets Day

15 October 2020

**Ansell**

**HyFlex®**

**GAMMEX®**

**AlphaTec®**

**MICROFLEX®**

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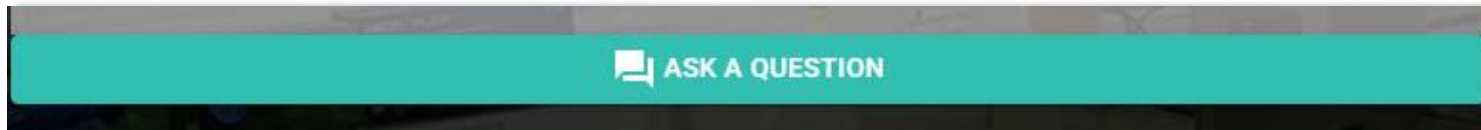
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# Ask a Question

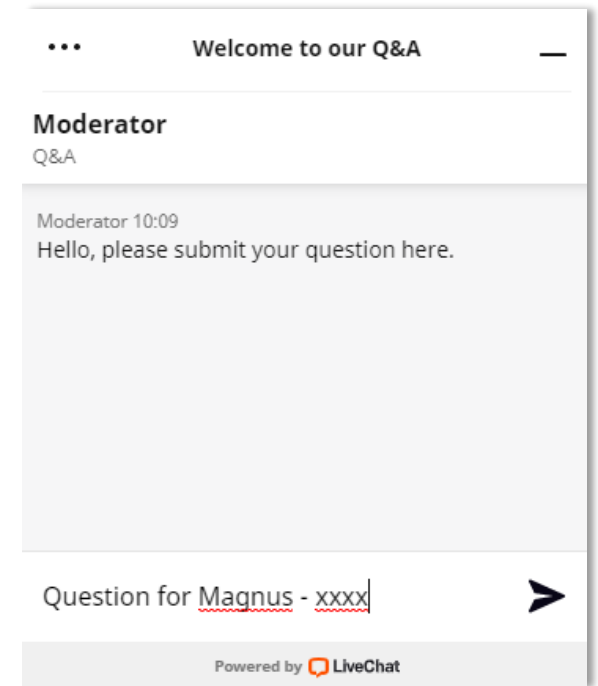
At any time during the webcast, you can submit a question using the “**ASK A QUESTION**” box on the webcast dashboard



1. Click on **Ask a Question** box below the webcast dashboard

Analysts using the **teleconference facility, dial \*1** during Q&A Session

2. **A question box will pop up** where you can **type and submit your question**. There is no need to include your details



# AGENDA

TIME	TOPIC	SPEAKERS
15:02	Introductions / Opening Video	• Anita Chow
15:09	Ansell - Safer, Smarter, Stronger	• Magnus Nicolin
15:29	Healthcare GBU Overview – Key Building Blocks	• Darryl Nazareth
15:44	Industrial GBU Overview – More Selective, Better Focused	• Neil Salmon
15:58	Sales Excellence	• Rikard Froberg / Renae Leary
16:09	Operations & Global Supply Chain – Path to World Class	• John Marsden
16:20	CSR, Sustainability and Employees	• Amanda Manzoni
16:28	Financial Results & Future Outlook	• Zubair Javeed
16:37	Why Ansell	• Magnus Nicolin
16:42	Q&A Session	• Moderated by Anita Chow

# Key Areas Addressed Today

- 1 Ansell's view on the effect of COVID-19 on the PPE industry now and in the coming 2 years
- 2 What were the targets we committed to in our last Capital Markets Day in Oct-17 and what have we delivered?
- 3 What actions has Ansell taken or will Ansell take based on learnings in the last 2-3 years?
- 4 What sets Ansell apart from its competitors and what technologies or capabilities will protect Ansell's differentiation into the future?
- 5 What will Ansell's new targets be for near to medium term and what will Ansell look like in the future?



# 01

## Ansell - Safer, Smarter, Stronger *Introduction*

## INTRODUCTION

# Ansell is a Safety Company

Our mission is to provide innovative and effective solutions for safety, well-being, and peace of mind, no matter who or where you are

Every day, more than **13,500 people** located in **55+ countries** design, manufacture and market products on which millions of workers and healthcare professionals rely



**No. 1 or 2 position**  
in key segments  
globally



Provide protection  
solutions to **more  
than 25 specific  
industries**



Sell  
**~12 billion gloves**  
per year



Average medical  
professional personally  
wears nearly **1,200  
pairs of Ansell gloves**  
per year



Protect more than  
**10 million workers**  
each day





## INTRODUCTION

# A Diversified Global Leader in Protection Solutions

**A\$5B**

Market capitalisation  
ASX 100 company

Sales into  
**100+**  
Countries

**13**  
Manufacturing  
Facilities

**11**  
R&D Centers

**13,500+**  
Employees

**Ansell**

## INDUSTRIAL



**45%**  
of total Sales

**\$719m Revenue**  
**12.8% EBIT Margin**

## HEALTHCARE



**55%**  
of total Sales

**\$895m Revenue**  
**15.9% EBIT Margin**

## INDUSTRIAL

MECHANICAL  
>\$435m

CHEMICAL  
>\$270m

## HEALTHCARE

EXAM &  
SINGLE USE  
>\$550m

SURGICAL  
>\$265m

LIFE  
SCIENCES<sup>2</sup>  
>\$70m

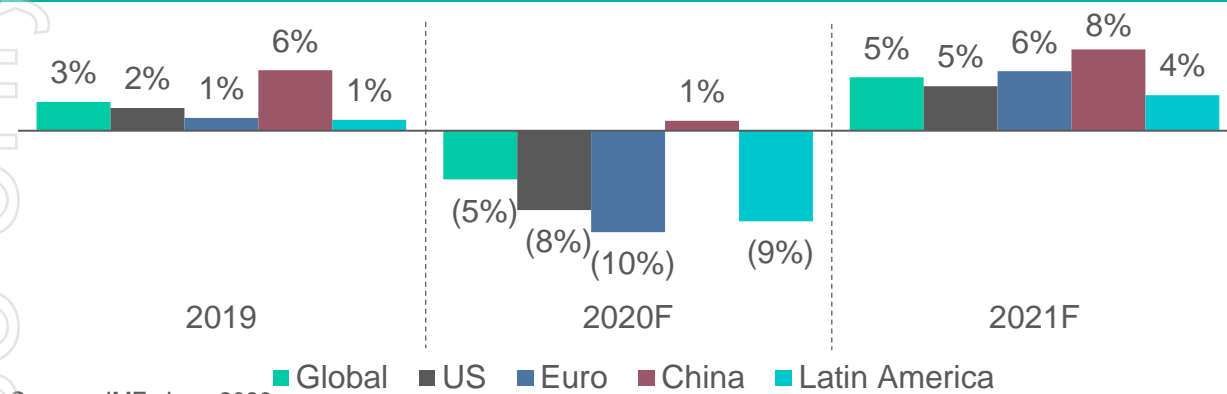
1. Figures provided on this slide based on F'20 financials

2. Life Sciences sales based on Life Sciences specific products. If based on Life Sciences customers, amount would be >\$150m

## INTRODUCTION

# Economy Starting to Recover but Uncertainties Remain

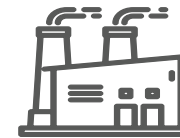
### YoY GDP GROWTH



Global growth negatively impacted by COVID-19



Governments providing stimulus to help protect the economy



Industrial production momentum rebounding as countries start to reopen

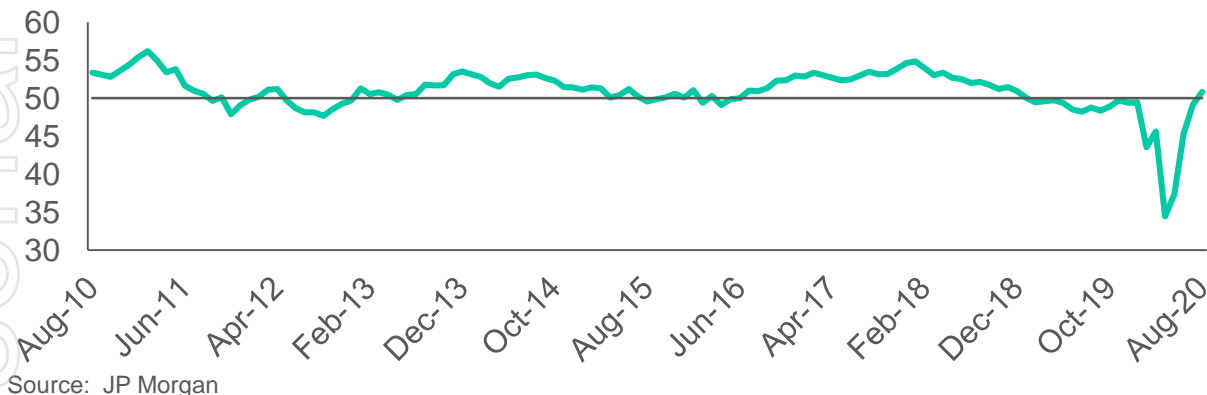


Winner of US election likely to impact economic outlook



COVID-19 flare-ups over next 12-18 months and vaccination timing likely to impact recovery

### GLOBAL MANUFACTURING PMI



## INTRODUCTION

# COVID-19 Impact on Key Industries Now & Near Term

### NET POSITIVE IMPACT (>40% EXPOSURE)



Acute Care  
Exam



Alternate  
Care<sup>1</sup>



Life & Bio  
Science



Government



Food  
Processing



Warehousing /  
Logistics



Janitorial-  
Sanitation

### NET NEUTRAL IMPACT (~25-35% EXPOSURE)



Surgical



Chemical



Auto Aftermarket



Utilities

### NET NEGATIVE IMPACT (~20-25% EXPOSURE)



Oil & Gas



Metal Fabrication,  
Machinery & Equip.



Aerospace



Automotive  
Manufacturing

Source: Ansell management estimates of end users contribution to sales

1. Alternate care includes industries such as Emergency Medical Service (EMS), Blood Work Centers and Aged Care Facilities

## INTRODUCTION

# Ansell Strategy Also Delivering in COVID-19 Environment

### CONTINUED OPTIMISATION OF PORTFOLIO

- Deliberate **focus on safety** and securing #1 or #2 position in each segment worldwide
- **\$1.1bn in acquisitions** in the last 10 years with expansion into new areas i.e. Chemical Clothing, Life Sciences and Industrial Exam
- **\$600m divestitures** of non-core areas i.e. Boots and Sexual Wellness has delivered improved resiliency and value
- Current **performance vs GFC downturn better**
- **Shift to emerging markets** (21% vs 14% in F'10)

### INVESTING IN MANUFACTURING CAPABILITY

- **~\$500m in capital expenditure** in the last 10 years, improving manufacturing capability and expanding engineering teams
- Numerous **patents and trade secrets** guard our differentiated capabilities
- The **more differentiated products are all produced in-house** whereas less differentiated products are outsourced
- **Safety practices are world class** and CSR, and sustainability focus is industry leading





### TRUSTED BRANDS AND SALESFORCE EXPANSION

- **Core and industry known brands** led by HyFlex®, AlphaTec®, MICROFLEX® and GAMMEX® account for **>80% of Ansell sales** (up from 45% 8 years ago)
- **Expansion of the salesforce** to 800+ worldwide provide market leading coverage and capability
- **Digital and business intelligence** support capabilities
- AnsellGUARDIAN® safety audits drive business growth and help **reduce injuries/infections and improve productivity for end users**

With execution of our strategy, Ansell has become a fully integrated innovator / manufacturer / marketer of differentiated products with #1 or #2 position in most major gloves and chemical clothing market

## INTRODUCTION

# Successfully Delivered on 2017 CMD Financial Targets

	TARGETS	RESULTS <sup>1</sup>	PERFORMANCE
SALES	3%-5%	\$1.6B F'20 Sales F'17-F'20 Org CAGR: <b>+4.5%</b>	
EPS	5%-10%	121.8¢ F'20 EPS F'17-F'20 CC CAGR: <b>+17.5%</b>	
ROCE	Improving to 14.0%-15.0% by F'20	F'17: 12.3% F'20: <b>14.0%</b>	
CASH	Strong Cash Flow Generation	\$192m F'20 OCF <sup>2</sup> F'17-F'20 CAGR: <b>+10.0%</b>	

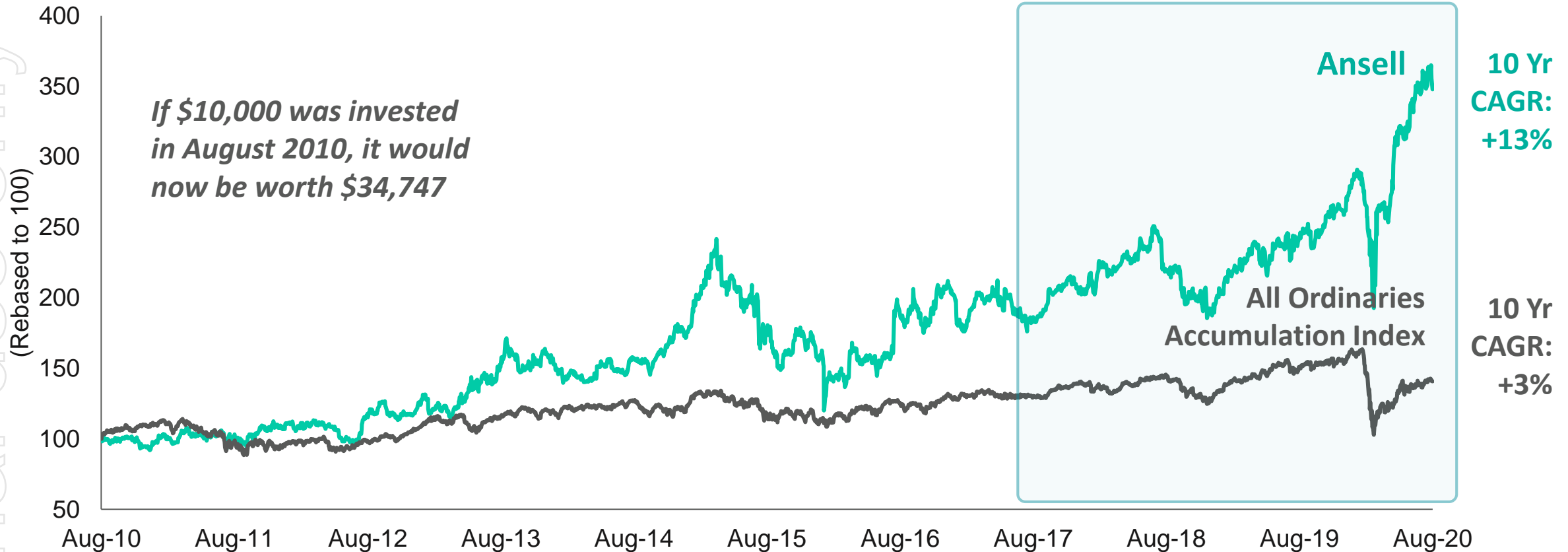
1. Results based on Continuing Operations i.e. excludes Sexual Wellness contribution in F'17 with the exception of OCF

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



## INTRODUCTION

# Total Shareholder Returns +23% CAGR in last 3 years



Source: Ansell, Refinitiv Eikon

1. As at 31 August 2020. Assumes 100% dividend reinvestment on the ex-dividend date and where dividends are paid in USD, converted to AUD using the spot rate

Ansell has a track record of consistently growing shareholder returns over the last 10 years

# How Can We Continue to Deliver?

To answer this question, we have to discuss the dimensions of differentiation that contribute to providing superior value or capability ahead of leading competitors. We will do this by discussing each of our 8 dimensions of differentiation in turn

We will further discuss how this is executed in each of our GBUs and SBUs, in our sales regions as well as in our operations & supply organisation and finally lay out how we can continue to drive these returns in a sustainable way with the support of the dedicated and passionate people of Ansell

## INTRODUCTION

# 8 Dimensions of Differentiation

**Key:**  
*Solid Capabilities already in place*  
*Further strengthen & invest*

**Make it easy** with digital solutions to do business with and within Ansell

**Industry leading customer intimacy and expertise** to solve customers' safety and productivity challenges

**Broadest product range and best innovation capability** leveraging advanced materials and new technology

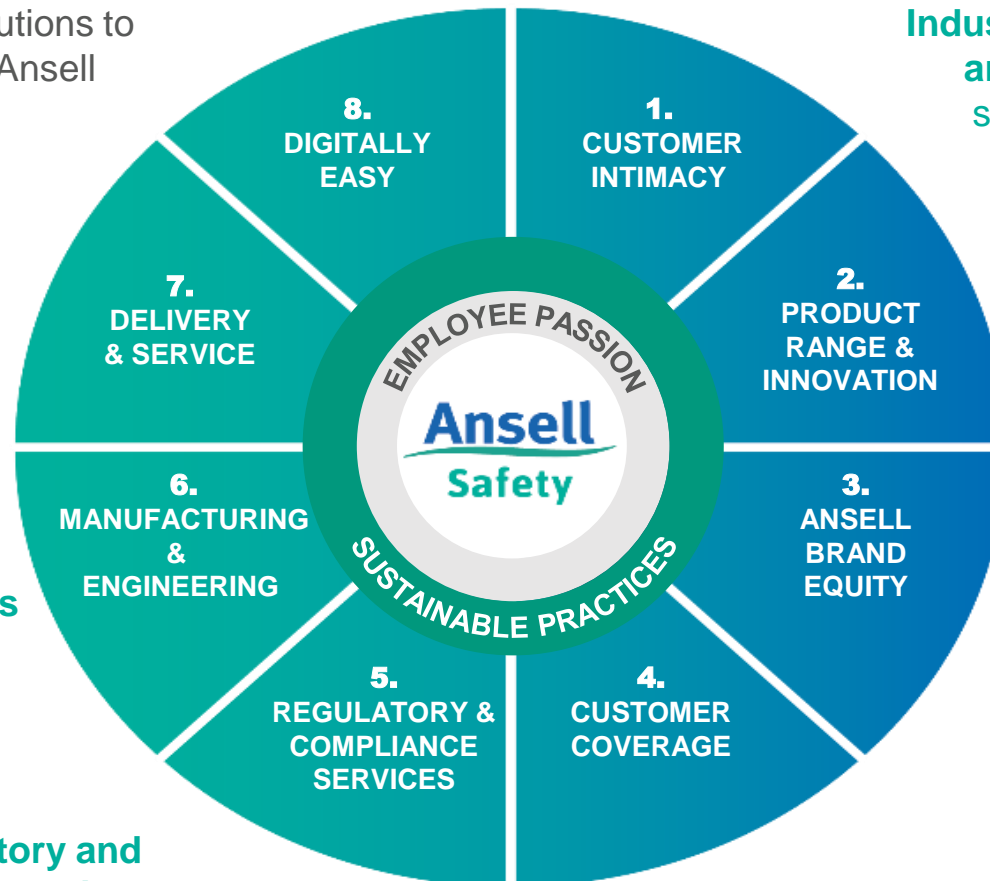
**Most trusted and well-known brands worldwide**

**Broadest geographic and channel reach**

**Expertise in safety, regulatory and compliance solutions and services**

**Quality, reliability and consistency** in supply

**World class manufacturing, engineering and sourcing with industry leading safety practices**



By continuing to enhance our 8 dimensions of differentiation in a sustainable manner, we deepen the “moat” around Ansell

# Industry Leading Customer Intimacy and Expertise



## SALESFORCE WITH BREADTH & SCALE



**800+**  
**Salesforce**

*Large safety focused salesforce*

## GLOBAL COVERAGE



**Sales  
to 100+  
countries**



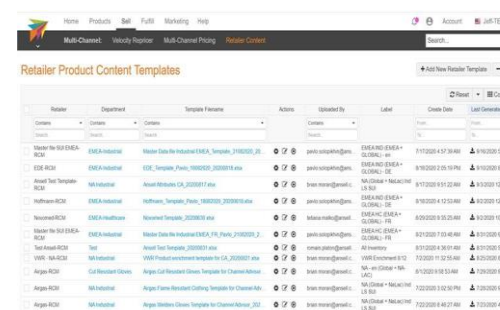
## 170 Salesforce in BRIC

## ANSELL GUARDIAN PROVIDES DIFFERENTIATION



**Proprietary service to help end customers to select the right personal protection equipment**

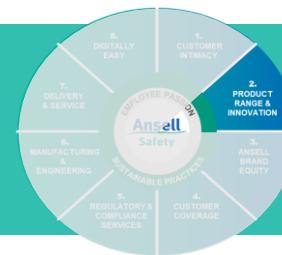
## EXPANDING B2B DIGITAL CAPABILITIES



**Automated product data  
delivery for key web partners**



### ***Ansell flagship webstores for online distributors***



## INTRODUCTION

# Continued New Product and Technology Innovation



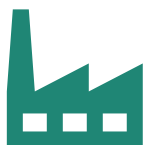
**\$50m+**  
spent on  
R&D since  
F'17



**~80 new  
products**  
introduced  
since F'17



**332 patents**  
filed since  
F'17



**11 R&D  
facilities**



### AlphaTec®

53-001

A smarter choice for  
broader chemical  
protection

Innovative "2 in 1"  
nitrile + neoprene  
layering technology,  
providing protection  
against a broader  
range of chemicals  
than nitrile or neoprene  
gloves alone.



### HyFlex®

11-840

Extreme durability for  
extended wear & 20%  
higher abrasion protection

With our **New and  
Improved** FORTIX™  
Abrasion Resistance  
Technology, it provides  
extreme durability,  
improved grip, comfort  
and dexterity.



### BioClean®

Drop-down  
Garment S-BDSH

Unique design offers true  
aseptic donning

Aseptically folded and  
packaged, and with  
an innovative up and  
over donning design,  
eliminating risk of  
garment touching the  
floor, preventing  
sterile field  
compromise.



### AlphaTec®

CFR

Exceptional multi-risk  
protection, no more  
compromises

Highly visible multi-  
layer barrier  
providing broad  
spectrum chemical  
protection & flame  
retardant  
performance.



### MICROFLEX®

93-260

Thinnest Chemical Resistant  
Disposable Glove

The patented, 3 layer  
design offers tough  
protection against a  
wide range of  
chemicals with  
enhanced comfort,  
tactility and dexterity  
from a thin mil  
construction.



### GAMMEX®

Non-Latex PI

Polyisoprene (PI),  
skin friendlier  
surgical gloves for  
reduced allergenicity  
and enhanced  
comfort and  
performance.



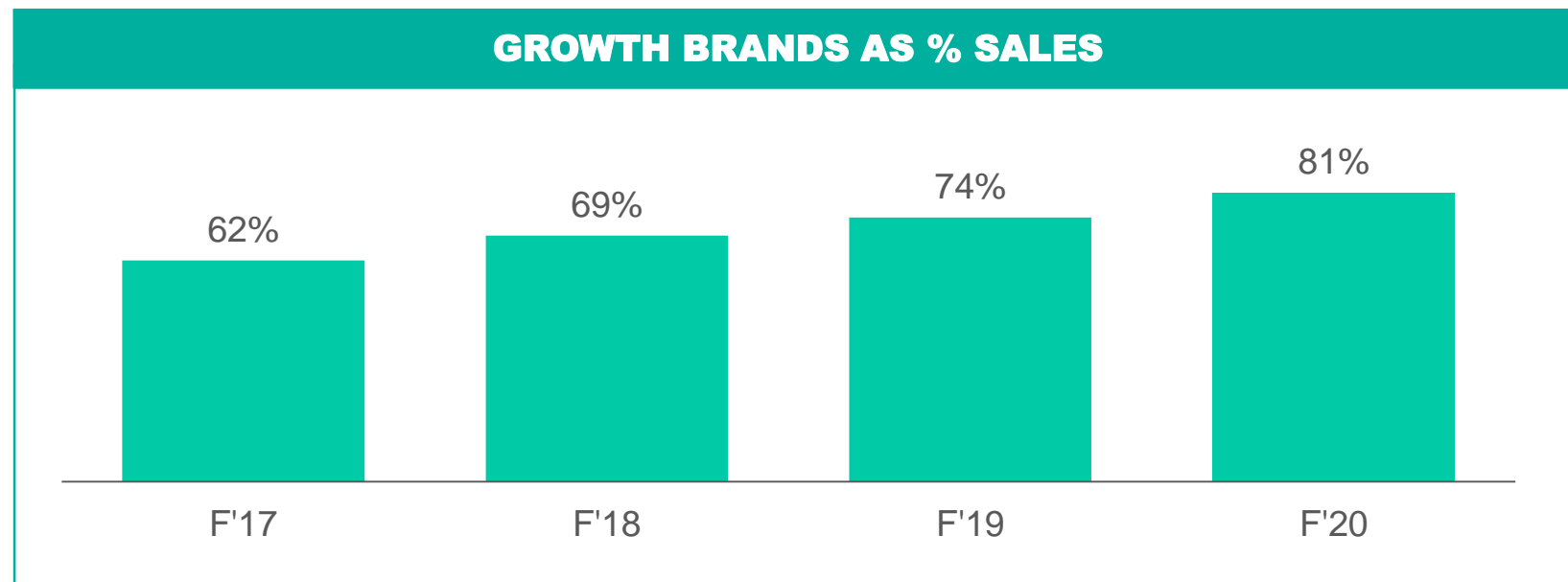


# INTRODUCTION

## Strong Brand Awareness



- Ansell has been continuing to rationalise and streamline brands
- The focus has been on further increasing the “Growth Brands” where sales teams have targeted customer conversions to growth brands
- Targeted bolt-on M&A have added RINGERS GLOVES® and BioClean™ to the portfolio



**HyFlex® AlphaTec® MICRO+ FLEX® GAMMEX®**

**ACTIVARMR®**

**TouchNTuff® SANDEL® BioClean™**



**EDGE®**

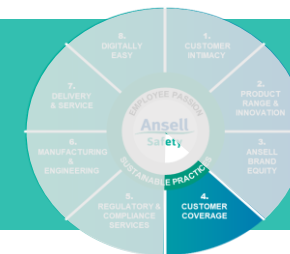
**MICRO-TOUCH® ENCORE®**

**Ansell**

**HyFlex® GAMMEX® AlphaTec® MICRO+ FLEX®** 18

## INTRODUCTION

# Expanded Geographical Coverage



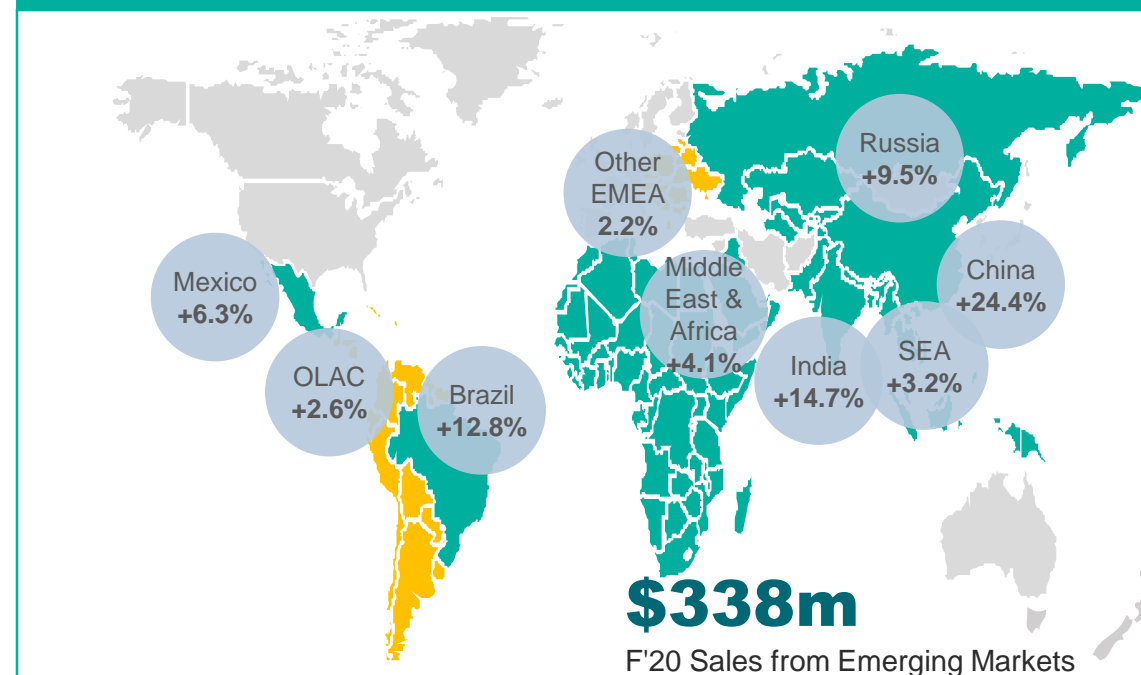
- Ansell is expanding its market presence in key emerging markets, specifically Russia, India, SE Asia, China, Africa and Latin America

- Increased sales headcount in emerging markets by ~17% in the last 2 years with a focus on China, India, SEA and LAC
- Tailored product portfolio to meet emerging market requirements (e.g. EDGE<sup>®</sup> branded basic feature range)
- Opened warehouses in Dubai and Colombia
- Expanded India office

- Preparing for increased nationalism

- New warehouse in UK in preparation for Brexit
- Started building new factory in **Russia**, increasing capacity in **Portugal**, partnership in **Tunisia** for surgical manufacturing and clothing manufacturing added in **Lithuania** and **Brazil**

## F'17-F'20 EMERGING MARKET ORGANIC SALES CAGR



## INTRODUCTION

# Enhanced Regulatory and Compliance Services



- Moved the function beyond simple compliance to setting and guiding authorities on needed standards, this has become a competitive advantage for Ansell
- Business is subject to consistently evolving regulatory changes. In the last few years, there has been an increased regulatory load with new or revised regulations and standard changes e.g. EU PPE 2016/425, REACH, EN ISO 21420, EN 407, ANSI/ISEA 138:2019, Medical Device Regulation 2017/745, ISO 13485:2016
- New PPE Regulation (EU) 2016/425 was one of the major regulatory changes in the recent years. Ansell was ahead of the competition
  1. Implementation of Claim Substantiation process at all our plants
  2. Creation of mini technical files to provide distributors and customers with a guarantee that they can “Trust Ansell”
  3. Supported by Marketing Campaigns which positioned Ansell as the expert in the industry



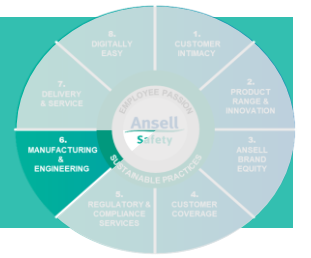
***Sri Lanka R&D Lab Assisting with Product Testing to Ensure Regulatory Compliance***



***“Trust Ansell” Marketing Campaign***

## INTRODUCTION

# Continued Investment in Manufacturing



## SIGNIFICANT INVESTMENT MADE WITH MORE TO COME

- Over \$200m spent from start of F'17 in relation to maintaining, increasing efficiencies and expanding manufacturing facilities
- Will step up capex to \$95-105m in F'21 in preparation for next stage of growth and focus



**Automation  
Advancements**

**New Lines  
Added**



**Centre of  
Excellence for  
Chemical**

## SUCCESSFUL EXECUTION OF TRANSFORMATION

- Transformation Program delivered >\$20m annual savings across manufacturing and supply chain
- Closure of three production facilities in Mexico and South Korea
- Consolidated and expanded manufacturing at best performing and most efficient sites in Vietnam, Sri Lanka, Malaysia and Thailand



**Expansion of  
Vietnam facility  
completed**

**Expansion of  
Thailand facility near  
completion**



## FOCUS ON CSR AT MANUFACTURING SITES

- Strong commitment to fair and safe work practices and sustainable environmental practices in our factories
- Undertook a review and reinforced workplace standards within our manufacturing facilities
  - Implemented digital tracking tools to monitor compliance
  - Restructured shift roster systems
  - Hired more workers
  - Provided increased training
- Continue to improve the terms and conditions of our workers

## INTRODUCTION

# Focus on Delivery & Supply



### REDESIGN OF SALES & OPERATIONS PLANNING PROCESS

- Resetting of the safety stock strategy
- Reduced S&OP cycle from 2 months to 1 month
- Process designed to tackle excess & obsolete inventory

### IMPROVED FORECASTING PROCESSES

- Developed and deployed new forecast algorithms
- Improved forecast accuracy for warehouse customers
- Initiated collaborative forecasting initiatives with customers

### GLOBAL LOGISTICS

- Centralised Team created in Cyberjaya
- Opened new warehouses in the UK and India
- Consolidated Baltimore into Charlotte warehouse in US

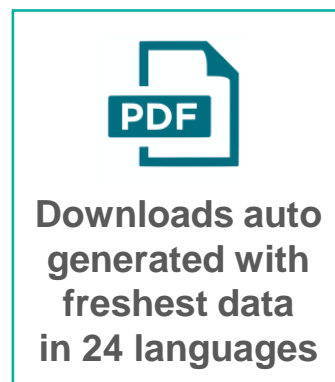
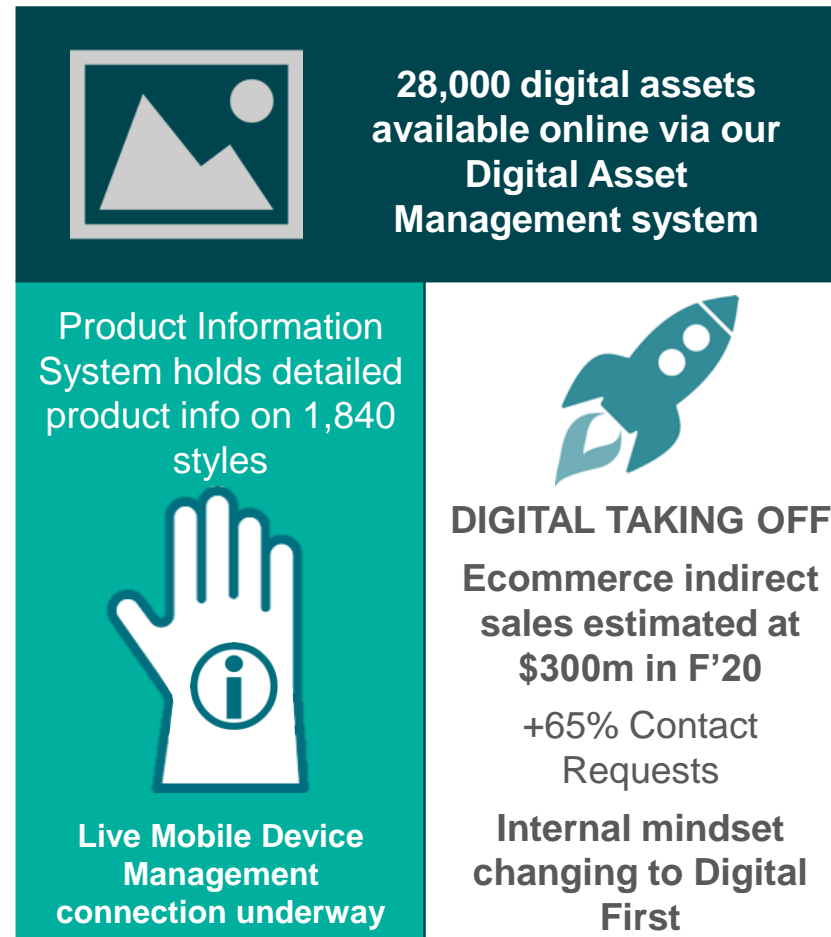
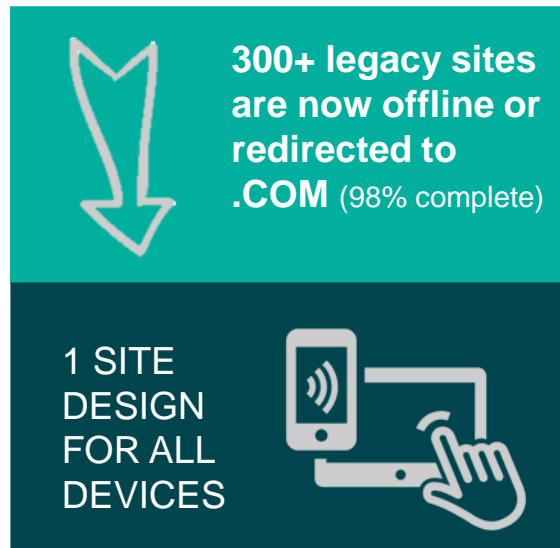
### UPGRADED SUPPLY CHAIN ORGANISATION

- Formation of global demand and supply planning team
- Elevated talent pipelines through hiring and training
- APICS Supply Chain certifications and other training (Oracle etc.)



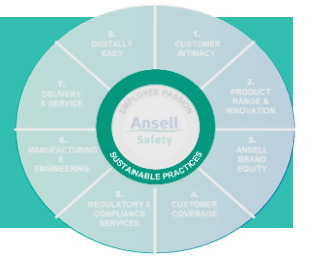
## INTRODUCTION

# Ensuring Business is Digitally Enabled



## INTRODUCTION

# Distinctive CSR & Sustainability Strategy



### Better Society



Employee and wider workforce



Community



Business ethics

- We care about our people and safety is our top priority
- We support our communities
- We play fair and conduct business ethically

### Better Environment



Water



Energy and carbon



Materials and waste

- We use natural resources with care
- We work to continually lower our GHG emissions
- We respect the local environment

### Better Business



Customers



Suppliers

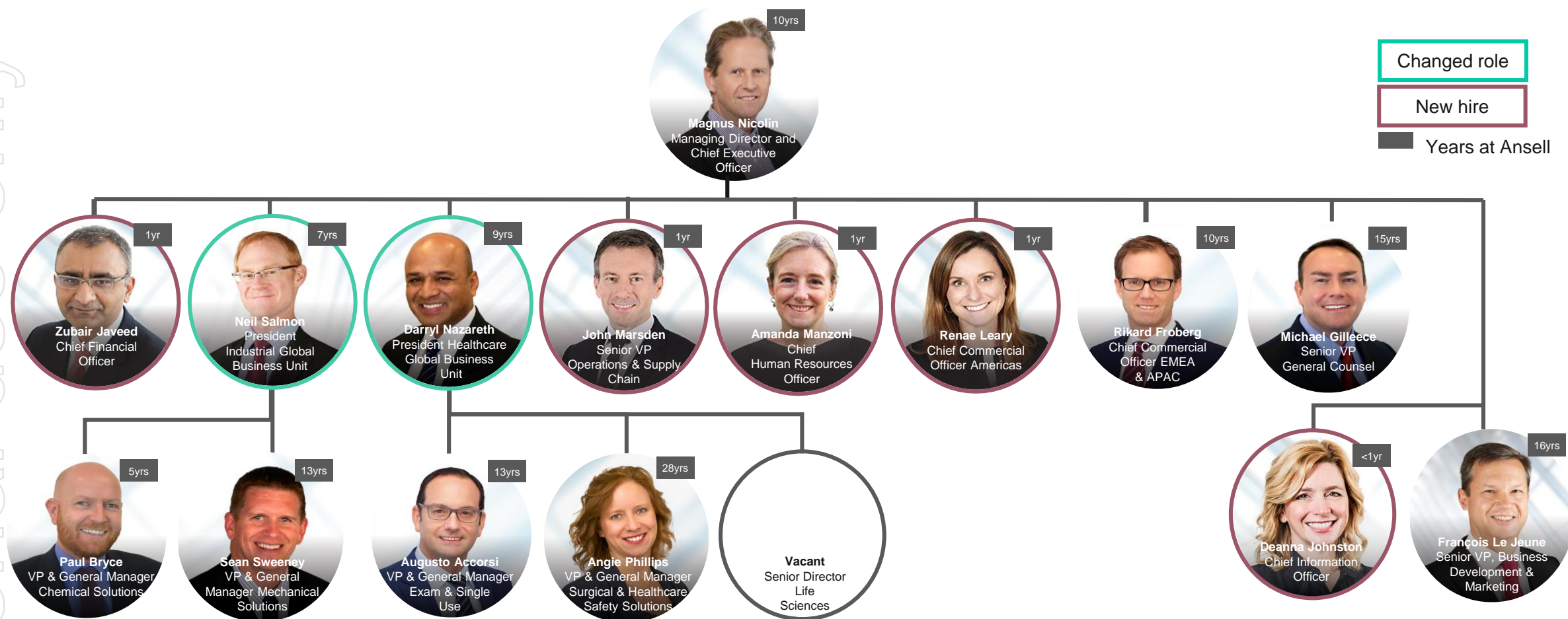


Investors

- We provide our customers with safety and productivity solutions
- We choose like-minded partners
- We reward investors

## INTRODUCTION

# Ansell's Leadership Team Strengthened



CEO succession & Transformation Program resulted in changes to the organisation structure but the CEO continues to be supported by a strong leadership team with depth and breadth of experience

## INTRODUCTION

# CEO Succession preparation continues

- Ansell's Board has a well-planned process for CEO succession
- CEO succession timeline has been extended for six months as a result of travel restrictions due to COVID-19
- Ansell's two internal successor candidates are making good progress. External candidates will be evaluated alongside internal candidates
- Board decision on new CEO expected to be conveyed to the market in first half of F'22
- In conjunction with the new CEO appointment process, a review of remuneration design principles for the Executive Leadership Team will be undertaken in collaboration with external advisors



ersonal use only

02

Ansell - Safer, Smarter,  
Stronger  
*Priorities for Near to Medium  
Term*

**Ansell**

**HyFlex®** **GAMMEX®** **AlphaTec®** **MICROFLEX®**



# Key Industry Themes – Macro



## Slowdown of Global Economy

Shutdowns and economic slowdown impacting certain industries such as aerospace, tourism, mobility and construction more than others



## Increased Focus on PPE

COVID-19 has changed behaviors driving increased PPE usage – new industries & worker categories starting to use PPE combined with increased frequency of usage by existing industries



## Rising Healthcare Spend

Ageing population likely to further increase healthcare spend and the number of surgical procedures



## Increasing Digitalisation

Technology changing the way we work, how customers interact with us and is both a threat and an opportunity. eCommerce sales and service accelerating



## Ensuring Sustainability

Focus from employees, customers and investors on sustainability aligns well with our increasingly sustainable products, processes, supply chain and cost structures

# Key Industry Themes – Go to Market & Needs



## Automotive Sector Changing

Automotive industry increasing automation and shift to electrical vehicles changes protection needs from oily/grip & cut to more multi-purpose, electrical and smart gloves



## Increasing Chemical Protection

Chemical regulations increasing further (i.e. pesticide), the increasing complication of millions of chemical combinations requiring more specific products & advisory services



## Shift to Synthetic in Healthcare

Shift to synthetic materials in healthcare will accelerate further – Polyisoprene, Neoprene and new materials are all on the increase



## Industry Consolidation Continues

Rapid consolidation of manufacturers and distributors in PPE, Life Science and Healthcare. Some large end users including government exploring buying direct



## Emerging Market Trends

Success in emerging markets requiring increasingly localised expertise and presence including local manufacturing in some cases

# Impact on the PPE & Healthcare Industries Post COVID-19

- Safety protocols have been strengthened and are expected to be driving higher glove and suit use in many "industrial" verticals like food, janitorial-sanitation, logistics, automotive after market, energy and government
- Procedures, activity and frequency of use levels in pharma, Emergency Medical Service ("EMS"), non acute and medical are ramping up
- Elective surgical procedures which declined from index 100 in December 2019 to a low of ~40% of norm in April, is now approaching ~80% of prior levels, but the pent-up demand for surgical procedures will take years to satisfy
- Emerging market practices are becoming more similar to mature markets and hence glove use per capita (e.g. Asia is 80% lower than NA today) is closing the gap to mature market levels
- Globalisation is being thought about differently and increasingly local manufacturing in combination with global centers will become the norm

# Key Priorities in Addition to Keeping our Operations Safe



## Drive Growth

- Accelerate Life Sciences, Single Use & Body Protection supply
- Further Build Surgical Market Share
- Grow multi-use as more sustainable alternatives to single use



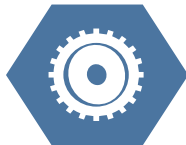
## Sales Excellence

- Successfully respond to dynamic and changing market conditions
- Lead industry in effective virtual selling and problem solving



## Innovation

- Innovation in “latex” formulations and yarns creating new applications
- Smart PPE, connecting workers to digitally enabled manufacturing
- Launch improved solutions for chemical hazard and ergonomic injury



## Invest in Manufacturing

- Enable growth through capacity expansion and asset resilience
- Further improve asset effectiveness including Productivity 2.0



## Enhance Supply Chain

- Differentiate through strength and flexibility of Ansell’s supply chain



## Sustainability

- Continue to respect and advance human rights
- Progress environmental targets

ersonal use only

03

## Healthcare GBU – Key Building Blocks

**Ansell**

**HyFlex®** **GAMMEX®** **AlphaTec®** **MICROFLEX®**



# Healthcare Vision & Key Strategies

Our customers will recognise us as the highest quality and most reliable supplier of innovative single-use, surgical and life sciences safety solutions



Achieve vision through focus on 3 objectives: driven through energy, teamwork and execution of our people

# Who We Are & Where We Are Focused

## PRODUCT OVERVIEW



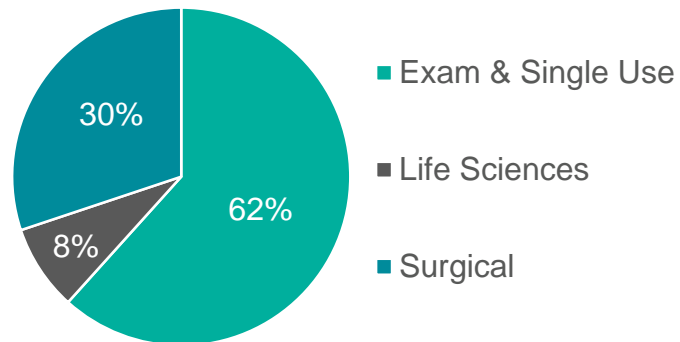
*Exam & Single Use Gloves*

*Surgical Gloves & Health Safety Solutions*

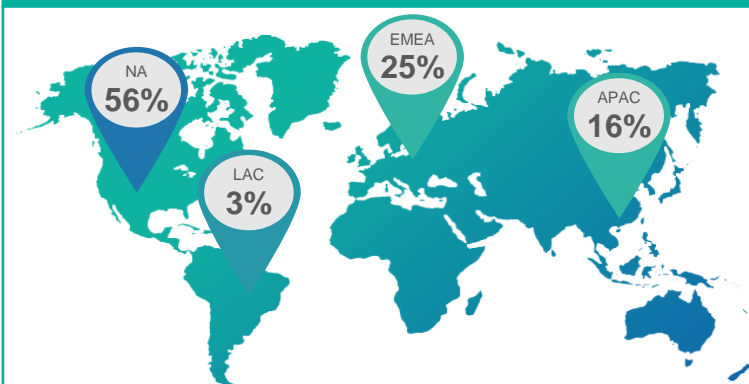


*Clean & Sterile Gloves, Garments*

## BUSINESS SEGMENTS<sup>1</sup>



## GLOBAL PRESENCE<sup>1</sup>



## INDUSTRY LEADING BRANDS



## END CUSTOMER EXPOSURE



Acute Care Exam



Alternate Care



Life & Bio Science



Surgical



Government



Industrial

Global presence with attractive end customer exposure and industry leading brands

# Key Business Updates Since Oct-17 CMD

## Strong Growth in Exam/SU

- Success with multi-layer and chemical platform
- Gains in EMS and alternative care amid COVID-19 demand
- Enhanced position in US EMS thru Digitcare acquisition
- Investments to expand capacity (Careplus JV, Bangkok)

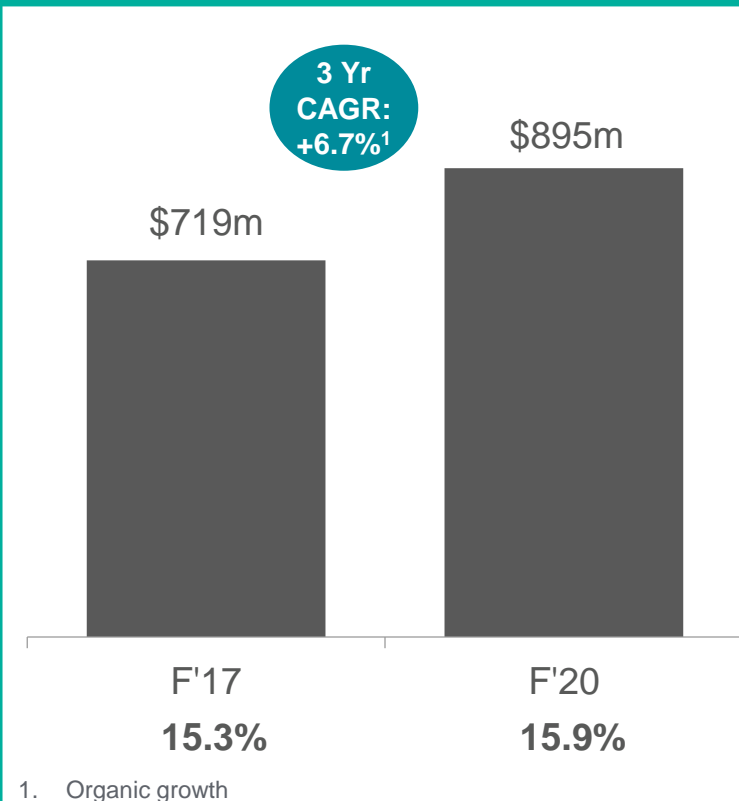
## Acceleration of Surgical

- Improvement in quality and capacity driving strong growth
- Increased Synthetic & NRL powder free capacity
- Investment in emerging markets
- Market leading innovation

## Increased scale in Life Sciences


- Invested in specialised business development resources
- Doubled growth in US market over 3 years
- Invested in Isolator gloves and in emerging markets

## REVENUE AND EBIT MARGIN



High growth rates and delivered success with all business segments

# Ansell's HGBU Market Position

	EXAM & SINGLE USE		SURGICAL GLOVES		LIFE SCIENCES	
						
Addressable Market	\$6.0bn <sup>1</sup>		\$1.3bn		\$2.2bn	
Focus Market / Market Growth	\$3.9bn <sup>1</sup>	~6% <sup>2</sup>	\$1.3bn	~3%	\$2.2bn	~7%
Ansell Market Share	~14%		~19%		~7%	
Ansell's Positioning and Competitor Landscape	<ul style="list-style-type: none"> <li>#1 player in branded Industrial markets</li> <li>Leading position in Alternate care</li> <li>Differentiated technologies</li> <li>Broad product portfolio</li> <li>Key competitors: Showa Best, Kimberly Clark, Halyard, Supermax</li> </ul>		<ul style="list-style-type: none"> <li>#1 branded volume player</li> <li>Global &amp; Emerging markets leader</li> <li>Leader in innovation &amp; technology</li> <li>In-house manufacturing</li> <li>Key competitors: Cardinal, Medline, Top Glove, Mölnlycke</li> </ul>		<ul style="list-style-type: none"> <li>#1 player in clean and sterile gloves</li> <li>Broadest clean room apparel portfolio</li> <li>Technology leader in isolator gloves</li> <li>Innovation in synthetic clean room gloves</li> <li>Key competitors: Kimberly Clark, DuPont, Cardinal, Piercan</li> </ul>	

Source: Ansell estimates

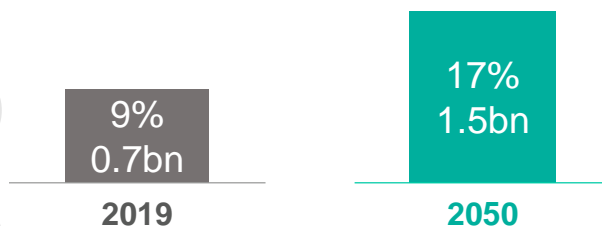
1. Represents pre-COVID-19 prices. Focus market excludes non-focus segments mostly driven by food services, private label and other entry level businesses including price-driven acute care

2. Growth represents post COVID-19 long term growth. F'21 growth rates expected to be higher than this level

# HEALTHCARE GBU HGBU Industry Trends

## AGING GLOBAL POPULATION

Increase in aging global population & improved accessible healthcare in emerging markets



Source: United Nations (population 65+ years and % total population)

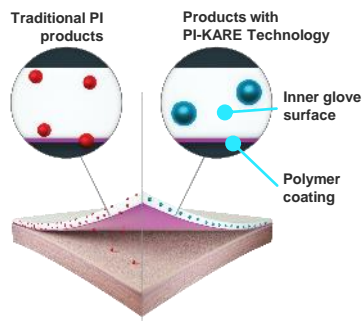
## SKIN-FRIENDLY & ERGONOMIC SOLUTIONS

Healthcare professionals driving the need for skin friendly and ergonomic solutions

**ERGOFORM™**  
Ergonomic Design Technology

**PI-KARE™**  
Skin-friendly PI Technology

**HYBRID™**  
Synthetic Blend Technology



## INCREASED & NEW GLOVE USAGE

COVID-19 accelerating usage by existing end-users in both developed & emerging markets



## PHARMA INDUSTRY

Fast growing pharma industry and need for new technology solutions



## CHEMICAL PROTECTION

Higher demand for dexterity and performance in chemical protection



## REGULATORY

Increasing complexity in regulatory environment





# Exam & Single Use Industry Dynamics

## HIGH GLOBAL DEMAND



- Global demand tripled driven by healthcare, frontline workers and new hygiene protocols in other industries

## LIMITED GLOBAL SUPPLY



- ~**370** billion gloves currently produced annually but an estimated **585** billion gloves are needed resulting in capacity increases taking place

## RAW MATERIAL IMPACT



- Supply of a key raw material, nitrile latex (NBR) supply is expected to be exhausted due to the large increase in glove production

## ADDITIONAL NEW COSTS



- Labour cost inflation
- Costs of purchasing additional PPE for workers and more frequent sanitisation of factories

Exam & Single Use industry seeing supply and demand imbalance driven by COVID-19

# Increased Investments to Support Growth

**Grow &  
Strengthen  
our Core  
Business**

## Thailand *Single Use*



**US\$39m**

- Supports Microflex® TouchNTuff® brands
- Initial lines to commence production in F'21 Q2
- Expected to more than double output by F'22-F'23

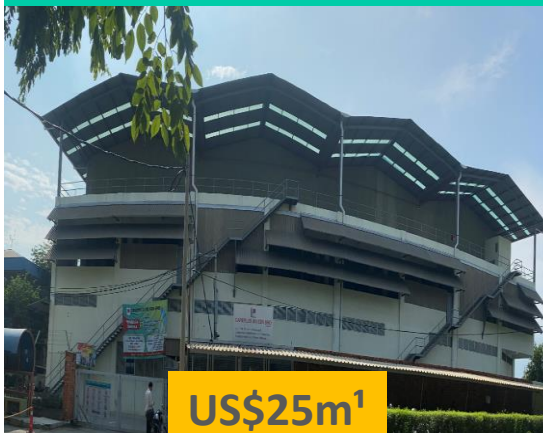
## Sri Lanka/Malaysia *Synthetic Surgical*



**US\$13m**

- Focus on Synthetic
- Support Gammex® brand
- Commence production in Q3 F'21

## Careplus JV, Malaysia *Exam, NRL Surgical*



**US\$25m<sup>1</sup>**

- Expand in-house exam capacity
- NRL Surgical supports emerging market growth
- Commence production in F'21 Q2-Q4

## Malaysia *Life Sciences*



**US\$2m**

- Expanded production of isolator gloves
- Expansion of clean room
- Expand production further in F'21 Q2

~\$80m investments driven by confidence in our future growth

# Product Innovation Drives Growth of HGBU

Deliver High Value Products to Customers

**GAMMEX®**

**PI Hybrid Surgical Glove**



High sensitivity & strength

**MICROFLEX®**

**93-260 High Chemical Resistant Disposable Glove**



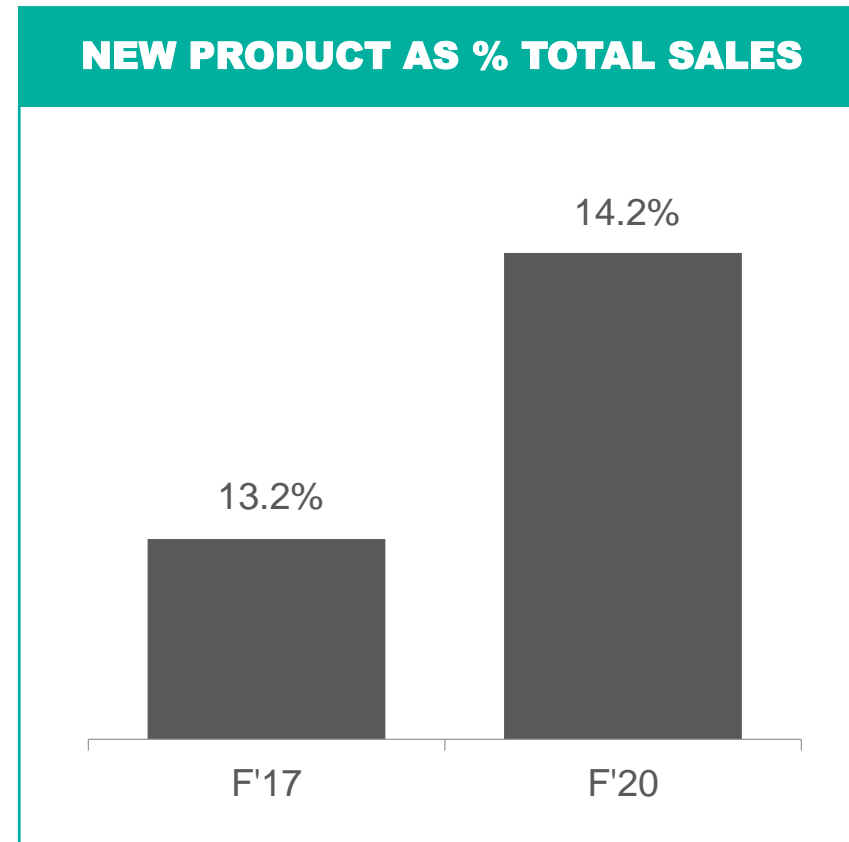
Broad chemical protection with a multi-layer solution

**BioClean-D™**

**Drop-Down Sterile Garment Antistatic Disposable Garment**



Innovative design with less risk of contamination



Disciplined execution and superior innovation will continue to drive top line growth

# Continue Growing Emerging Market Presence

**Invest & Expand  
Fast Growing  
Markets &  
Segments**

## FOCUS AREAS

### PORTFOLIO

Both Premium and Value range

### GEOGRAPHICAL EXPANSION

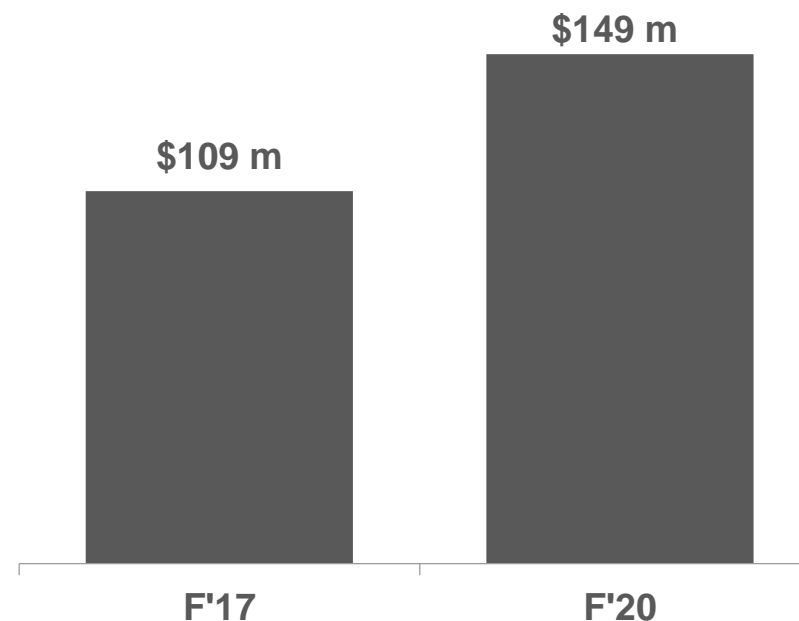
India, China, SEA, Russia, Latin America

### CLINICAL AND END USER EDUCATION

Communication and Training

### END USER RELATIONSHIPS

## EMERGING MARKET SALES



Emerging markets currently contribute c.17% of revenue, with potential future growth of 10%+ annually

# Key Investment Themes

1

Differentiated products and solutions will ensure continued profitable growth

2

Global presence and diversified customer base

3

Well positioned for future growth with investments in new capacity & capabilities

4

Increased productivity and lower production costs enhancing competitive strength

5

Insulated from macroeconomic downturn with customers in counter-cyclical industries



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| 04

Industrial GBU – More  
Selective, Better Focused

**Ansell**

**HyFlex®**

**GAMMEX®**

**AlphaTec®**

**MICROFLEX®**

# INDUSTRIAL GBU

## IGBU in 2020

### IGBU PURPOSE

- Reduce injuries and occupational illness amongst workers worldwide
- Through unique differentiated products that improve safety and productivity while being a pleasure to wear
- And through information beneficial to workers, their supervisors and our channel partners on reducing injury risk to hand and body while improving productivity
- The 8 dimensions of differentiation\* describe the competitive advantage we seek to ensure we are first choice globally in delivering these goals

\* 8 dimensions described on slide 15

### STATE OF BUSINESS

- IGBU has been reshaped and restructured since last CMD, with significant accomplishments benefiting market position, productivity and competitiveness
- Over next 1-2 years, IGBU well positioned to grow ahead of market rates, with margin gains from optimising strengthened manufacturing and sourcing base
- Mid-term, an accelerated growth rate is achievable through innovative solutions addressing major continuing causes of worker illness and injury while broadening Ansell's relevance and reach to end users and channel partners globally

The 2-3 years since last CMD has been heavily focused on strengthening the core and foundation of the business.  
The next 2 to 5 years are about building a higher growth business

# Who We Are & Where We Are Focused

## PRODUCT CATEGORIES



Mechanical Gloves

Mechanical Sleeves

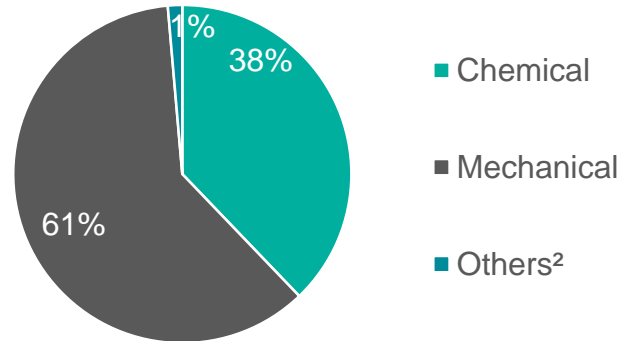


Chemical Hand Protection

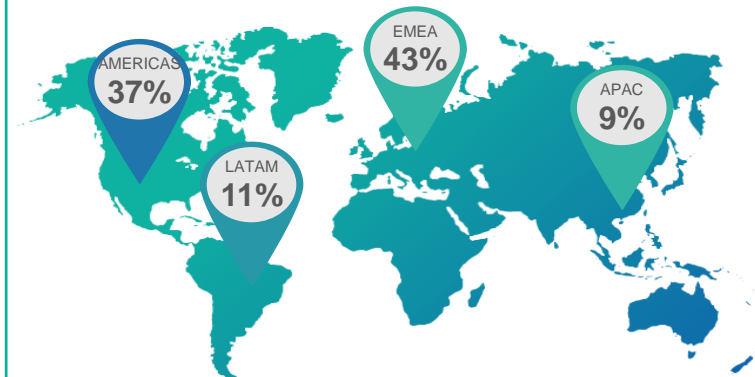
Chemical Protective Clothing



## BUSINESS SEGMENTS<sup>1</sup>



## GLOBAL PRESENCE<sup>1</sup>



## INDUSTRY LEADING BRANDS

HyFlex®

AlphaTec®

ACTIVARMR™



EDGE®

## END CUSTOMER EXPOSURE



IGBU participates in diverse end user markets with ~60% of end customers exposed to cyclical industrial production; In the current health crisis, ~30% of product portfolio seeing elevated demand for sanitation & viral protection



# Competitive Environment & Market Position

Addressable Market

## MECHANICAL



**\$3.8bn**

Focus Market /  
Market Growth

**\$2.7bn**

**+2%**

Market Share

**~17%**

**Ansell's Positioning  
and Competitor  
Landscape**

- Leading player in mechanical glove protection
- Provides protection against mechanical & ergonomic injuries with full portfolio of solutions including protection from laceration, abrasion, impact, thermal and electrical insulation without sacrificing comfort, performance and dexterity
- Key end markets: Auto, Metal Fabrication, Machinery & Equipment, Utilities, Logistics, Oil & Gas, Mining
- Key branded competitors: Honeywell, PIP, MCR Safety, ATG, Uvex

## CHEMICAL



**\$3.5bn**

**\$2.7bn**

**+4%**

**~10%**

- Leading player in chemical glove protection and #2 position in chemical body protection
- Provides multi-hazard protection against chemical, cut, thermal and product contamination while aiding comfort and performance
- Key end markets: Chemical / Petrochemical, Life Sciences, Energy (nuclear, wind power), Food Processing
- Key branded competitors: DuPont, Lakeland, Kimberly Clark, Showa Best, ATG, Honeywell and UVEX

Source: Ansell management estimates

1. Focus markets excludes the following for Mechanical (non focus applications, leather, chore gloves and entry products (e.g. OPP string knits)) and for Chemical (household gloves and private label gloves, and general purpose non hazard and diving suits)

# Key Business Updates Since Oct-17 CMD

## Brand Consolidation

- Harmonised over 75 brands into 5 key brands which now represent 80%+ of sales
- Flagship brands HyFlex® (Mechanical) and AlphaTec® (Chemical) each exceed \$200m sales

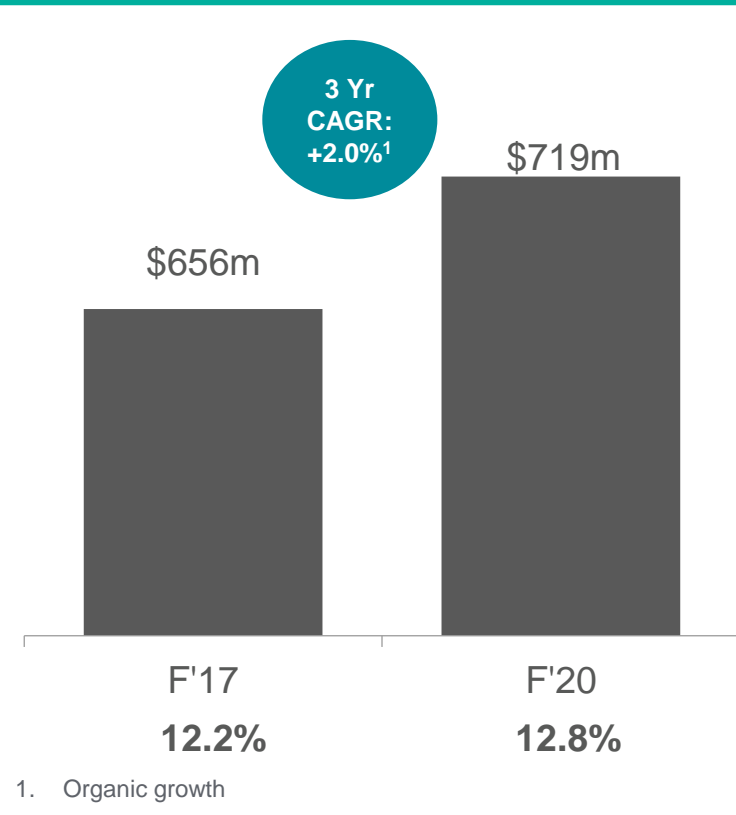
## Manufacturing Transformation

- Manufacturing footprint consolidated into leading global facilities
- Delivered transformation savings >\$20m p.a.
- More than doubled capacity on key growth product lines including protective clothing

## Greater Product Differentiation

- Successful expansion to adjacent products (e.g. protective clothing up >2x since Microgard acquisition)
- Continued focus on innovation with 8 R&D centers and 10-15 new product launches a year

## REVENUE AND EBIT MARGIN





# Business Now Well Positioned For Improved Growth

## Market Conditions Supportive To Growth

- Near term demand declines for mechanical PPE used in manufacturing sector partially offset by strengthened demand from other verticals
- Chemical enjoying increased PPE usage in support of sanitation and viral protection, more than offsetting weakness in traditional industrial verticals
- Longer term we continue to expect steady category growth, at or above GDP rates

## Positioned to Grow Above Market Rates

- Leveraging stronger brand positions, and new differentiated platform technologies
- Global growth of acquired product adjacencies (impact protection and protective clothing)
- Continued share gain in emerging markets on strengthened local presence
- Improved manufacturing base, improved service benefiting top and bottom-line growth

## Investing Behind Growth Plans

- Significant additional capacity now in place, with additional new lines coming on during F'21
- Investing in partnerships to strengthen our ability to tackle major unmet industrial safety challenges

# Smart PPE Goes Beyond Physical Protection: Information Solutions Create Significant Market Growth Opportunity

Major Cause of Injury

PPE Equipment Solutions

PPE Information Solutions

## Ergonomic Injury

- Est. \$4bn+ p.a. medical costs of hand / wrist muscular skeletal disease
- Ergonomic injuries require 38% more time away from work than the average injury

## Poor Compliance

- More Injuries to Hand & Arm than any other body part
- 71% of Hand & Arm Injuries in US could have been prevented by PPE



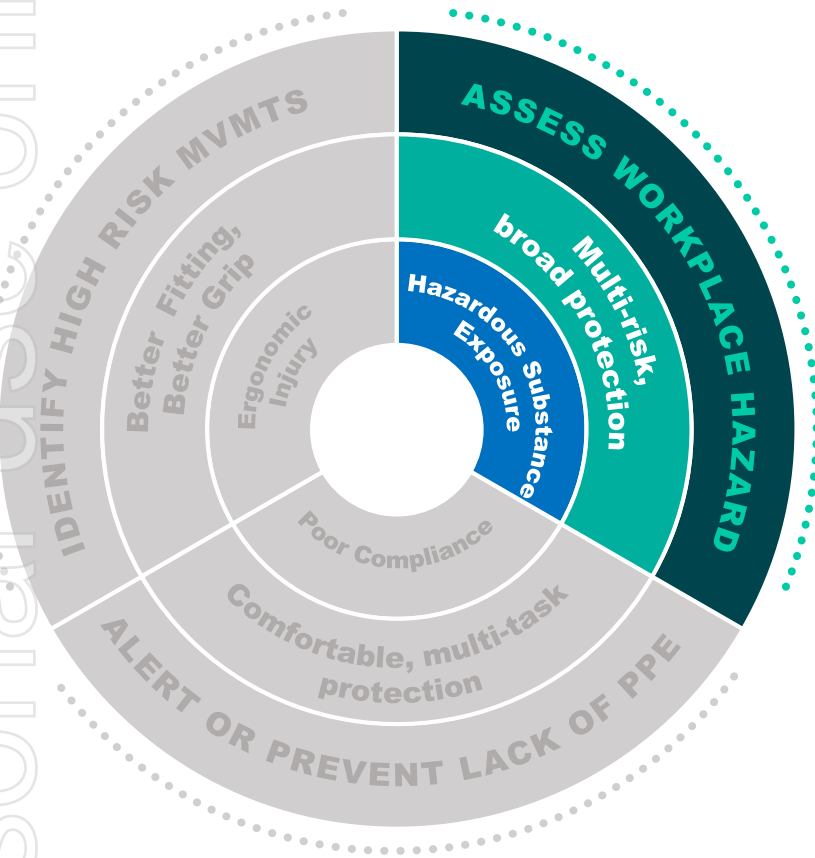
## Chemical Hazard & Occupational Illness

- Est. 860,00 occupational illnesses p.a. in US
- Skin exposure bigger issue than respiratory illness

# Advanced PPE Materials And Better Understanding Of Hazards Both Essential To Reducing Occupational Illness

## Chemical Hazard & Occupational Illness

- Est. 860,00 occupational illnesses p.a. in US
- Skin exposure bigger issue than respiratory illness



### BENEFITS OF IMPROVED PPE



Enhanced comfort, performance & protection through advanced material technologies and interoperable PPE solutions

**Differentiated protection in high-risk industries, with relatively few players Globally**

### BENEFITS OF CONNECTED PPE



Advancing our expertise and going beyond the standards. Embedding unique capabilities to educate, assess, test & recommend

**Science based protection, trusted in the real-world**

# Eliminating Reasons Workers Remove PPE, While Also Warning When At Risk – Can Reduce Non Compliance

## Wrong or No PPE in Mechanical Settings

- More Injuries to Hand & Arm than any other body part
- 71% of Hand & Arm Injuries in US could have been prevented by PPE

### BENEFITS OF IMPROVED PPE



Performance advancements enabling worker connectivity to surroundings delivering safety & efficiency

**Evolving to meet Industry 4.0**

### BENEFITS OF CONNECTED PPE

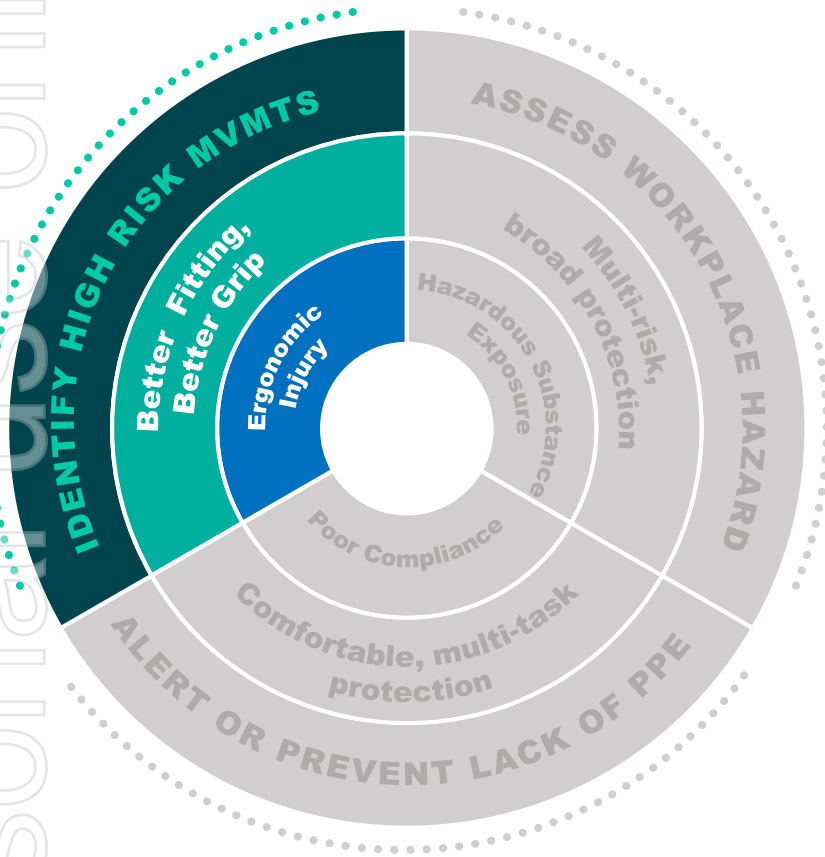


Connected PPE to application prevents improper PPE usage, behavior & ensures safety compliance

**Technology enabled compliance**



# Improved PPE Can Reduce Ergo Injury, Information From Connected PPE On Risky Tasks Can Eliminate Injury Risk



## Ergonomic Injury

- Est. \$4bn+ p.a. medical costs of hand / wrist muscular skeletal disease
- Ergonomic injuries require 38% more time away from work than the avg injury

### BENEFITS OF IMPROVED PPE



*PPE engineered to improve ergonomics, largest portfolio of ergonomic certified products globally, mitigating MSD's*

**Ergonomically engineered**

### BENEFITS OF CONNECTED PPE



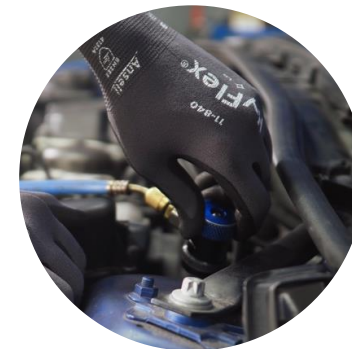
*Beyond PPE, leveraging technology to reimagine workplace safety, mitigating MSD's associated with repetitive motions*

**Smart & connected PPE**



# Investment Themes

- **End markets remain attractive and providing opportunity for growth**
  - Customer manufacturing practices and PPE needs continue to evolve creating growth opportunities served by Ansell's expertise and relevance across broad spectrum of vertical, applications and geographies
  - Advancement of regulatory standards further stimulate awareness & the need for higher performance PPE
  - New safety protocols to mitigate Covid-19 risk has led to increased PPE usage in many areas
- **Significant transformation work completed for efficiency and to drive growth**
  - Brand consolidation largely complete, ~80% of revenue now under five brands
  - Improvement of margins and increasing constant currency EBIT by 8% CAGR since F'17 to over \$90m
  - Strengthened manufacturing base and increased capacity for high growth chemical, electrical & mechanical products
  - Further differentiated portfolio, through R&D and adjacency acquisitions
- **Enhanced ability to translate this to customer value and drive growth through investments in sales excellence and PPE enabled information solutions**
- **Selective bolt-on acquisitions remain under review, and primary acquisition focus will continue to be on strengthening organic growth capability**



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# | 05 Sales Excellence

**Ansell**

**HyFlex®** **GAMMEX®** **AlphaTec®** **MICROFLEX®**

# Ansell's Sales Capability is Unique in the Industry

## GEOGRAPHIC REACH



- Sales in **100+ countries**
- **800+ Sales Professionals**

## PRODUCT PORTFOLIO



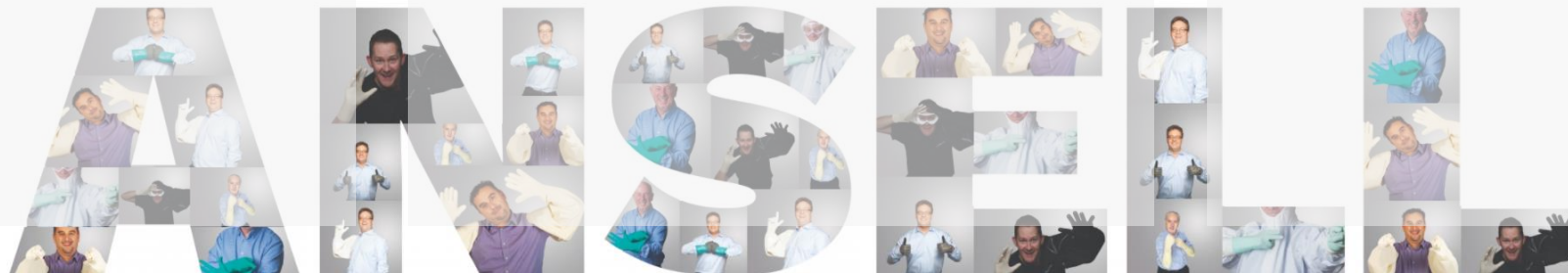
- **1,000+ styles**
- Protection solutions to **more than 25 industries & sectors**
- **The right protection for any application**
- **~60% of sales** from in-house production

## END-USER INTIMACY



- We conducted
  - **15,000+ AnsellGuardian**
  - **50,000+ ChemicalGuardian**assessments for end-users since 2010

Ansell**GUARDIAN**<sup>®</sup>  
Ansell**CARES**<sup>™</sup>



# COVID-19 Impact on Key Markets and Customers

## PAST

Instant and unprecedented demand spike

Lockdowns, curfews and other disruptions to manufacturing

Shortage of raw materials and transportation

National protectionism, PPE export restrictions

- Severe shortage across markets and PPE categories, national safety stocks quickly depleted and sometimes expired
- Rapid price increases, some cases of price gouging and predatory behaviour
- Prevalence of counterfeit product and falsified regulatory certifications, even outright scams
- Single use gloves, with 60% of world production capacity in Malaysia, particularly affected





# COVID-19 Impact on Key Markets and Customers

## GOING FORWARD

Gradual “re-opening” of manufacturing, alternate care and elective surgeries

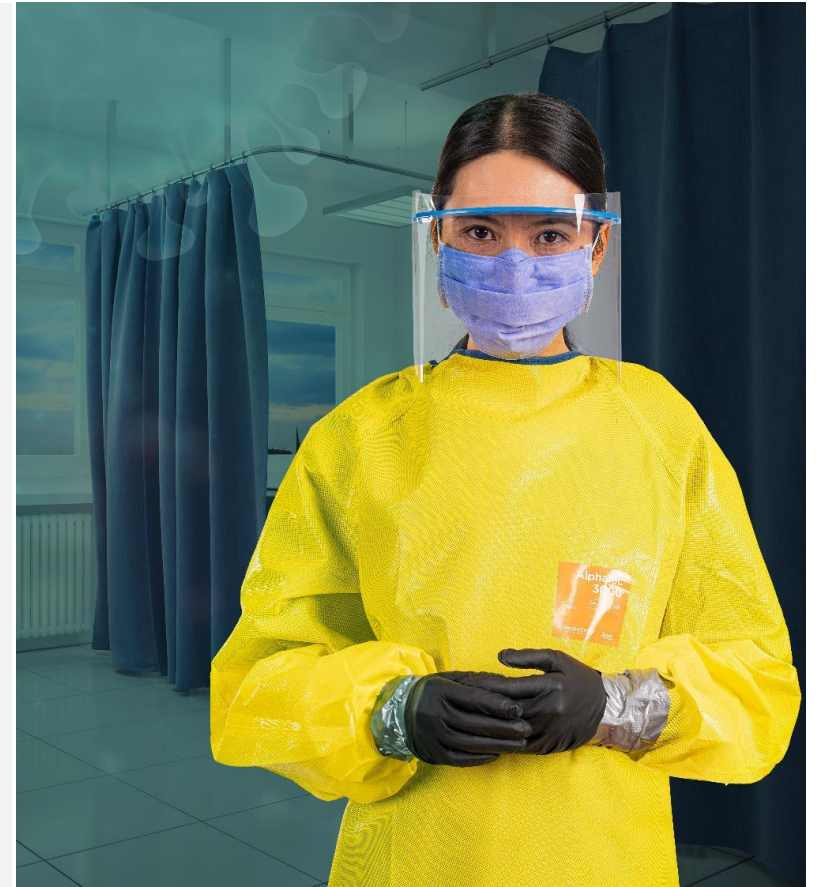
PPE protocols enforced and upgraded

Capacity increases are underway

Governments seeking to re-build safety stocks or establish strategic stockpiles

“New users” of PPE, particularly single use gloves

- Market finding new equilibrium
- Continued demand for single-use gloves in excess of supply capacity
- New price level established, but with expectation this is temporary
- Most PPE suppliers continue to apply strict allocation
- Manufacturers with diversified portfolio and in-house production in stronger position





# Ansell's Dynamic Response to Rapidly Changing Market Conditions



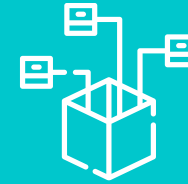
Pricing



Supply & Product  
Allocation



Customer  
Communication



Alternative  
Products



Direct Engagement  
with Governments  
& Influencing  
Standard Setting

# Maximising Growth with Virtual Selling & Problem Solving

**1,000+ sessions**  
with customers delivered

[Home](#)
[Products](#)
[About Us](#)
[Contact Us](#)
[Careers](#)
[Investors](#)
[Sustainability](#)
[Media](#)

# VERTICAL TITLE

## Further Chemical Industry

Chemical industry is a key sector for Ansell, with a long history of providing high-quality gloves to protect workers from hazardous chemicals. Our gloves are designed to provide maximum protection against a wide range of chemicals, including acids, bases, solvents, and oils. Our gloves are also designed to be comfortable and durable, ensuring that workers can work safely and efficiently for long periods of time.

### HAZARDS OVERVIEW

Learn more about the most common chemical hazards, and how Ansell's chemical resistant gloves can protect you from them. This overview covers a wide range of hazards, including acids, bases, solvents, and oils. It also provides information on the different types of gloves available, and how to choose the right one for your specific needs.

#### ANSSELL SOLUTIONS

##### Hazard 1 Solutions

##### Hazard 2 Solutions

AlphaTec® 18 558R AlphaTec® 18 354 AlphaTec® CTR Model 121 AlphaTec® 18 354 AlphaTec® CTR Model 121

[View Products >](#)

##### Hazard 3 Solutions

#### AssessGuardian™

Learn more about the new AssessGuardian™ glove, which is designed to provide maximum protection against a wide range of hazards. This glove is made from a unique material that is resistant to a wide range of chemicals, including acids, bases, solvents, and oils. It is also designed to be comfortable and durable, ensuring that workers can work safely and efficiently for long periods of time.

[Learn More >](#)

#### TOOLS & RESOURCES

##### Vertical Content Element

Learn more about the new AssessGuardian™ glove, which is designed to provide maximum protection against a wide range of hazards. This glove is made from a unique material that is resistant to a wide range of chemicals, including acids, bases, solvents, and oils. It is also designed to be comfortable and durable, ensuring that workers can work safely and efficiently for long periods of time.

##### Vertical Quick Reference Guide

Learn more about the new AssessGuardian™ glove, which is designed to provide maximum protection against a wide range of hazards. This glove is made from a unique material that is resistant to a wide range of chemicals, including acids, bases, solvents, and oils. It is also designed to be comfortable and durable, ensuring that workers can work safely and efficiently for long periods of time.

##### Vertical Product or Technology Video

Learn more about the new AssessGuardian™ glove, which is designed to provide maximum protection against a wide range of hazards. This glove is made from a unique material that is resistant to a wide range of chemicals, including acids, bases, solvents, and oils. It is also designed to be comfortable and durable, ensuring that workers can work safely and efficiently for long periods of time.

[Learn More >](#)

[Download Now >](#)

[Watch Now >](#)

## LEVERAGE DIGITAL MARKETING

**ANSELL  
VIRTUAL  
GUARDIAN**

**THOUGHT  
LEADERSHIP  
/ SOCIAL  
MEDIA**

## INTERACTIVE COLLATERAL

## SELLING ANSELL PORTFOLIO

**MOBILE APP**



Ansell		SPECIALTY SERVICE									
		 GLOVES	 FOOTWEAR	 TOOLBOXES	 SAFETY HARNESS	 FALL PROTECTION	 RESPIRATORY PROTECTION	 HEARING PROTECTION	 EYE PROTECTION	 FIRST AID KITS	 SAFETY TRAINING
ANSSELL											
 Program Training		✓		✓	✓		✓				
 Fall Protection Methodology		✓		✓	✓			✓			
 Hearing						✓					
 Respiratory			✓			✓				✓	✓
 Eye Protection						✓			✓	✓	✓
 First Aid Kit			✓								
 Safety Training		✓			✓						

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| 06

Operations & Global  
Supply Chain – Path to  
World Class

**Ansell**

**HyFlex®** **GAMMEX®** **AlphaTec®** **MICROFLEX®**

# Investing for Sustainable Growth

## Operations & Supply Chain Strategy

### A. ENABLE GROWTH

- **Strong Foundations:** build on existing global network & centre of excellence approach
- **Upside ready:** for continued growth, with focus on asset utilisation to create headroom for growth with accelerated capacity expansion program
- **Resilience:** continually improve resilience by diversifying footprint in key sectors & pursuing localisation opportunities

### B. IMPROVE ASSET EFFECTIVENESS

- **Completed Transformation:** improved manufacturing platform with benefits delivered
- **Productivity 2.0:** step change in automation program to manage risk on labour availability and input cost
- **Digitalisation** of assets
- **Environmental footprint:** reducing environmental impact across the network

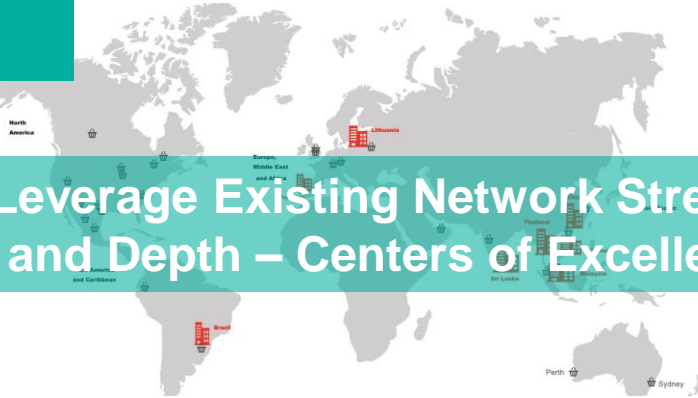
### C. BUILD ORGANISATIONAL CAPABILITY

- **Global Engineering:** increased capability to execute and futureproof
- **Production system:** for higher intensity and complexity of assets
- **Ansell Supply Chain team:** talent, skills and systems to coordinate & exploit the strength of Ansell's global network

# Key Principles of Enabling Growth

1

## Leverage Existing Network Strength and Depth – Centers of Excellence



2

## Resiliency as a Key Design Principle

- Secure all plants against COVID-19 supply chain disruptions
- Diversify supply locations in key categories, especially where single sourced or heavily dependent on single locations/clusters i.e. Body Protection, Surgical Specialist, Exam, Mechanical Advance Technology
- Review of Make versus Buy, localisation opportunities via tariffs or new market dynamics

3

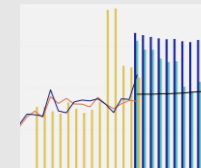
## Forward Strategic Planning



- 85% Reset capacity thresholds
- Allow for short term volatility & long-term growth



- Methodology to refine investments & get most of our existing assets



- Dedicated capacity group
- Long term trigger for investment call



# OPERATIONS & GLOBAL SUPPLY CHAIN

## Truly Global Footprint

9

Countries

13

Manufacturing  
Facilities

28

Distribution  
Facilities

### Key



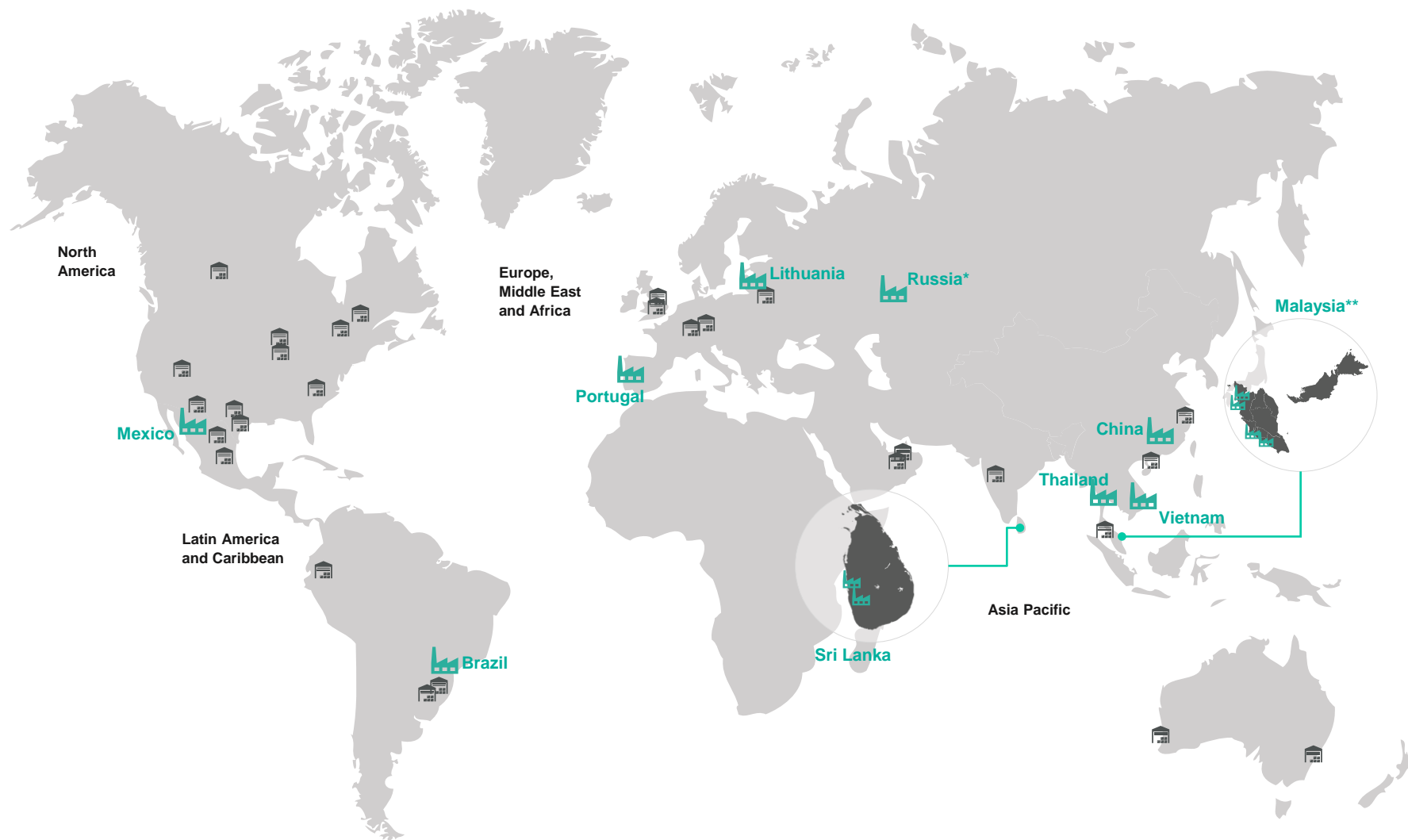
Manufacturing Operations



Distribution Facilities

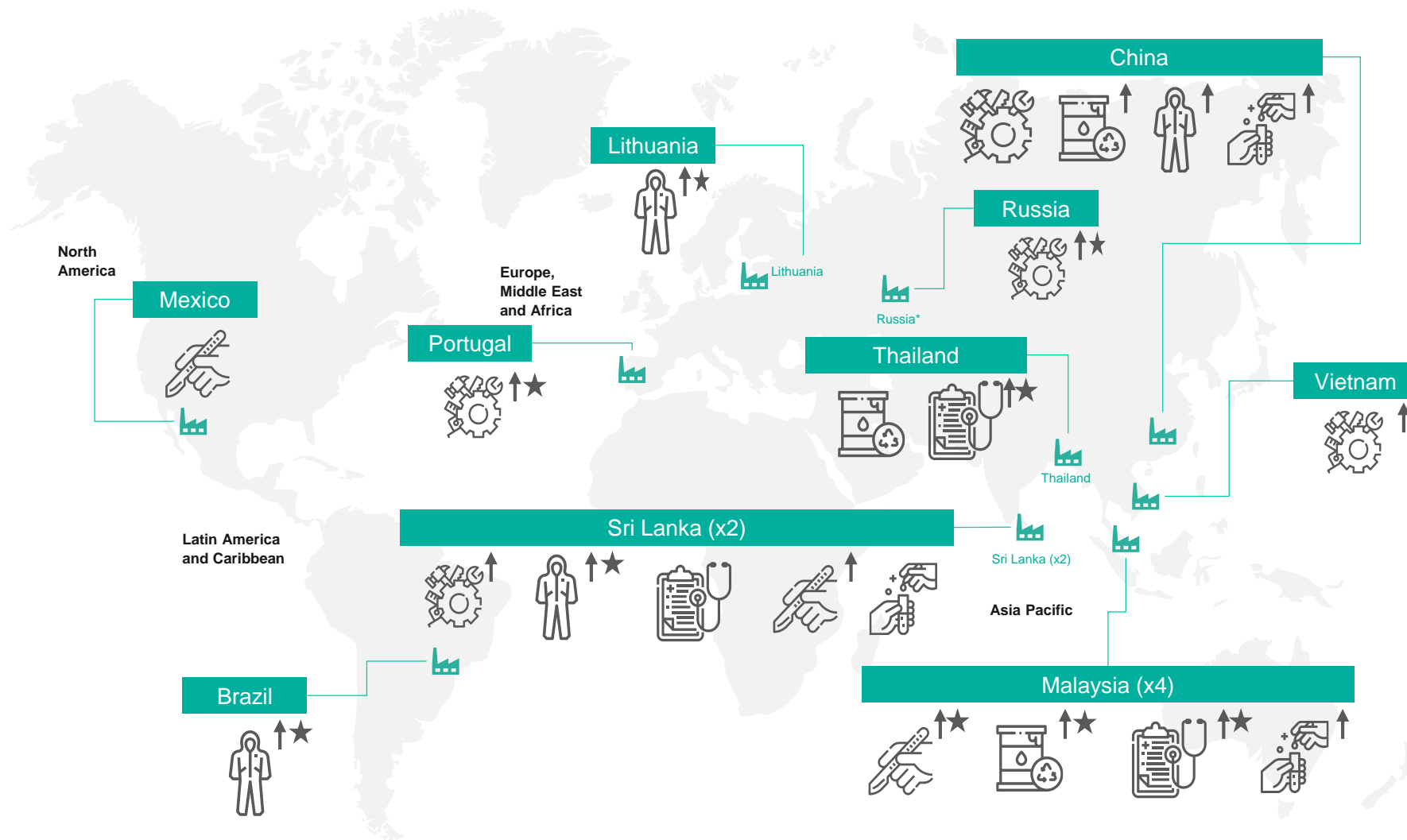
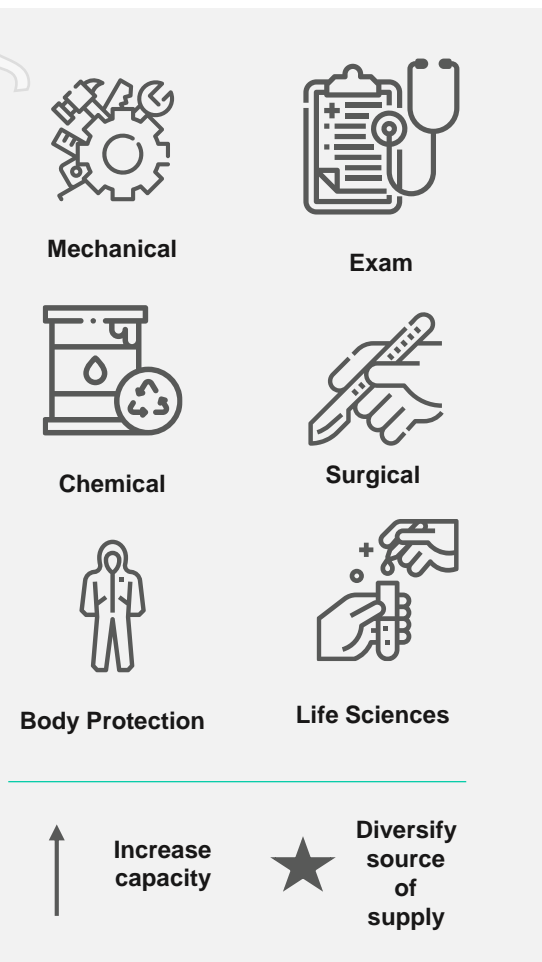
\* Expected to be operational in Dec 2020

\*\* In addition to this, Ansell has a 50% JV in Careplus which has a manufacturing plant in Malaysia



# Expansion to Support Growth and Resilience

Personal use only



# Key Trends – Improving Asset Effectiveness



## Labour Availability

1

Old assumption - unlimited labour in every location

2

Wage inflation high, constraints in both low and high skilled talent – competition and choice

3

COVID-19 lessons: rolling restrictions, impossible to control situation outside the plants, highly labour intensive processes are highest risk

## Increasing Digitalisation

Product innovation, quality regimes, substitution of materials all need a higher level of real-time process and production control

## Ensuring Sustainability

Reducing both the intensity (per \$) and the absolute environmental impact

# Strategies to Improve Asset Effectiveness

1

## Productivity 2.0

- **Step change** program to reduce labour intensity
- Decision making process similar to asset investment
  - **Eliminate**
  - **Simplify**
  - **Automate**
- **Leverage global scale**, range of production technologies across product groups, recycle solutions
- Centralised program with advanced **technology innovation funnel**

2

## Asset Digitalisation

- New assets digitalised from start, Brownfield strategy of integrating existing asset base in an efficient manner
- Difficult-to-automate processes using advanced vision systems & material handling
- Digital manufacturing team integrated across strategic IT investments in manufacturing ERP, data warehousing, analytics and business intelligence

3

## Environmental Footprint



### INPUTS

Substituting environmental resources for greener alternatives



### EFFICIENCY

Factory led improvements, kaizen approach, across water, energy and waste



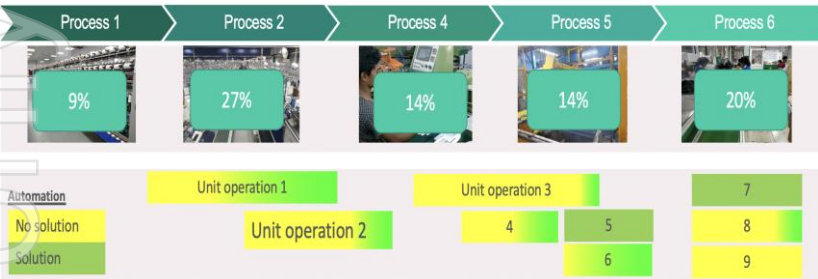
### EFFECTIVENESS

Fundamentally changing the production process to step-change inputs with R&D

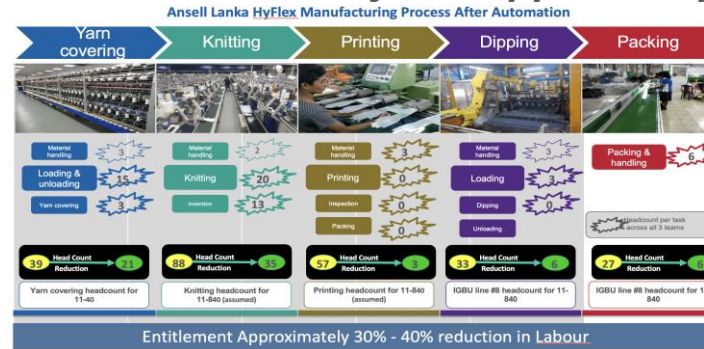
# OPERATIONS & GLOBAL SUPPLY CHAIN

## Plant Automation Strategy (Productivity 2.0)

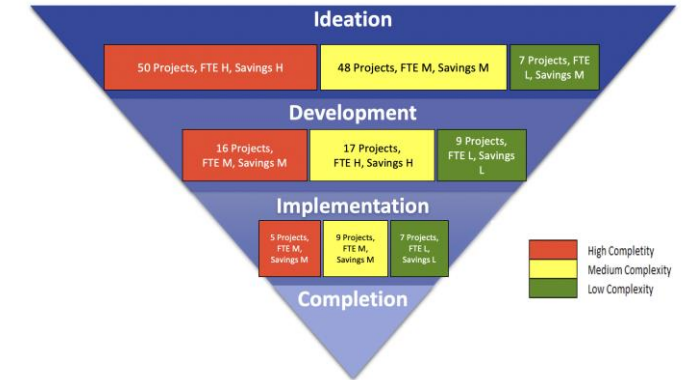
### A. Map Current Process for Automatability



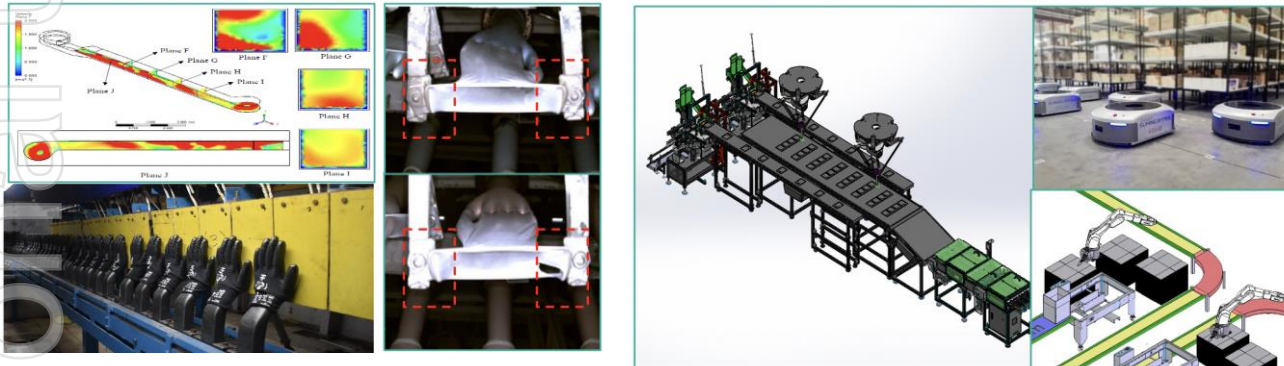
### B. Estimate Size of the Opportunity



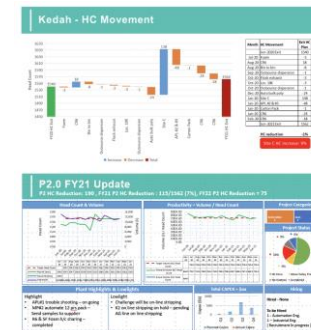
### C. Develop Prioritised Program Funnel



### D. Internal and External Partner Technology Development – Pilot, Prove and Deploy



### D. Detailed and Integrated Program Management



### E. Investment In Engineering/R&D Technology Funnel for Unique Solutions





# Building Organisational Capability

1

## Re-investing in Engineering Competence

- Long track record of delivery
- Increase *delivery arm* in line with new spend intensity & new Covid realities
- Invest in *new technology* centre of excellence
- Ansell learns faster – global ‘best in class’ engineering and broad manufacturing capability

2

## Ansell Production System

- As asset intensity increases, it changes the nature of manufacturing
- Investment in a *deeper and wider production system*
- People development at the core, increasingly skilled jobs
- Standardised approach across plants – *go faster together*

3

## Ansell End to End Supply Chain team



### NEW TEAM

- Customer mindset
- Dynamic optimisation in a VUCA world



### NEW TALENT

- 3 out of 4 of the main functions have new leaders,
- Compliment historic strengths and future ready



### NEW SYSTEMS

- Investment in integrated end to end planning tool to optimise the flow across a global network

# 107

## CSR, Sustainability and Employees

# Our Responsible and Responsive Strategy & Purpose

## Better Society



Employee and  
wider workforce



Community



Business Ethics

- We care about our people and safety is our top priority
- We support our communities
- We play fair and conduct business ethically

## Better Environment



Water



Energy and  
carbon



Materials and  
waste

- We use natural resources with care
- We work to continually lower our GHG emissions
- We respect the local environment

## Better Business



Customers



Suppliers



Investors

- We provide our customers with safety and productivity solutions
- We choose like-minded partners
- We reward investors

Ansell believes the above approach will deliver long term sustainability for the company and its stakeholders

# Journey Towards Effective Labour Rights Management

2016



- CSR Materiality Study
- Human Rights Statement released

2017



- Established CSR Steering Committee
- Conducted Human Rights Impact Assessment
- Established corporate CSR policies

2018



- Established 'Labour Standard Management System'
- Training and capacity building
- Established local labour rights policies and procedures
- Released first standalone CSR & Sustainability Report

2019



- Deployed SMETA 4-Pillar Social Audits at Asian plants and key suppliers
- Updated human rights policy framework
- Communicated Supplier Code of Conduct
- Launched investigation into practices by migrant worker recruitment agents

2020



- Implementation of ethical and responsible foreign worker recruitment program with Zero Recruitment Fee Policy
- Conducted modern slavery risk assessment
- Independent review of our systems with plan to strengthen further

As a leader in our industry, we recognise that we have a role to play in respecting and advancing human rights

# Sustainable Environmental Management



## WATER

### Target

15% intensity reduction in water withdrawals below the F'16 baseline by the end of F'25 to **9.59m3/\$M**



- Reverse Osmosis Projects in varying stages of lifecycle in Sri Lanka, Malaysia and Thailand
- Basin Level Risk Assessment to be done in partnership with WRI in FY21

## GHG



## ENERGY

### Target

25% intensity reduction of Scope 1 & 2 emissions below F'16 baseline by the end of F'25 to **293tCO2e/\$M**



- Solar PV projects amounting to 5MW in Sri Lanka, Malaysia, Thailand and Vietnam
- Renewable Energy PPAs feasibility under review in Lithuania. (Portugal already in effect)
- Combined Heat and Power plant under review for Malaysia

### Goal

Continuous improvement on energy reduction and efficiency to support and augment GHG Emission reduction



## MATERIALS AND WASTE

### Target

Zero Waste to Landfill from all Manufacturing facilities by the end of F'23



- Achieved at Sri Lanka – third party audit to be undertaken to verify
- Multi-functional teams and action plans in place to overcome location specific challenges in other areas

**TCFD**

- We have begun to address the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD)
- In FY21, we will complete a corporate level climate change scenario analysis to identify, assess and manage climate related risks and opportunities across our value chain

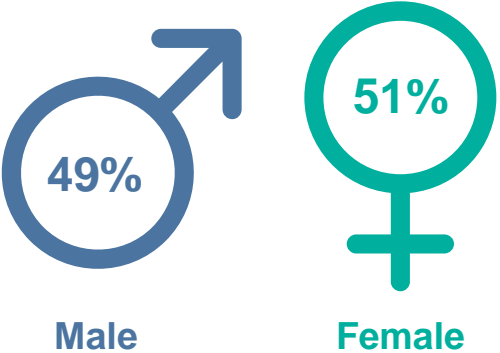
We have put in place actions to help drive the business drive towards its environmental targets and goals



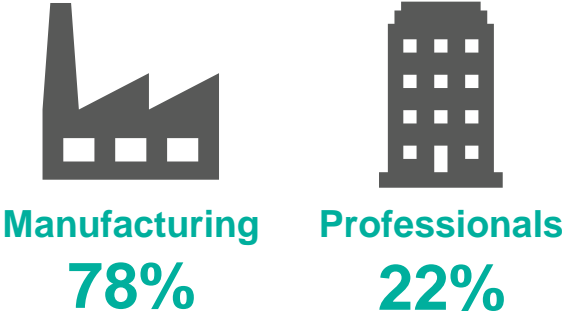
CSR, SUSTAINABILITY AND EMPLOYEES

# Diverse and Inclusive Workforce

GENDER



BY TYPE



BY REGION

NA	4%
EMEA	7%
APAC	86%
LAC	3%

FEMALE LEADERSHIP

Board	50%
Director & Above	28%
Manager & Above	34%

BY AGE

Gen Z (< 23)	13%
Millennials (23 –38)	49%
Gen X (39 –54)	30%
Baby Boomers (55 –73)	8%

EMPLOYEE ENGAGEMENT

“Ansell Values Diversity”	70%
“Ansell Environment is Fully Inclusive”	67%

Ansell believes employee diversity and inclusiveness is key to operating successfully

CSR, SUSTAINABILITY AND EMPLOYEES

# Talent Development Strategy – Key Priorities



Create a Culture of Learning & Development



Strengthen our Leadership Capabilities



Deepen Functional Expertise



Build a Strong Pipeline of Talent across the Business



Further Build Capabilities in Digital and Analytics

The above priorities will be balanced with purposeful hiring to close capability gaps

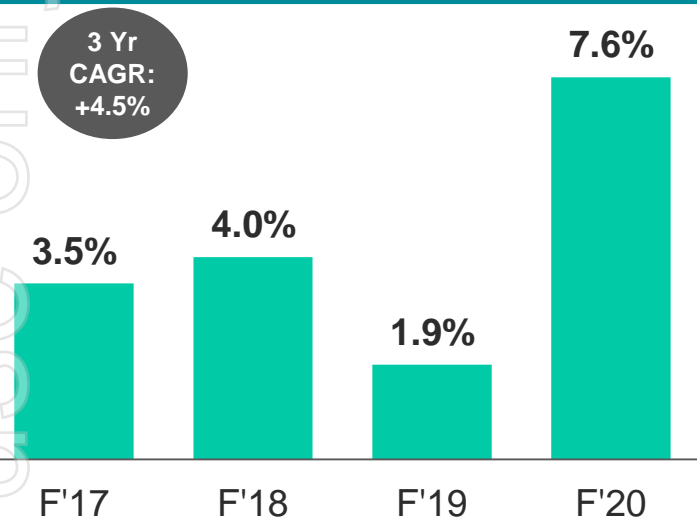


# 08 Financial Results & Future Outlook

## FINANCIAL RESULTS & FUTURE OUTLOOK

# Track Record of Sales and Earnings Growth

### GROUP ORGANIC SALES GROWTH



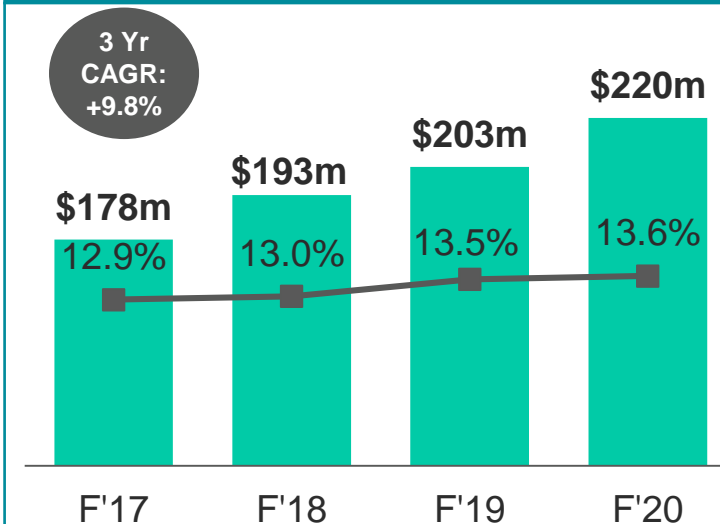
#### IGBU

5.2%	5.2%	(0.4%)	1.3%
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#### HGBU

2.0%	3.0%	4.0%	13.4%
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### EBIT PERFORMANCE



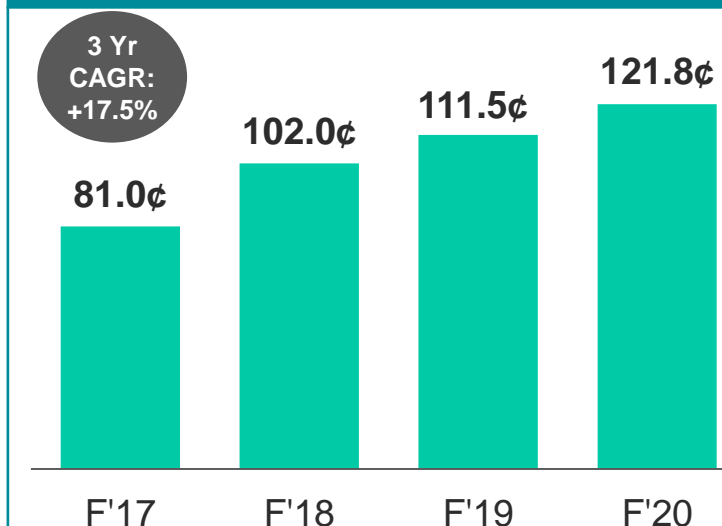
#### EBIT CC Growth

F'17-F'18 → 4.9%

F'18-F'19 → 4.4%

F'19-F'20 → 21.0%

### EPS PERFORMANCE



#### EPS CC Growth

F'17-F'18 → 18.0%

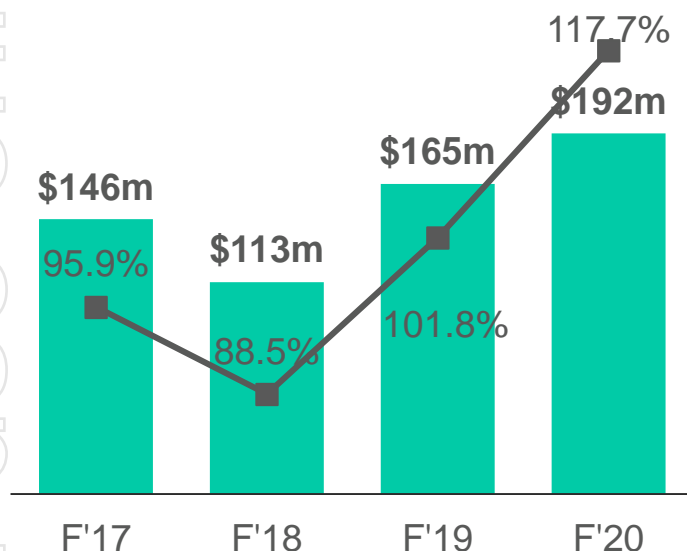
F'18-F'19 → 11.3%

F'19-F'20 → 23.6%

1. F'17-F'18 figures are for continuing business and exclude Sexual Wellness
2. F'18-F'19 EBIT and EPS adjusted to exclude Transformation Costs
3. EBIT and EPS CAGR on a constant currency basis

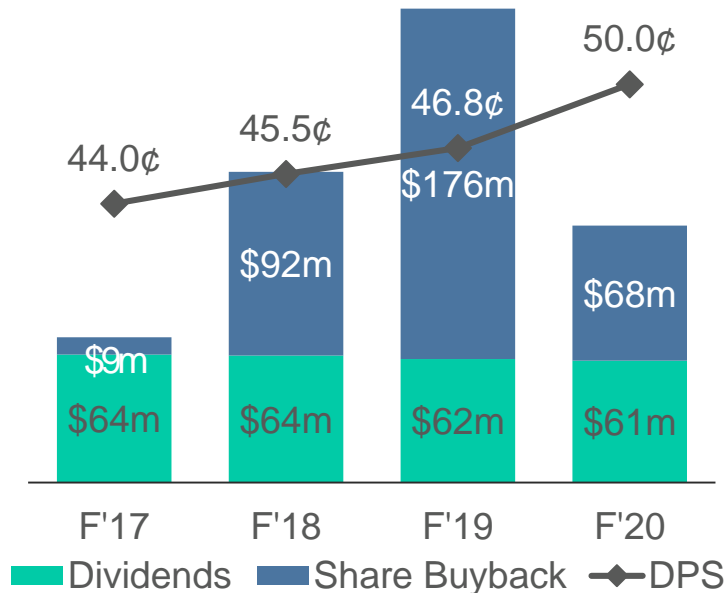
# Attractive Cash Generation and Shareholder Returns

## OCF AND CASH CONVERSION



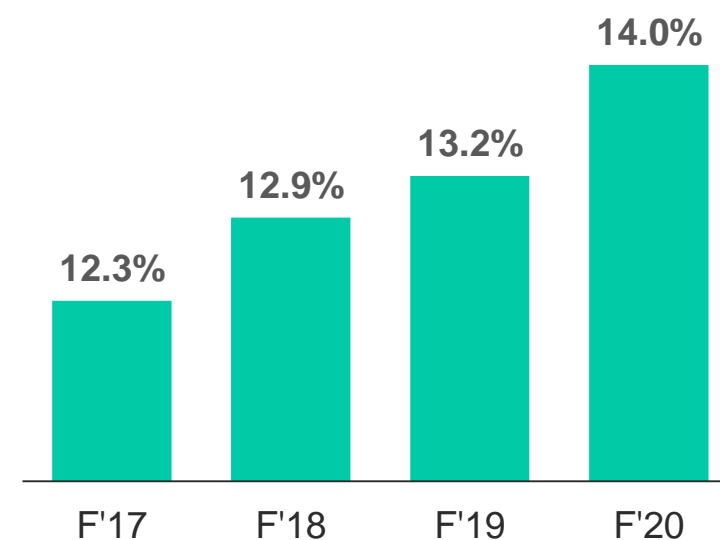
- Generating strong cash conversion to drive capital deployment investments in Capex, M&A, Dividends and Share Buyback

## CASH RETURN TO SHAREHOLDERS



- 17 yrs of continual increases to dividends
- ~\$600m returned to shareholders including deployment of ~\$345m in buybacks

## ROCE PERFORMANCE



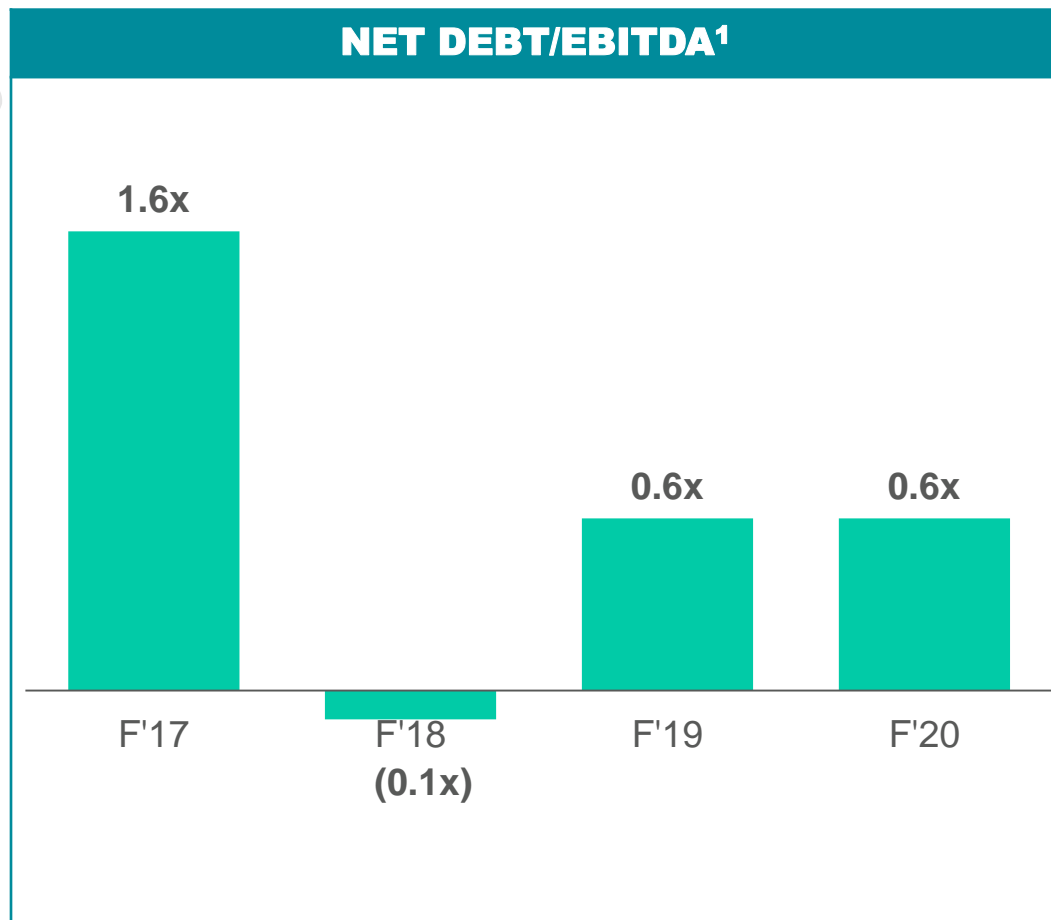
- ROCE Target 14%-15% by F'20

1. F'18-F'19 OCF excludes Transformation cash cost

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



# Strong Balance Sheet Providing Investment Opportunities

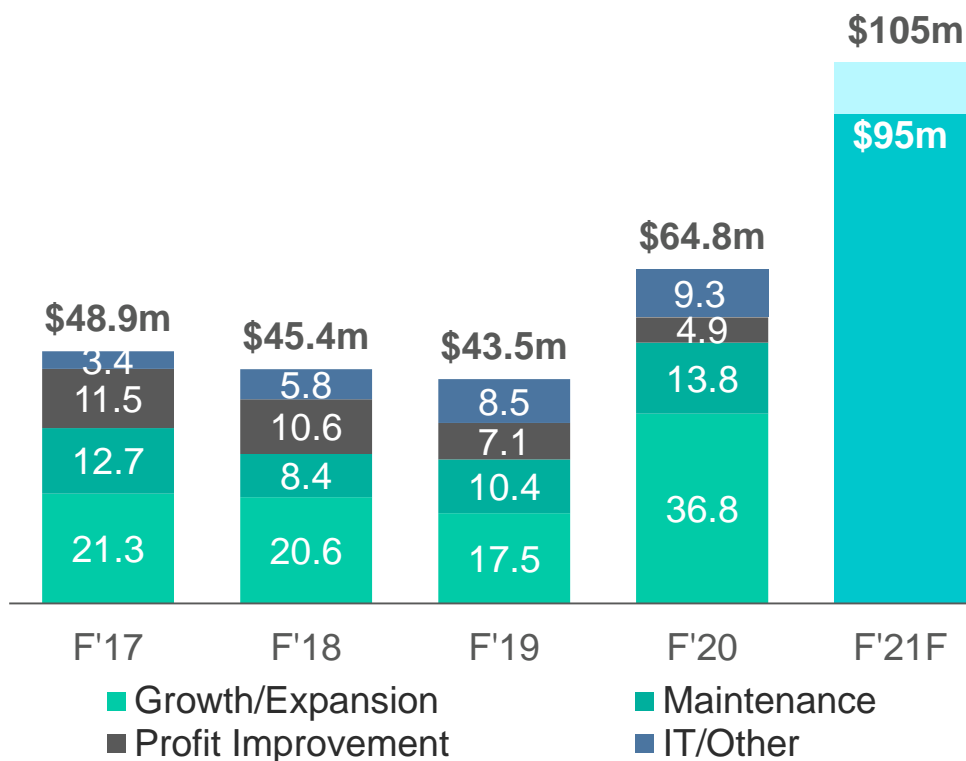


1. F'20 ratio prepared under AASB 16: Leases
2. Reduction in leverage between F'18 and F'17 due to divestment of Sexual Wellness

- As at 30 June 2020, Ansell had \$406.1m cash at bank and short term deposits, \$519.9m interest bearing debt and \$57.6m lease liabilities
- Additional ~\$200m committed undrawn debt
- No significant debt maturities due until F'23
- Conservative gearing with Moody's Baa2 investment grade rating

# Investing to Support Growth

## CAPITAL EXPENDITURE



- Capex in the last 4 years has been around ~3.0-4.0% of sales
- F'21 capex is expected to be elevated as the business undertakes a number of growth/expansion and profit improvement projects
  - ~\$50-60m set aside for growth/expansion projects
  - Investments across all SBUs. Single Use remains elevated with increased spend over F'20 driven by surgical (i.e. synthetics and NRL beaded powder free), mechanical (i.e. RIGS, multi-purpose) and Chemical Body Protection
- F'22 capex also likely to be elevated due to continued investment in capacity and automation

Capex investment has been and will continue to be key to maintaining Ansell's sustainable advantages

# Achieving Good Returns on Previous Investments

	INVESTMENT		AVERAGE RETURN
COMPETITIVENESS	Smart Pack Packaging		45%+
	Chemical Protection Smart Lines		40%+
	3 <sup>rd</sup> Biomass Energy Source In Lanka		35%+
NEW CAPABILITIES	Surgical Synthetic Expansion		50%+
	Hyflex <sup>®</sup> Expansion		>100%
	RIG Expansion		40%+

- Competitiveness investment provide benefits to offset inflationary costs in labour and energy rates
- Biomass energy drives environmental sustainability
- Capacity expansion in high growth markets and new products

Capex investment has been and will continue to be key to maintaining Ansell's sustainable advantages

# Proven Track Record of Strategic Acquisitions & Joint Venture Investments



Careplus (M)  
Sdn Bhd

Date Ann.	Jan-2017	Oct-2018	Feb-2019	Feb-2020
Price	£45m	\$6.7m	\$69.6m	\$8.9m
EV/EBITDA	~7x	N/A	N/A	N/A
Strategic Rationale	Strengthens position in Life Sciences with expanded portfolio and cleanroom manufacturing capabilities	Further consolidates Ansell's leading position in US Emergency Medical Services market	Propels Ansell to become the #2 player in impact protection gloves	Provides additional capacity to meet strong exam & surgical demands
Recent Performance	Recurring annual double digit growth in BioClean™ products	EMS market leadership strengthened with double digit growth in MICROFLEX® ApexPro™ products	Product expansion into new verticals and geographies offsetting O&G market weakness	Investing to expand surgical capacity. Exam supply supporting COVID-19 related demand



Ansell has a track record of achieving accelerated growth from highly synergistic bolt-on acquisitions and joint ventures



# Capital Management Framework

## Strong Balance Sheet

- Comfortable with existing debt levels and investment grade credit profile
- Strong cash generation and existing cash balances sufficient to support business and shareholder needs

## Internal Investment

- Disciplined approach to capex investment – focus on driving growth or improving margins

## Dividends

- Historically has maintained a progressive dividend policy where dividends per share has increased in the last 17 years

## M&A

- Focus on strategic fit, leveraging scale, expanding footprint and capabilities
- Disciplined approach whereby (1) EPS accretive in year 1, (2) base case IRR at least equal to WACC, (3) synergy case IRR at least 1.5x WACC and (4) ROIC > WACC by year 3

## Share Buyback

- Bought back 19.7m shares (~15% issued capital) since F'17 and will opportunistically consider share buybacks to create shareholder value

Ansell's capital allocation ensures the right balance between supporting growth and shareholder returns



# Medium Term Financial Targets

## Target Organic Growth<sup>1</sup>

3 – 5% p.a.

- HGBU growth expected to be higher than IGBU in near term
- F'21 organic growth likely to be significantly higher than these levels

## Target EPS Growth<sup>1</sup>

6 – 12% p.a.

- Price and volume growth combined with operating leverage and increased efficiencies
- Adverse tax impact as Ansell moves to ~22.5-23.5% tax rate by F'22

## Target Cash Conversion

95 – 100%

- Focus on continuing to optimise working capital

## Target ROCE

14 – 15%

- Driving organic growth and margin improvement
- Disciplined capital allocation

1. On a constant currency basis

Ansell updated medium term targets ensure value creation to stakeholders

ersonal use only

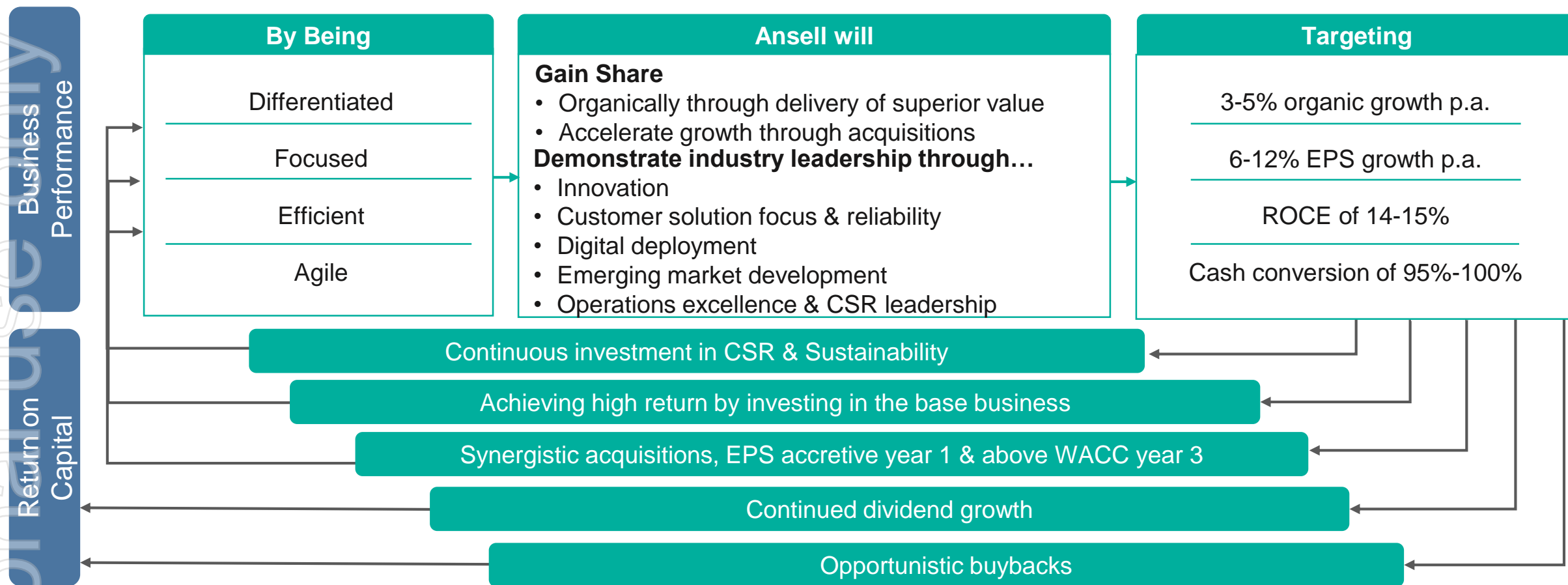
**Ansell**

# 09 Why Ansell

**HyFlex®** **GAMMEX®** **AlphaTec®** **MICROFLEX®**

## CONCLUSION

# Ansell “Tuned” Shareholder Value Creation Model



**Our Foundation :** Engaged & Empowered Employees, Sustainable Business Practices and Strong Values

## CONCLUSION

# Key Takeaways



Ansell is a safety company and safety is more important than ever



Our 8 dimensions of differentiation give us a competitive advantage



Strong foundation established for sustainable top-line growth – NPD, emerging market investments and distributor partnerships



Further advancing digitalisation throughout the organisation (internally & externally)



Continue to incorporate sustainability into our business practices



Capacity expansion and manufacturing automation will help drive business growth while lowering cost



Enhancing the supply chain will deliver improved customer service and further cashflow growth



Strong cash generation and well balanced capital deployment strategy



Diverse, experienced and committed workforce

# Q&A



**MAGNUS NICOLIN**

Managing Director and  
Chief Executive Officer



**ZUBAIR JAVEED**

Chief Financial Officer



**NEIL SALMON**

President of IGBU



**DARRYL NAZARETH**

President of HGBU



**RIKARD FROBERG**

Chief Commercial Officer –  
EMEA & APAC



**RENAE LEARY**

Chief Commercial Officer –  
Americas



**JOHN MARSDEN**

Senior Vice President -  
Operations



**AMANDA MANZONI**

Chief Human Resources Officer