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# Human Resources Committee Charter

Ansell Limited ACN 004 085 330

Adopted by the Board on 20 May 2015

## 1 Role of the Committee and authority

- (a) The Human Resources Committee (**Committee**) is a committee of the board (**Board**) of Ansell Limited (**Ansell**) established in accordance with clause 46 of Ansell's constitution (**Constitution**) and authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.
- (b) Proceedings and meetings of the Committee will be governed by the provisions of the Constitution for regulating the meetings and proceedings of the Board of Ansell in so far as they are applicable and not inconsistent with this Charter.
- (c) The Committee assists the Board in fulfilling its corporate governance responsibilities including:
- determining executive remuneration policy;
  - determining the remuneration of executive directors;
  - reviewing and approving the remuneration of direct reports to the Managing Director, and as appropriate, other senior executives;
  - reviewing the performance of the Managing Director and overseeing the performance review of the senior executives by the Managing Director; and
  - reviewing and approving all cash and equity based plans.
- (d) The Committee is empowered to investigate any matter as it determines necessary to carry out its duties, with full access to all books, records, company operations, and employees of Ansell and has the authority to engage external consultants or other professional advisers.
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## 2 Membership

- (a) The Committee should to the extent practicable given the size and composition of the Board from time to time, comprise of:
- (i) at least three members;
  - (ii) non-executive directors; and
  - (iii) a majority of directors who are independent (and must satisfy this description to the extent required by statute or regulation).
- (b) Membership of the Committee is as approved by the Board.
- (c) The chair of the Committee (**Committee Chair**) should be nominated by the Board and be an independent director who is not the Chairman of the Board (and must satisfy this description if required by statute or regulation).
- (d) Members will be appointed for a fixed period of no more than three years, with Committee members generally being eligible for re-appointment for so long as they meet the relevant criteria.

- (e) The appointment and removal of Committee members is the responsibility of the Board.
- (f) A Committee member may resign as a member of the Committee upon reasonable notice in writing to the Committee Chair.
- (g) If a Committee member ceases to be a director of the Board their appointment as a member of the Committee is automatically terminated with immediate effect.
- (h) The company secretary is secretary to the Committee.

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### 3 Meetings

- (a) The Committee will meet at least twice annually or as frequently as is required to undertake its role effectively.
- (b) Any Committee member may, and the company secretary must upon request from any member, convene a meeting of the Committee.
- (c) A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee (with a copy to all Board Members) at least seven days prior to the date of the meeting. The notice for members will include relevant supporting papers for the agenda items to be discussed.
- (d) The Committee may invite any executive director, executive or other staff member to attend all or part of a meeting of the Committee.
- (e) The Committee may, with the approval of the Committee Chair, seek independent advice from external consultants to enable the Committee to properly carry out its functions and meet its objectives.
- (f) The proceedings of all meetings will be minuted by the company secretary. The company secretary shall distribute full minutes to all Committee members, non-executive directors and the Chairman of the Board, after preliminary approval has been received from the Committee Chairman. Extracts of minutes and supporting schedules will be provided to management as required for action. Agendas and supporting papers will be made available to any director upon request to the company secretary, providing no conflict of interest exists.
- (g) All minutes of the Committee are available for inspection by any director of the Board.
- (h) A quorum for any meeting will be at least two Committee members.
- (i) The Committee may request the Chief Human Resources Officer (and her successor in title) to provide any information or carry out any task that may be necessary to enable the Committee properly to carry out its functions and meet its objectives.
- (j) The Committee must obtain approval from the Committee Chair before obtaining advice from external consultants or professional advisers.

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### 4 Duties and responsibilities

- 4.1 The Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities in relation to Ansell's corporate governance responsibilities as set out below:
  - (i) Executive remuneration policy, including:

- (A) reviewing and approving the Company's policy for determining executive remuneration including, but not limited to, superannuation, pension and compensation payments, and any amendments to that policy proposed from time to time;
  - (B) reviewing the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs, including a review of the Company's recruitment, retention and termination policies and procedures for senior management;
  - (C) determining when it is appropriate to seek shareholder approval of changes to the executive remuneration policy; and
  - (D) overseeing the implementation of this remuneration policy within the Group.
- (ii) Executive Directors and Senior Management remuneration policy including:
- (A) considering and making recommendations to the Ansell Board on the entire specific remuneration for each Executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy. The Committee will need to determine whether any shareholder approvals are required; and
  - (B) reviewing and approving the proposed remuneration arrangements (including incentive awards, equity awards and service contracts) for the direct reports of the Managing Director.
- (iii) Executive Incentive Plans including:
- (A) reviewing and approving the design of all executive incentive plans; and
  - (B) reviewing and approving the total proposed payments from each executive incentive plan.
- (iv) Equity Based Plans including:
- (A) reviewing and approving the design of all equity based plans;
  - (B) keeping all plans under review in the light of legislative, regulatory and market developments;
  - (C) for each equity based plan, determining each year whether awards will be made under that plan;
  - (D) reviewing and approving total proposed awards under each plan;
  - (E) In addition to considering awards to Executive Directors and direct reports to the Managing Director, reviewing and approving proposed awards under each plan on an individual basis for executives as required under the rules governing each plan or as determined by the Committee; and
  - (F) Reviewing, approving and keeping under review performance hurdles for each equity-based plan.
- (v) Non-Executive Director Remuneration including:

- (A) requiring that remuneration of non-executive Directors is determined by the Ansell Board. The Committee may request management or external consultants to provide necessary information upon which the Board may make its determination.
  - (vi) Evaluation of Board and Committees
    - (A) Overseeing the self-assessment by the Board and Board Committees, with a view to ensuring that the evaluation processes employed accord with best practice
  - (vii) The Committee shall perform other duties and activities that it or the Ansell Board considers appropriate in the context of these terms of reference. These may include, but are not limited to the retirement plans of the Company.
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## 5 Reporting

- (a) The Committee will:
    - (i) report to the Board on all matters relevant to the Committee's role and responsibilities; and
    - (ii) report and, as appropriate, make recommendations to the Board after each Committee meeting on matters dealt with by the Committee;
  - (b) Minutes of Committee meetings will be included in the papers for the next full Board meeting.
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## 6 Approvals

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or contract terms of Executive Directors and direct reports to the Managing Director;
- (b) the design of new, or amendments to current, equity plans or executive cash-based incentive plans;
- (c) total level of award proposed from equity plans or executive cash-base incentive plans; and
- (d) termination payments to Executive Directors or direct reports to the Managing Director. Termination payments to other departing executive management team members should be reported to the Committee at its next meeting.

This Committee will subject the Charter and activities of the Committee to periodic review, to meet the evolving needs of the Company and changes in the corporate governance environment. The Committee will recommend to the Ansell Board the formal adoption of the revised Charter of the Committee.

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## 7 Committee performance

- (a) The Board will, at least once in each year, review the membership and Charter of the Committee to determine their respective adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.

- (b) The Committee shall make an evaluation of its performance at least once every two years to determine whether it is functioning effectively by reference to current best practice.