

Business-to-Business (B2B)

The Company's Business-to-Business (B2B) segment covers Professional Hygiene and Incontinence Healthcare product categories. Our Professional Hygiene products, including hand towels, toilet and facial tissue, serviettes, soaps and other hygiene accessories are sold under the Tork brand to the hospitality sector, schools, hospitals, shopping centres and industrial companies. Our TENA Incontinence Care products and support services are provided to healthcare professionals in residential and community care facilities, retirement villages and hospitals.

The Business-to-Business (B2B) segment in 2018 saw strong sales growth in Incontinence Healthcare with modest growth in Professional Hygiene. Total revenue grew 1.2 per cent. Significant input cost increases for pulp were slightly offset by a favourable exchange rate and tight cost control.

In 2018, Incontinence Healthcare realised the full year benefit of major contracts signed in 2017 and achieved top line growth of 5.2 per cent in Australia and 7.6 per cent in New Zealand over the year prior.

For Professional Hygiene in 2018, it grew its branded dispensing systems, renewed major contracts and agreed on an in-principle extension of its Trade Mark and Technology License (TMTLA) until 2027. Revenue was impacted by the loss of a low margin private label contract.

FINANCIAL REVIEW – B2B

A\$ MILLION	UNDERLYING 2018	UNDERLYING 2017	GROWTH %
Revenue	218.2	215.5	1.2%
EBITDA	45.1	51.5	(12.4%)
EBITDA Margin	20.7%	23.9%	(3.2pp)

Note: A reconciliation is provided between the reported results and the statutory result on page 43. Discontinued operations are not included in table data.



Tena Incontinence Healthcare

The demand for health care services and facilities is growing as our society ages. Inevitably, more people will need care whether they live at home or in professional residential care.

Proper management of incontinence is important to ensure older people can continue to lead a full and happy life, doing the things they want to do.

In the years ahead, we see strong demand for our TENA products and services. TENA Incontinence products and support services are provided through residential and community care facilities, retirement villages and hospitals.

TENA's dedicated healthcare team, from the medical and aged care industries and experienced care givers, offer best practice incontinence services and expertise.

Growing need for high quality care

The aged care industry is coming under closer scrutiny through the Royal Commission into Aged Care Quality and Safety established in October 2018. The Commission will examine a wide range of issues including how aged care services are best delivered.

TENA is uniquely positioned to support customers to provide quality care through our innovative, high-performing products coupled with best practice continence management processes and tools supported by expert in-field account managers.

In the residential care sector, we delivered two key initiatives in 2018 to improve care with the launch of TENA Flex Ultima and the piloting of TENA identi.

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TENA Flex Ultima popular in residential aged care homes

TENA Flex Ultima absorbent pads have the highest level of absorbency in the market. TENA Flex Ultima is recommended for people with large night time urine voids. The product is proving to be popular in residential aged care homes. Healthcare professionals can see the benefits of improved sleep and day time behaviour when residents no longer need to be woken during the night for pad changes.

TENA identifi – to launch in 2019 – offers better reporting accuracy

We successfully piloted TENA identifi, an incontinence assessment tool that utilises sensors in pads to accurately measure the amount and frequency of urinary episodes. With its sophisticated measurement capability, TENA identifi supports high quality individualised care.

A data logger on the pad delivers information to the cloud which translates into a three-day bladder report for clinical staff to review. The report is used to create a toileting plan and product prescription more accurate than the current manual method.

TENA identifi will be launched to the market in 2019 and provides a key point of product differentiation.

Growth in home care for elderly

With changes to government funding, the number of elderly being cared for at home rather than in residential aged care homes is rising. As a result, we aim to support healthcare professionals in the community who help people manage continence in a home care setting.

In 2018, we launched the TENA assist program for health care professionals. The program provides them with the tools to recommend the right products and improved access to our product sampling service. Through sampling, people can trial products and find the most suitable solution.



Tork EasyCube – the No 1 data-driven cleaning management solution – won the 2018 InClean Australian Innovation Award for Services and Technology.

Professional Hygiene

Tork is the leading global brand in workplace hygiene offering solutions ranging from paper towels in hospitals to napkin dispensers in fast food restaurants.

As a leading brand in Australia and New Zealand, we put sustainability to work in practice through innovation and partnership.

Sustainability is integrated into everything we do, from the superior dispensers and products we offer to improving processes. For example, we make daily work for cleaners easier and more effective with smart packaging and services like Tork Easy Handling and Tork EasyCube that saves money and effort.

Our sustainable offer is assured through having the largest range of independent, third-party product certifications and the publication of Environmental Product Declarations on the full life cycle impact of our largest volume products.





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Growth in differentiated offer

Our Tork B2B channel continues to grow through winning new contracts and selling innovative, value-added products and systems that deliver cost savings and service improvements.

In 2018, sales of our unique proprietary dispensing systems increased and now represent approximately 34 per cent of total sales for the business segment.

We further strengthened our SmartOne toilet paper offering with the launch of the Jumbo dispenser. The new dispenser comes in white, black and stainless steel for high capacity areas with a robust design requirement. Sales of SmartOne continue to grow strongly.

In 2018, we had a strong focus on the food processing sector with an education campaign about using Food Zone Primary certified products to ensure food safety. Tork wipers and cloths used in this sector are the only products to achieve this certification. We also launched a new top of the range industrial wiper. The wiper is starting to be used in the aerospace, defence and transport industries where customers particularly appreciate our superior dispensers.

Tork EasyCube innovation award

Tork EasyCube is a cleaning management software solution for facility management. Using people counters and sensor-connected dispensers, EasyCube provides real-time data on visitor numbers and dispenser refill levels to deliver demand-driven cleaning plans to facility management employees.

Tork EasyCube is the number one data-driven cleaning management solution with a large customer base globally and the most complete software solution in the market.

Tork EasyCube was officially launched in Australia at the 2018 ISSA (International Sanitary Supply Association) cleaning show where we were proud to win the InClean Australian Innovation Award for Services and Technology.

We have had a great deal of interest from high traffic venues and expect to see several installations in 2019.