

Ansell



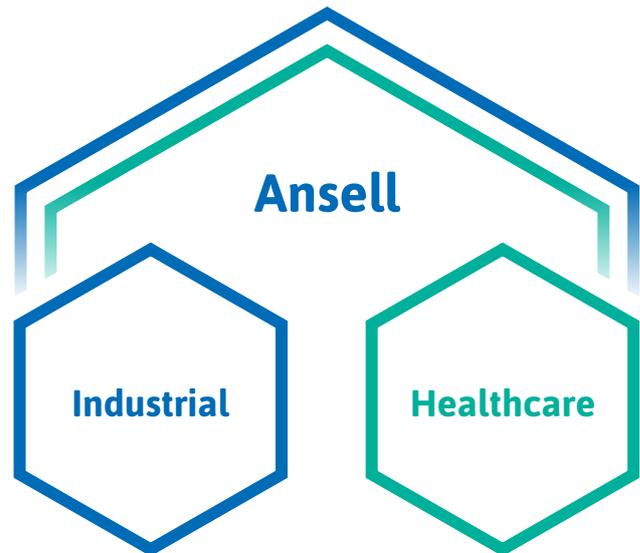
PROTECTION REIMAGINED



2017
Corporate Social Responsibility
& Sustainability Report

Protection Reimagined

At Ansell, we continue to challenge ourselves on how best to serve our customers. During the next year, Ansell will be simplifying its business structure. Following the sale of the Sexual Wellness business, Ansell will merge its Single Use and Medical GBUs into a single Healthcare GBU. The Industrial GBU will remain largely unchanged. The goal is to deliver a more streamlined business proposition to customers.



Our Values





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Made in Mexico

Corporate Social Responsibility & Sustainability Report



Introduction

Ansell's commitment to protection goes well beyond the solutions we bring to the market. We seek to lead transformational change within our company and our industry, creating a safer, healthier world. We recognise that our journey is ahead of us but our strategy maintains continuous improvement towards a positive difference.

We believe that the pathway to true stewardship is to bring our core values of Integrity, Transparency, Creativity, Involvement, Passion, Agility, Teamwork and Excellence to our commitment of creating a more sustainable future for Ansell.

In September 2015, the UN adopted the Sustainable Development Goals (SDGs), providing a powerful ambition for improving our world. The SDGs comprise 17 goals and 169 targets that seek to end all forms of poverty, fight inequalities, improve health and education, tackle

Commitment to the United Nation's sustainable development goals

Key focus areas

Business Ethics & Competitive Behavior



Climate & Resource Efficiency



Disaster Preparedness & Response

Health & Safety



Labour Practice & Local Hiring



Product Quality & Recall

Strategic Engagement



Strategic Philanthropy

Talent Development & Recruitment

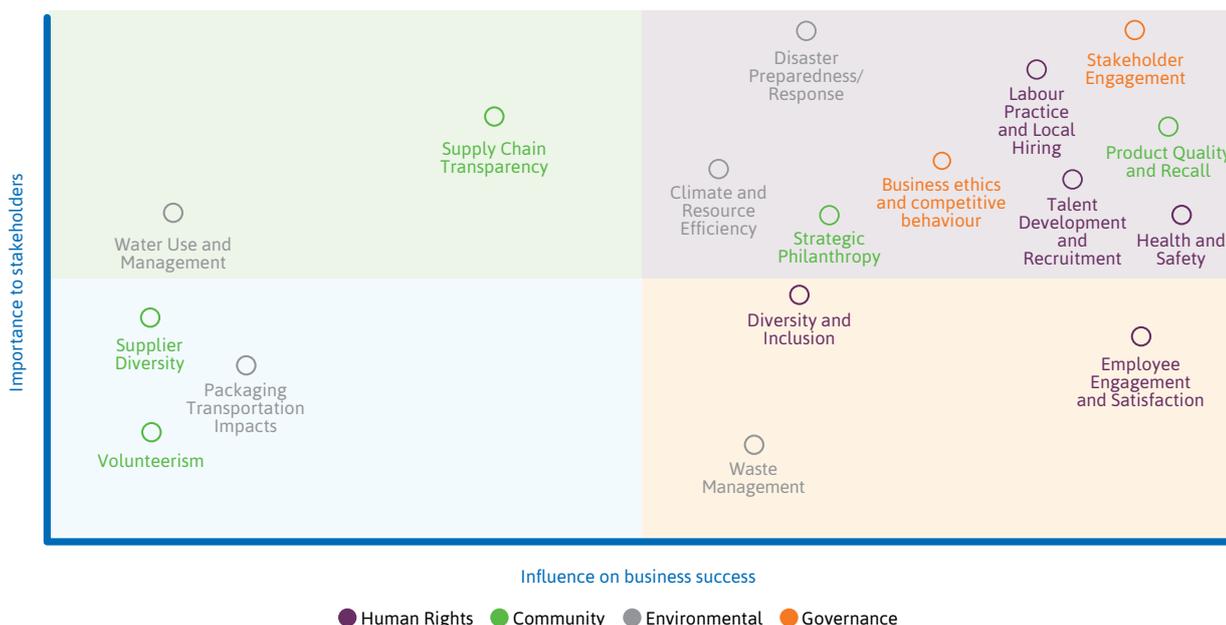


climate change and promote economic growth and prosperity over the next 15 years. Identifying our key sustainability focus areas has enabled us to assess how we can align with the UN Sustainable Development Goals to ensure our

sustainability priorities are consistent with these Global Goals.

Refer to <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html> for more information on the UN Sustainable Development Goals.

Materiality Assessment Map



In FY16, Ansell conducted a materiality mapping study to determine the sustainability issues most important to Ansell's stakeholders and that have the greatest influence on business success. While Ansell is cognisant of and addresses all the issues identified on this Materiality Matrix, nine key focus areas, illustrated in the upper right quartile, have received the greatest attention in FY17. These nine key focus areas are firmly embedded in our protection mission and represent both risks and opportunities. In FY17, we developed a process of governance and made progress in implementing actions to address gaps and enhance strengths in these areas but we know that we still have more work to do. Long-term goals will be established and shared in FY18 as we continue our journey to greater sustainability.

Human Rights

Starting with ethical leadership and continuing along our value chain, Ansell is committed to respecting human rights as established in the United Nations Guiding Principles on Business and Human Rights.

Our People and Human Rights

Ansell operates with a fundamental respect for the people we employ, do business with, and interact with along our value chain and in accordance with local and country governance. In recent years, we have made progress on our sustainability journey on some important issues, most notably the adoption by the Board in FY16 of the Ansell Human Rights Statement (which can be found online at <http://www.ansell.com/en/About/Corporate-Responsibility/About.aspx>) in accordance with the UN Guiding Principles on Business and Human Rights.

The adoption of the Ansell Human Rights Statement is a call to action for all of us at Ansell as we strive to create open and inclusive workplaces where human rights are respected and all employees are valued.

In FY17, we conducted Human Rights Impact Assessments at manufacturing plants in Malaysia, Sri Lanka and Mexico, along with our third-party partner BSR. Human rights risks impacting production workers were identified through this assessment and from reviews by stakeholders in civil society and Ansell has developed policies and actions to mitigate these risks.

“After successfully launching a number of sustainability initiatives during the first year of our partnership, Ansell has once again demonstrated its leadership in their industry sector by undertaking a Human Rights Impact Assessment to identify, prioritise and remedy human rights impacts across its value chain, moving the needle forward on its commitment to sustainable business practices.”

Laura Gitman
Senior Vice President, BSR

A key finding of the Human Rights Impact Assessment concerned production employees working excessive hours. In response to this issue, the Human Resources department implemented online tracking for employee time, attendance, leave and hours of work. This online system went live in June 2017. Overtime hours are now more closely monitored, with monthly reports from the manufacturing plants shared with the head of Human Resources and the Executive Leadership Team, and summary reports provided at Board level.

Additionally, Ansell participated in human rights workshops during FY17 and is in the process of updating and standardising our policies to be more forward looking on human rights issues facing our business today and in future.

Ansell meets or exceeds minimum labour standards and remuneration for its manufacturing organisation and works to ensure that its employees are adequately rewarded for their contributions at, or in most cases, above the prevailing market-rate.

Ansell Code of Conduct

The global Code of Conduct is the foundational policy for the high level of ethical behavior expected by each Ansell employee. Along with other significant policies such as the Ansell Corporate Responsibility Policy and the Modern Slavery Statement, the Code of Conduct can be found online at <http://www.ansell.com/en/About/Corporate-Responsibility/About.aspx> as well as on the employee Intranet.

The Code of Conduct outlines the options available to all Ansell employees to report concerns and seek advice without fear of retaliation, and provides information on the additional obligations of supervisors and managers.

The Code of Conduct explains Ansell’s fair employment practices. We respect workers’ rights to freedom of association as well as collective bargaining in all our businesses. Ansell further ensures freedom of movement for its contract workers. Ansell has a firm policy against child labour and verifies the ages of workers in its operations.

Supplier Accountability

Ansell expects the same degree of respect for human rights from our suppliers. We expect that suppliers will comply with all applicable laws and regulations in the manufacture and distribution of our products, and in providing us their services.

All suppliers are required to review and add their signature to the Ansell Supplier Code of Conduct (which can be found online at <http://www.ansell.com/-/media/Corporate/MainWebsite/About/Corporate/Corporate-Governance/Supplier-Code-of-Conduct.ashx?la=en>).

We require that all material direct suppliers of Ansell products whose contracts with our Company exceed US\$100,000 comply with our Third-Party Social Accountability Policy. These suppliers must demonstrate their compliance with this policy at Ansell’s request, and may be subject to audits and self-assessments.

In FY17, Ansell began working with its partner Sedex, a not-for-profit association, on a process to assess risk within our supply chain, verifying the ethical practices of Ansell suppliers, and identifying areas of strength and improvement within the Company’s supply chain.

“Ansell’s valued membership of Sedex enables them to collaborate with their global supplier base on responsible sourcing practices. We are delighted to support Ansell in their continued strengthening of CSR performance, and to support them, as with all our members, with their continuous improvement programs.”

Jonathan Ivelaw-Chapman
CEO, Sedex



If you are viewing this report electronically, click or tap the image above to see what Ansell employees think about Human Rights.

Corporate Social Responsibility & Sustainability Report

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Human Rights Day

On December 10, 2016, Ansell employees around the world commemorated Human Rights Day, the day on which, in 1948, the United Nations General Assembly adopted the Universal Declaration of Human Rights. Ansell employees demonstrated their belief that human rights are those basic rights inherent to all human beings that form the foundation for freedom, justice and peace, and which apply equally in all countries.

From 'being treated fairly and with respect and dignity' to 'having a fair say without discrimination,' Ansell employees shared their beliefs via videos responding to the question, "What matters most to me about Human Rights?"

Human Capital Management

The Ansell Human Resources Committee, chaired by a member of the Board of Directors, has oversight for the management of people resources at Ansell. Employees are at the core of our business success and we focus significant resources on workforce acquisition, workforce management and workforce optimisation company-wide. People risks updates are provided to the Board regularly through the Risk Committee, chaired by a member of the Board of Directors. The Executive Leadership Team and the Board Risk Committee provide oversight for the actions and results of the CSR Steering Committee at Ansell.

Programs, policies and procedures are in place to nurture employee engagement. In FY16 Ansell launched a global onboarding program to increase retention and expanded the program to Ansell manufacturing facilities in FY17. Responding to employee feedback from the 2015 Employee Engagement and Culture Survey, Ansell launched and expanded training and management programs in FY 17 to enable employees to develop their professional goals and support their ability to contribute effectively to the organisation.

Recruitment, Talent Development and Retention

At Ansell, we are building a strong global leadership foundation anchored around the Company's core Leadership Competencies. We are introducing new programs and expanding existing programs to better develop Ansell people, those individuals around the world who rise to the challenges of meeting the Company's evolving business needs daily.

Leadership Competencies encourage employee engagement and frame the commitments we make to Ansell's workers, customers, consumers and shareholders. Building on the 2015 Employee Engagement and Culture Survey, several new programs for employees at various levels within the Company have been introduced to increase employee productivity while reinforcing existing skills. At Ansell, we're building leaders.

Demonstrating the Ansell Values of

Integrity
Trustworthiness
Creativity
Involvement
Passion
Agility
Teamwork
Excellence

through an Innovative and Engaging Culture where our leaders are

People Oriented

Bringing out the best in others to work collaboratively in a global environment

Candid & Transparent

Speaking openly with respect for all

Decisive

Taking action with good judgement

Global & Long-Term Oriented

Creating a compelling future and destination

Growth focused

Innovating to be faster, better, smarter

Proactive

Initiating and driving change

Risk Tolerant

Taking calculated risks for disruptive change



"Being a part of Ansell's Global Management development program has been an amazing experience! As a leader, we challenge ourselves to develop our managerial style to help our employees to be high performers, foster employee engagement, and create a good collaborative working environment. The GMD has helped me to achieve these objectives."

Ornsuma Phatthanasing
Sr Analyst, Finance Lat Krabang



Global Supervisor Development

Early in FY17, we set out to create an Ansell-customised leadership development program targeted primarily at people managers in the plants. Leveraging input from many of those supervisors as well as senior leaders, we crafted a 6-day leadership program which is delivered over a 6-month period using a blend of classroom and experiential learning. The Supervisor program covers leadership fundamentals: coaching, delegating, motivating, performance management and communications. The program was piloted at the Bangalore plant and then delivered in Thailand. In FY18, the program will expand to manufacturing plants in Malaysia and Sri Lanka.

Global Manager Development

More than 27 sessions have been held around the Ansell world, training over 500 managers. This interactive and engaging learning experience strengthens the ability of managers to lead and coach direct reports and to collaborate with cross-functional teams in a way that energises and motivates them to higher levels of performance. Managers learn foundational skills that are key not only to the growth of Ansell but to each manager's own professional and personal development as well.

Recognition by Development

Feedback from the 2015 Employee Engagement and Culture Survey indicated that employees were not receiving appropriate recognition (beyond pay and benefits) for their contributions and accomplishments. This half-day program was created for all people managers around the world, led by production line managers in partnership with Human Resources. Eighty percent of all Ansell people managers have completed the program and the 2017 Employee Engagement and Culture Survey showed significant improvement in that specific survey item.

Ansell360 Feedback

Ansell360 is our customised 360 feedback program. The approach leverages the rigor, validity and reliability offered through the technology provided by the Center for Creative Leadership. The Ansell360 is also driven by Ansell's seven Leadership Competencies. Employees who participate in the Ansell360 receive

comprehensive development feedback aligned to our Leadership Competencies. To date, nearly 150 leaders, including the Executive Leadership Team, have participated in the Ansell360 process.

Corporate Athlete

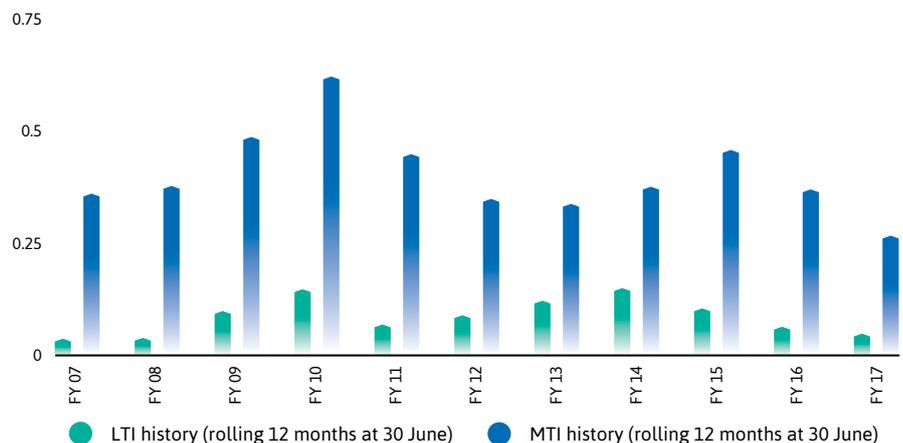
Ansell has partnered with Johnson & Johnson's Human Performance Institute to deliver the Corporate Athlete program. This one-day program, which is facilitated by Ansell, focuses on comprehensive energy management. By integrating the sciences of performance psychology, exercise physiology and nutrition, Ansell is training employees to effectively maximise their energy. In FY17, we delivered the program twice and received outstandingly positive feedback. We plan to deliver 12 additional sessions in FY18.



Ansell University provides a way for employees to balance life, work and professional development. In FY17, employees completed just over 10,000 online learning modules anchored around the Ansell Leadership Competencies.

The most-accessed trainings in FY17 included instructor-led Corporate Athlete, Recognition by Development, Global Manager Development and Global Supervisor Development.

Lost Time Injuries (LTIs) and Medical Treatment Injuries (MTIs) per 100 employees per annum. These figures continue to be at historically very low levels.



This chart is current as of 30 June 2017.

Corporate Social Responsibility & Sustainability Report

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Most viewed eLearning courses in FY17 included Distracted Driving, Office Ergonomics, Unconscious Bias, Comprehending Financials: A Guide to Financial Statements, Gender Dynamics & Talent Development and LinkedIn's 'Rock Your Profile,' as well as Ansell Code of Conduct, Internet Security and other mandatory trainings.



Employee Engagement

In FY15, Ansell completed its first ever all-employee engagement and culture survey. Responding to the feedback we received, Ansell launched several initiatives ranging from leadership development training to structural mechanisms to diversity initiatives.

In FY17, Ansell completed its second I AM ANSELL Employee Engagement and Culture Survey of our 15,000+ member workforce. An impressive ninety-one percent of employees responded to the survey and let their voices be heard.

Overall, Ansell's employee engagement score increased two percentage points, to 63%, demonstrating that the initiatives we put into place are having an important impact. In addition, Ansell's engagement score is significantly higher than the benchmark for global manufacturing companies. Ansell is committed to developing key areas of focus, continuing to progress in leading our industry by putting people first.

Employee Health and Safety

As a manufacturer of personal protection equipment, Ansell maintains a sustained focus on EH&S and holds a commitment to a high-level safety and risk management performance on behalf of our employees and contractors around the world. Injury and illness statistics continue at 'World Class' levels and favourably compare to competitors and industry safety leaders.

In May 2016, however, Ansell experienced a loss of life accident at its manufacturing facility in Thailand. In addition to supporting the family of the deceased, Ansell responded by reviewing its safety training policies and procedures and by reinforcing safety awareness for its employees worldwide.

In FY17, to prevent future serious injuries and fatalities, Ansell's Risk Management leadership prioritised 12 high risk areas and has initiated a program to focus special attention on a new safety area every 120 days.



Safety areas surveyed to date include Work at Heights, Lock Out-Tag Out, Safeguarding of Machinery, and Hazardous Substances. The methodology requires completion of a survey, identification of action items to overcome performance gaps, and implementation of the action items. All Executive Leadership Team and plant meetings at Ansell now begin with a moment dedicated to safety awareness.

During Safety Month in June 2017, safety trainings and awareness building initiatives were further highlighted at Ansell locations around the globe as well as online, through Ansell University.

Additionally, in FY17, in our commitment to safeguard workers and protect the Company's business assets, Ansell spent US\$0.9 million to install new fire protection systems or upgrade existing fire protection systems at its manufacturing facilities.





Travel Alert System

At Ansell, employee safety is our highest priority. In FY17, Ansell launched a risk management initiative empowering employees to travel with confidence and receive important updates. As part of a new Ansell risk management program we have partnered with an industry-leading travel risk management company, to ensure greater confidence, both at home and when traveling abroad, by providing security alerts, travel information and health updates via a mobile app.

Employee Turnover Data FY17

		FY16 (%)	FY17 (%)
Turnover	Male staff	18.0	23.0
Turnover	Female staff	18.8	22.4
Total Turnover		18.4	22.7

Some degree of employee turnover can be attributed to enhanced automation and new technology that reduces the number of employees required for manufacturing processes. To counter increased employee turnover not attributed to these workplace efficiencies, specific remedies have been placed into action.

An employee onboarding program, introduced in FY16, has been expanded to manufacturing facilities to enhance both integration to Ansell and employee retention. A full benefits review has taken place in Malaysia with changes in FY18 to better align several benefits to market practice. Compensation for production workers in Mexico was reviewed, resulting in some adjustments. Mexico and other

plants have had employee engagement activities including enhanced training, including physical therapy exercises, as well as monthly social events such as Mother’s Day celebrations, picnics and sporting contests.

All new employees are assigned a ‘buddy’ to support the new hire through this transition. Human Resources Business Partners conduct ‘Walk and Talks’ at each site, communicating with workers on the plant floor. Feedback is summarised to the management team, as input for corrective actions.

Turnover status is the topic of a monthly review with each local management team. Workers leaving Ansell are asked to participate in an exit interview, and this feedback is also used for corrective action. A worker referral program rewards employees who introduce a friend or colleague to Ansell, who is hired, and helps to maintain a pipeline of potential new hires.

Diversity and Inclusion

Companies that lead in performance have diverse workforces, supporting the belief that achieving equality and empowerment for women in the workplace makes good business sense. In FY16, the Board confirmed its strategies designed to

increase diversity. As part of this drive, the Board agreed on gender diversity objectives to be achieved by 2020.

While the number of women leaders at Ansell remained essentially flat between FY16 and FY17, several new programs have been introduced to improve gender diversity at all levels and especially within the Company’s senior leadership ranks. Ansell also maintains a robust pipeline of high-potential women who have the capacity and desire to take charge of positions of increasingly higher responsibility as they become available.

Mentorship Program for Ansell Women

In FY17, Ansell worked to enrich the gender diversity profile of our management employees with the launch of a new mentorship program in North America which attracted 55 female managers seeking mentorship, and 35 mentors.

Aimed at increasing the number of women in top jobs, this mentorship program is being replicated in other Regions at Ansell. Through mentoring, women at Ansell are being motivated, supported, challenged and inspired as they develop personally and professionally.

Creating Better Gender Balance

Women in Leadership Percentages at Ansell

	Roles	FY16 (%)	FY17 (%)
Non-Executive Directors	Board of Directors	29.0	29.0
Executive Leadership	Director level and above	19.0	19.9
Management	Manager level through Associate Director	32.0	32.4

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Breakthrough Leadership for Women

In FY17, a groundbreaking training course was offered to 22 Ansell women working at different levels of the Company and around the globe.

Highly interactive, the program enhanced each woman's skillset to provide leadership in her current position, expanded each woman's understanding of the requirements for leadership at higher levels, and prepared participants to develop and demonstrate their ability to lead as they move forward at Ansell.

The training included sections on Career Enablers for Leadership, Foundation of Business Acumen, Speaking the Language of Power, Strategic Relationships, PIR: Performance of the Business, and Image, Exposure, Mentoring and Action Planning. Ansell women identified the Missing 33%™, as Ansell consultant Susan Colantuono calls that missing 33% of a woman's background that keeps her from reaching the top.



Women's Leadership Forum

Celebrating its two-year anniversary, the Women's Leadership Forum (WLF) at Ansell is addressing issues fueling the leadership gender gap by helping to provide women with the tools needed to develop in preparation for larger roles.

FY17 initiatives include:

- Launching WLF groups in Australia, Brazil, EMEA, Malaysia and North America
- Conducting learning sessions and presentations around the world, including topics such as Unconscious Bias, Speed Networking, and presentations by external speakers and members of Ansell's own Executive Leadership Team
- Providing opportunities for mentoring, financial acumen training, and professional development and growth
- Female Board members held informal learning sessions at each hub.

International Women's Day

#BEBOLDFORCHANGE was the theme of the 2017 International Women's Day on March 8, 2017, a global day celebrating the social, economic, cultural and political achievements of women. This annual observance also marks a call to action for accelerating gender parity.

Ansell employees around the world used the occasion to speak up about their own ideas on how to progress gender parity. Using brief handheld videos, employees spoke movingly about their own personal beliefs and how they will commit to taking individual actions to increase gender parity at Ansell.

Click on the images below to see what Ansell employees think about women's rights.



Alin Popescu
Victoria Gardens, Australia



Christina Foo
Melaka, Malaysia



Suraiya Yaacub
Cyberjaya, Malaysia



John Martensen
Reno, Nevada USA

"If you set a flexible and inclusive culture that emphasises productivity over presenteeism (being in the workplace but not fully functioning because of illness, stress or other distraction), that ethic will quickly filter through."

Suraiya Yaacub
Video Participant

Financial and Business Acumen Training

In FY17, under the auspices of the Women’s Leadership Forum, employees in North America, Australia and Brussels were invited to join an interactive Financial & Business Acumen Training Workshop. Hundreds of Ansell employees – both men and women – took advantage of the opportunity to better understand how Ansell business drives and is driven by strategy and finance. In FY18, the training will be extended to Malaysia, with plans for future presentations at additional Ansell sites.

Positive Response to HERhealth Pilot

Workers have embraced the HERhealth pilot that launched earlier this year at Ansell plants in Xiamen, China; Bangalore, India; and Dong Nai Province, Vietnam. HERhealth, which was created by Ansell’s partner BSR in 2007, brings important health information and services to women in the workplace.

HERproject programs, which includes HERhealth, have reached over 500,000 women workers around the world, 80% of whom report influencing others, leading to approximately one million beneficiaries.

Over 90% of female employees (and many men!) in the three Ansell plants have engaged in HERhealth education. Ansell employees trained by HERhealth as peer instructors led sessions on general and reproductive health, diet, exercise, preventative care, family health and health misconceptions. Female workers also gain access to important health screenings.

Sessions take place during working hours and have strengthened communication and comradely among workers. The program will continue, educating new female hires.



Thirty workers in Xiamen, China formed the new Happy Jogging Club.



Workers in Bangalore, India learn the importance of starting the day with a healthy breakfast.



A health awareness assessment being conducted with operators in Dong Nai Province, Vietnam.

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Community

Ansell steps in to lend a helping hand when disaster or disease strike. Ansell employees share a commitment to building a better life for people in our hometowns and to creating a safer, healthier world. It's a part of our culture, one that is helping to make us an employer of choice.

Corporate Philanthropy and Community Engagement



Ansell Global Partnership with Operation Smile

In FY16, Ansell announced a global partnership with Operation Smile, a non-profit organisation providing corrective surgery to children born with cleft palate, cleft lip and other facial deformities, bringing smiles to the faces of underprivileged kids. Our support included the donation of nitrile examination gloves and sterile marking pens.

In FY17, Ansell employees went beyond product donations to the heart of the cause, volunteering to assist on a medical mission to West Bengal, India. Joining Team Operation Smile were Anna Lobanova, Director of Emerging Markets for EMEA/APAC region, and Rajat Khosla, Marketing Manager for Indian Sub-Continent.

Earth Day Activities Across Ansell

Demonstrating a commitment to environmental stewardship, several Ansell manufacturing sites shared green initiatives to celebrate Earth Day. Ansell Lat Krabang and Ansell Korea organised Big Cleaning Day and educated employees on individual actions that have environmental impact. Ansell Thailand highlighted a program to recycle ash waste from its biomass boiler into organic fertiliser and soil conditioner. Ansell Vina switched incandescent lighting to LED lighting, reducing energy consumption by 60%. Ansell Suratthani eliminated 1.1 tons of CO₂e annually by adding thicker thermal insulation on its dipping lines. Blowtex Aluminio, in Brazil, upgraded its effluent treatment plant to ensure the quality of the discharge and helping protect the local ecosystem.

Glove Donation in Northern Peru

In March 2017, Peru suffered its worst flooding in decades, in which 94 people lost their lives. More than 115,000 homes and 100 bridges were damaged, and over 700,000 people were left homeless in 12 of the country's 25 regions. Rain storms burst river banks, caused mudslides, closed roads and forced schools and official buildings to close. ActivArmr[®] gloves were welcome donations for rescue brigades supporting the city of Piura.



Helping Our Own in Suratthani

From December 2016 through January 2017, devastating floods impacted more than 1.72 million people in Thailand. Roads and bridges were washed out and rail service was inoperable. The homes of many Ansell Suratthani employees were flooded. To help their colleagues, employees from Ansell Lat Krabang rallied together to donate more than a ton of rice plus 7,750 pairs of gloves to help the flood victims. Throughout a two-week period, the Suratthani management team monitored the situation and helped move affected employees and their families, often by boat, to safety.



A Piece of Cake for a Cause in Portugal

Each year, Ansell Portugal employees pick up the challenge to don their “chef’s” hats and bake for a cause close to their hearts and communities. In FY17, Ansell Portugal supported ‘To Believe,’ an association of parents and friends of children with cancer. Donations included a wide assortment of home appliances, school supplies and basic needs.



A Makeover at Ampara Gonagala School in Sri Lanka

With the intention of creating a better learning environment for isolated Gonagala School in Ampara, Sri Lanka, the Global Engineering team from Ansell Lanka helped to meet the school’s goals to restore the schoolhouse after it was hit by a series of natural disasters and a 30-year war. The Global Engineering team organised an effort to refurbish the school library, donated stationary, educational supplies and bookbags for each student, plus sports equipment and a sound system for the school’s auditorium. Members of the Ansell team also conducted a Mathematics and Science seminar.



I AM ANSELL Employee Engagement and Culture Survey Donation

CEO Magnus Nicolin once again posed a challenge to Ansell workers tied to employee survey participation.

Once again surpassing the top percentage of participation, Ansell donated US\$25,000 to Direct Relief in FY17.

Trees For Our Future

In FY17, employees Ansell-wide celebrated Earth Day. To mark Earth Day, Ansell Lanka and Ansell Textiles Lanka embarked on a project that engaged each employee, all working together to create an “Ansell Protected World.”

Commemorating Earth Day in FY17, the Lanka Management Team distributed more than 3,400 fruit trees, one to each employee, who in turn planted the trees around their homes. These trees will yield both shade and fruit, and represent Ansell’s company wide efforts to offset CO₂ levels in the environment.

During the week leading up to Earth Day, employees participated in awareness building sessions on climate change and learned simple “life hacks” to reduce their individual impact on the environment.



Product Donations

In the right hands, a pair of gloves can do extraordinary things. In FY17, Ansell donated more than 200,000 pairs of gloves to long-time charitable partner Direct Relief. These product donations were used to help people in need following natural disasters and disease outbreak in Argentina, Armenia, Dominican Republic, Guatemala, Haiti, United States and Venezuela.

Ansell is proud to support Direct “Reliefs” mission to “improve the health and lives of people affected by poverty or emergency situations by mobilising and providing essential medical resources needed for their care.”

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Environment

We are making smart environmental decisions for the future and implementing new climate and resource efficiencies as we manage increased productivity with a commitment to safety and sustainability on behalf of our employees and stakeholders.

Ansell is a world-class manufacturer and in FY17 operated 19 manufacturing sites throughout Asia, the Americas and Europe, and has an extensive third party supply chain. Ansell is committed to sustainable practices in its manufacturing processes and supply chain, demonstrating its environmental stewardship and effectively managing the risk of its operations.

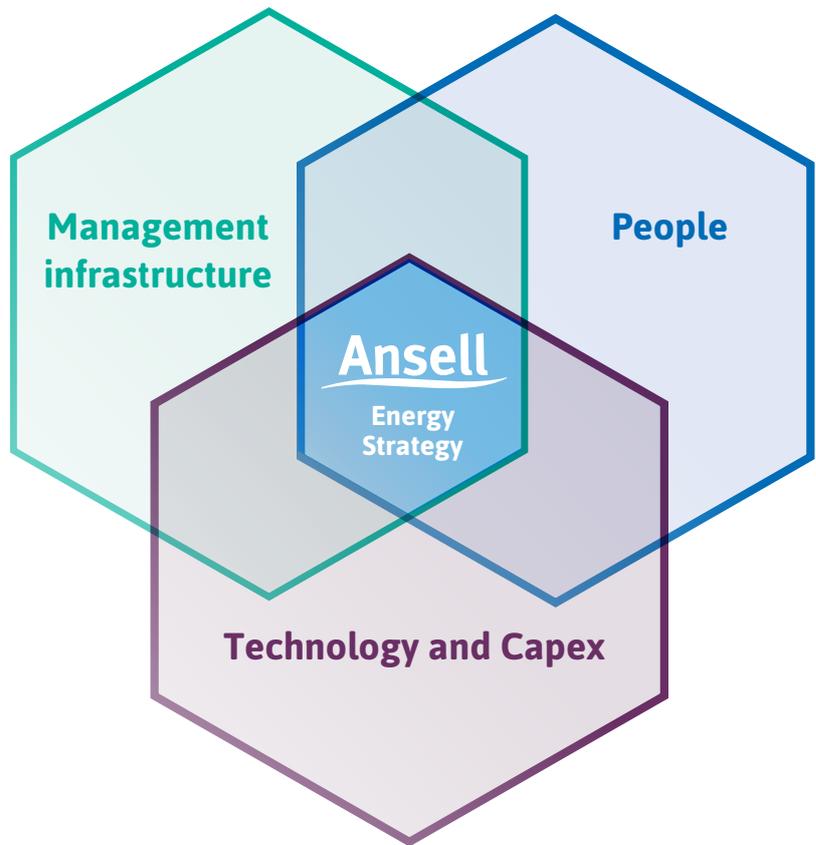
Environmental Management

Ansell manages its environmental impact with policies and systems in place to mitigate risk commensurate with its business, specifically in the areas of water management, hazardous waste management and involvement with toxic materials. The Ansell Board and its Risk Committee continuously monitor the key risks of the Company's operations worldwide, some of which are outlined below.

GHG Strategy and Targets

Ansell invests its human and capital resources to create greenhouse gas (GHG) efficiencies by acquiring or upgrading to new technologies and equipment, adopting new environmental standards, and holding our employees to best practices and continuous improvement in terms of environmental stewardship.

We know that we can't improve what we don't measure, so an important step in FY17 has been to establish standardised online measurement of GHG production in our plants, to the degree of 'by machine' or 'by process area' and 'by energy type'. This new online monitoring system has replaced manual tracking at Ansell plants in Korea, Malaysia and Thailand. Online monitoring is currently in the process of being implemented in Sri Lanka and will then roll out to other Ansell manufacturing locations.



Disaster Preparedness and Prevention

Ansell's major risks and mitigation actions relating to its material business risks are outlined on pages 27 and 28 of the Annual Report under the Operating and Financial Review section.

GHG Third-party Validation

Ansell is playing a more active role in several carbon-emission and energy reduction projects, and in FY17, provided Company data to the Carbon Disclosure Project, a global disclosure system that enables companies like Ansell to better measure and manage their environmental impact.

Also in FY17, Ansell obtained third-party certification of its GHG inventory by Lloyd's Register LRQA, in accordance with the requirements of ISO 14064-3: 2006 and ISO 14064-1: 2006.

Ansell has set new standards to ensure that manufacturing equipment is operated at optimal efficiency, and that energy efficiency is a consideration for all new purchases. Energy meters are installed as part of each new machine installation, and we make sure that energy efficiency performance is visibly displayed at each plant location to engage employees and drive improvement.

Energy KPIs help our managers to track improvements across Ansell manufacturing sites, with a 5% YOY improvement goal for overall energy metrics. Global monthly reporting ensures that operational and engineering actions are aligned with Ansell's energy strategy.

Ansell has developed a program for qualifying secondary and/or alternate suppliers for key supplies and/or materials, and product can be sourced from alternative product facilities or warehouses.

Ansell will continue to invest in people training and education, building management infrastructure and technology to create greater energy conservation awareness and improve energy efficiency.

Climate Change Resource Efficiency

This section reviews Ansell’s use of key resources. Beginning in FY17, the calculation of CO₂ emissions has been reconfigured for FY16 and FY17 and is based on ISO 14064-1 standards, which provide for qualification and reporting of greenhouse gas emissions and removals. The change to the new ISO 14064 method has resulted in a greater number of inputs being included in the CO₂ emission calculations. This has caused a reported increase for the FY16 base year, despite emissions falling as demonstrated in the graphical analysis.

New Biomass Boiler Will be the Third for Ansell Sri Lanka

During FY17, Ansell invested US\$2.7 million to install a third biomass boiler to meet expansion at its Biyagama manufacturing plant in Sri Lanka. The new 12.5MW heater is Ansell’s most technology advanced, and is designed with a built-in heat recovery process and online cleaning systems.

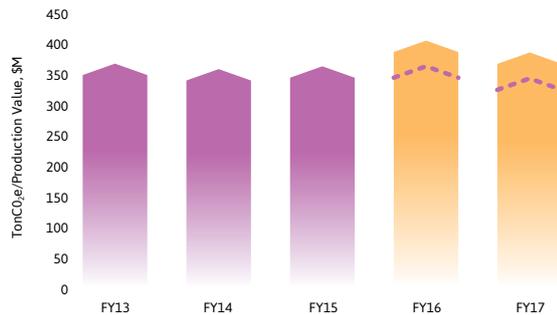
Biomass boilers use bio-fuels to provide clean and renewable energy. Green-thinking companies use bio-fuels to mitigate the impact of manufacturing processes by reducing emissions of greenhouse gases as an offset of fossil fuels.

Greenhouse gas emission reduction forecast from the new biomass heater is 13,000 TCO₂e. Total emission reduction for the three biomass heaters at plants in Sri Lanka and another in Thailand is forecast to be 66,000 TCO₂e per annum. Ansell biomass boilers are fueled by wooden chips. The wood ash generated by this combustion is collected, stored and returned to the earth as a nutrient-rich soil additive and used in the manufacture of bricks and paving blocks.

ISO 14001 Certification and Waste Management

Ansell manufacturing sites, except for Blowtex Alumino in Brazil and Ansell Xiamen in China, are certified to the ISO 14001 Environmental Management System in developing and implementing waste management and all Ansell facilities meet local regulations and requirements. For a manufacturer to hold ISO certification, the site must have an acceptable environmental management system in place to manage its responsibilities in that area. Ansell’s Microgard facility in China will receive ISO 14001 certification in early FY19.

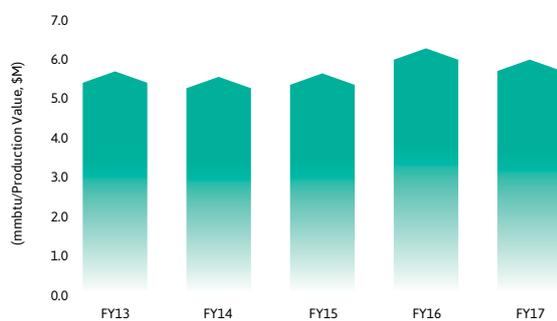
Global CO₂ Emissions Per Production Value



CO₂ Emissions Commentary

As indicated, the change to the new ISO 14064-1 standard has resulted in a restatement of FY16 data and a new calculation methodology for FY17. Had the new standard not been adopted, the data points under the previous methodology would show a continued decline. By way of example, FY15 to FY16 declined by 1.4%.

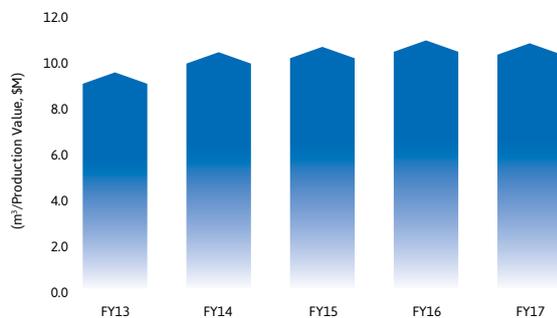
Energy Consumption Per Production Value



Energy Use Commentary

The energy consumption metrics increased in FY16 due to the integration of recent acquisitions, which includes the higher value adding but also more energy intensive yarn technology products.

Water Use Per Production Value



Water Use Commentary

Water use has been steadily increasing due to the shift towards higher water intensive products such as Fortix® and synthetic medical gloves. Ansell has taken measures to improve water use efficiency by installing a 500m³ a day water recycling plant in Sri Lanka. Furthermore, water spray nozzles for our Fortix® manufacturing processes have also been installed. The improvements seen in FY17 are anticipated to continue going forward.

Ansell’s significant technology investment in recent years is resulting in improved resource efficiency per production value, and are detailed on the graphs relating to CO₂ and energy consumption. Water consumption per production value is maintained despite product mix shifts towards higher water intensive products.



Image credit, Carbon Consulting Company.

Ansell Launches Reforestation Project in Sri Lanka and Reaps Carbon Reduction Benefit

Planting the first of thousands of trees in a multi-year commitment commencing in FY18, the Ansell Bio-Link will form a biodiversity corridor within the overall Hiniduma Bio-Link project, linking two large existing rainforests, and will become the country’s first ISO-140642 certified Carbon Insetting Project.

Carbon insetting, a climate-conscious business practice, enables Ansell to contribute to sustainable agriculture in Sri Lanka, where it operates two manufacturing facilities, Ansell Lanka and Ansell Textiles Lanka. The project will also create a source of income for local farmers who maintain the trees and harvest their fruit.

Corporate Social Responsibility & Sustainability Report

continued

Energy Down Case Studies



Water Efficiency

In FY17, Ansell Lanka began a reverse osmosis pilot to reuse 100m³ of waste water per day. In early FY18, a rain water harvesting feasibility study will be conducted to continue identifying innovative new ways to better manage natural resources.



Heat Recovery

In FY17, two new projects were completed which capture expended heat from plant chimneys. In Lanka Biyagama, following green energy practices, recovered heat is being used to pre-heat water returned to the manufacturing process, and is forecast to reduce GHG emissions by approximately 1,400 TCO₂e annually. A pilot project to recover heat from waste water was also completed at Lanka Biyagama. This pilot is now being rolled out to three plants in Malaysia and Thailand, and will save more than 300,000 liters of fuel oil, reducing GHG emissions by 800 TCO₂e per annum.



Thermal Energy Efficiency

Improvements in oven insulation in the manufacturing lines in Bangalore, India will save 200,000 kWh per year, and reduce GHG emissions by 160 TCO₂e annually.



Electrical Energy Efficiency

New high efficiency chiller systems were installed at plants in India and Thailand. These new systems are expected to save 2,210,000 kWh per annum, and reduce GHG emissions by 1,430 TCO₂e per year.

Governance

Ansell is committed to good corporate governance, recognising that an effective and efficient governance framework promotes fairness, transparency and accountability.

The Board, together with the Executive Leadership Team, are leading by example to ensure the highest level of ethical behaviour is adopted throughout Ansell. The Company's governance framework is driven through the organisation with continual communication, training, compliance and ethics.

A report on the Company's Corporate Governance practices for the year ending 30 June 2017 and a checklist summarising the Company's compliance with the ASX Corporate Governance Principles and Recommendations (3rd ed.) (Principles) can be found at www.ansell.com.

Some of the key governance elements are outlined below:

Board and Director Responsibilities

The Board has ultimate responsibility for setting policy regarding the business and affairs of the Ansell Group for the benefit of the shareholders and other stakeholders, and is accountable to shareholders for the performance of the Company.

The Board oversees the Chief Executive Officer and senior management, ensuring that appropriate procedures and controls are in place and the Company operates in an ethical manner on a day-to-day basis. In particular, the Risk Committee is responsible for the identification, monitoring and oversight of the Company's material risks.

The Board has standing Committees, being the Audit and Compliance Committee, the Risk Committee, the Human Resources Committee, and the Governance Committee. Each Committee operates under a specific charter and provides advice to the Board on specific matters within the Committee's remit. The Board also delegates specific function to ad hoc Committees of Directors on an 'as needs' basis. Refer to the Company's Corporate Governance Statement for information on the members of each Committee.

Board Composition and Succession

The Board relies upon the Board Charter and the Skills Matrix to ensure that each Director has the necessary international experience and business acumen to oversee Ansell's diverse global businesses. The Board annually reviews the performance of the Board and each Committee, as well as individual directors and the Chairman, and requires all directors (except for the Chief Executive Officer) to submit themselves for re-election at least once every three years. The Board will endorse a retiring director for re-election only where his or her performance over the preceding year meets or exceeds the Board's expectations. An external review of the Board is also completed every three years.

To ensure appropriate and ongoing renewal of the Board, it is a general policy that non-executive directors should not serve for a consecutive period exceeding 15 years, and the Chairman should not serve in that role for more than 10 years, contributing to strong corporate governance.

As some of the Company's Non-Executive Directors near the end of their tenure, the Board recently approved a succession plan that it believes facilitates the optimal injection of new skills and thinking, while retaining the wealth of corporate knowledge to support the long-term strategic direction of the Company.

After nearly fifteen years' service, Mr Dale Crandall will retire from the Board at the 2017 Annual General Meeting. Mr Crandall was appointed as a Non-Executive Director in 2002 at a time when the Company required strong and courageous leadership from the Board as it worked through the legacy issues inherited from the restructuring of the troubled Pacific Dunlop Limited Group. He has provided insightful guidance, sound counsel and unwavering support to the Company throughout the journey to the profitable and stable Ansell of today. The Board and the Management of Ansell Limited wish to acknowledge the extraordinary contribution that Mr Crandall has made to Ansell during his tenure.

Corporate Social Responsibility & Sustainability Report

continued

With Mr Crandall's retirement, Mr William Reilly will seek election to the Board at the 2017 Annual General Meeting. Mr Reilly will bring his 35+ years experience as an in-house lawyer, 17 years of which were with Ansell, to the Board in his new role as a Non-Executive Director. Mr Reilly was appointed as General Counsel of Ansell Healthcare in 2000 when it was a division of Pacific Dunlop Limited, subsequently becoming General Counsel of Ansell Limited in 2002. Mr Reilly has also served with three Chief Executive Officers and has played pivotal roles leading many of Ansell's corporate strategic and legal initiatives, including mergers and acquisitions, litigation and the successful intellectual property strategy. He has also overseen the Global Compliance and Risk functions, acted as interim head of Human Resources, leader of the Regulatory function and joint Company Secretary. The Board looks forward to continued access to Mr Reilly's extensive knowledge of the business and thoughtful counsel as a Director of Ansell.

Mr Ronald Bell has also indicated his plan to retire from the Board at the 2018 AGM, after nearly 13 years' service on the Board. The Board therefore considered it prudent to nominate an additional Non-Executive Director, to ensure a smooth and effective transition.

Mrs Christina Stercken will, therefore, also seek election to the Board as an independent Non-Executive Director. Mrs Stercken is currently partner at EAC – Euro Asia Consulting PartG, a management consultancy firm specialising in internationalisation strategies, M&A and operational excellence. Before joining EAC, Mrs Stercken served as Managing Director Corporate Finance M&A of Siemens AG. Among other management positions within Siemens AG, she was responsible for the Siemens Task Force China and Head of Public Sector Business Unit at Siemens Business Services. She started her career in Marketing with BMW Pvt Ltd, South Africa. Mrs Stercken will bring a broad range of competencies relevant to the Company's strategies, including mergers and acquisitions, supply chain optimisation and business building in developing markets.

In February 2017, Mr John Bevan was appointed as Deputy Chairman of the Board, and it is intended that Mr Bevan will succeed the current Chairman, Mr Barnes, following the 2019 Annual General Meeting as the Company's Chairman.

The Board is confident that with this well-orchestrated succession plan, the Company will add new skills and experience while maintaining continuity and corporate knowledge.

The Company's Constitution currently provides for a maximum of eight Directors, unless the Company in general meeting resolves otherwise. Given the above mentioned Board succession plans, the Company had intended to seek shareholder approval to temporarily increase the maximum number of Directors to nine, to enable the appointment of both Mr Reilly and Mrs Stercken, until Mr Bell's retirement at the end of FY18.

While the Board is very comfortable that the current size of the Board is both appropriate and optimal at this time, and has no intention to permanently increase the size of the Board, the Board have, however, acknowledged investors' preference for the Company to allow for a 'spare' seat on the Board and the Board wishes to maintain flexibility for succession planning so as to be able to appoint additional Directors to enhance and complement the Board's skill set if required. The Company is therefore proposing at the 2017 AGM that, in accordance with the Constitution, the maximum of Directors permitted be permanently increased from eight to nine. Refer to the Company's Notice of Annual General Meeting 2017 for more details.

This year the Company also took the unusual step of announcing CEO succession plans. The Board has identified potential candidates to make up the next generation senior team and our next CEO, reaffirming our strong commitment to developing internal talent.

People

Our people are central to our success. Ansell recognises that effectively harnessing a talented and diverse global workforce is a key competitive advantage for our business and our success is a reflection of not only the quality and skills of our people, but our ability to channel their backgrounds, experiences, regional points of view and cultural and ethnic differences.

In FY16, the Board endorsed strategies designed to increase gender diversity and agreed on gender diversity objectives. The Board has since committed that Ansell would aim to have women constituting 50% of its Board by 2020. In FY17, women made up 29% of the Board (Non-Executive Directors) and Mrs Stercken's appointment at the 2017 Annual General Meeting will increase this to 38%, demonstrating the Company's commitment to diversity.

Further details on diversity in the Company are provided in the Human Rights section of this CSR and Sustainability Report and in our Corporate Governance Statement found at www.ansell.com.

Human Rights

Ansell believes that human rights are those basic rights inherent to all human beings that form the foundation for freedom, justice and peace, and which apply equally in all countries. As a responsible corporate citizen, Ansell adopted a Human Rights Statement consistent with the United Nations Guiding Principles on Business and Human Rights. Wherever we operate, we will seek to respect human rights in our employment policies and practices, our business operations and our relationships with stakeholders. Our Human Rights Statement can be found at www.ansell.com.

Corporate Conduct

Ansell's Core Values and the global Code of Conduct constitute the platform for all activities, serving as a guide to ethical principles and business conduct at Ansell. The Code of Conduct applies to Directors, executives, management and employees and sets high standards for ethical behaviour and business practice beyond complying with the law. The global Code of Conduct forms part of the induction of new employees and all employees are regularly trained on the global Code of Conduct. In addition, Ansell provides focus specific compliance training. In FY17, the Company launched a global online anti-corruption training for all email-enabled employees, as well as providing targeted internet security training.

Stakeholder Engagement

Ansell recognises the importance of engaging with its stakeholders – which include employees, customers, investors, regulators, suppliers and communities. Ansell keeps its stakeholders updated through a variety of media such as the ASX electronic lodgement platform, periodic updates to shareholders, discussions with large investor groups and proxy analysts, and its Annual General Meeting.

All corporate governance documentation, including ASX and media releases, are placed on the Company's website at www.ansell.com and periodically updated.

Ansell's membership with Sedex has enhanced supplier engagement. Sedex is a global not-for-profit membership organisation providing the world's largest collaborative platform for sharing responsible supply chain sourcing data. Other examples of stakeholder engagement include ongoing dialogue with organisations such as Finnwatch, the Swedish County Council, the British Medical Association and responsible corporate sustainability analysis organisations.



Ansell