

## Statement from Ansell to the Business & Human Rights Resource Centre

The *Sydney Morning Herald* article of 14 August misrepresents important aspects of the process by which Ansell ended the employment of 42 workers at its Lat Krabang facility near Bangkok in July.

Ansell confirms that in July 42 workers at Lat Krabang were notified that their employment would be ending upon expiry of their work permits on 31 July. This decision was made after considering future labour requirements for the factory, as per normal operational processes.

The 42 workers, all Myanmar nationals, had previously been employed through a third-party labour contractor before transferring to direct employment by Ansell in 2022.

After being advised of the decision four of the workers voluntarily chose to return to Myanmar. The other 38 workers remained in Thailand and commenced seeking new employment under transitional Thai labour arrangements in place at the time. They remain in Thailand legally and are not at risk of forced deportation or trafficking as the article suggests.

All 42 workers were entitled to their final wages, an additional month's pay as notice, and severance pay. Ansell paid every worker their entitlement in full, whether they returned to Myanmar or stayed in Thailand. At no time was it ever Ansell's intention to withhold severance payments until the workers returned to Myanmar.

In line with Thai law, severance payments made to date correspond to the length of time each worker has been employed directly by Ansell. Our intention is to go beyond the minimum required and extend additional financial support to our former workers to assist their transition to new employment. We are working with the Thai Ministry of Labour to finalise this additional support, which will recognise in part their prior employment with Ansell as contract labour.

Ansell prefers wherever possible to employ migrant workers directly rather than through third-party labour agents, as the best way to ensure these workers are subject to better labour standards and conditions of employment. In 2022, Ansell transferred over 1,200 workers from labour hire to direct employment in Thailand. Most of these workers are still directly employed by Ansell.

Ansell's commitment to eliminating conditions of modern slavery is genuine. Third-party audits of labour conditions at manufacturing plants are an important focus for the company; in the 12 months to 30 June 2023 Ansell initiated three Forced Labour Indicator (FLI) audits and 10 Sedex Members Ethical Trade Audits (SMETA) audits on its own sites and facilitated 45 third-party audits of suppliers worldwide. The audits show Ansell consistently meets or exceeds globally accepted benchmarks for labour conditions, and improved compliance among suppliers.

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31 August 2023