

Module: Introduction

Page: W0. Introduction

W0.1

Introduction

Please give a general description and introduction to your organization.

Aspen Holdings Limited, listed on the Johannesburg Stock Exchange, is one of the largest pharmaceutical manufacturers in the Southern Hemisphere and the ninth largest generic manufacturers worldwide. Aspen has a proud heritage dating back more than 160 years. Aspen is a supplier of branded and generic pharmaceuticals in approximately 150 countries across the globe and of consumer and nutritional products in selected territories. Sustainability is engrained in Aspen's culture. The Group is committed to sustaining life and promoting healthcare through increasing access to its high quality, effective, affordable medicines and products. The extensive basket of Aspen products provides treatment for a broad spectrum of acute and chronic conditions experienced throughout all stages of life. As at March 2014, the Group has 24 manufacturing facilities at 18 pharmaceutical manufacturing sites on six continents and approximately 9300 employees.

W0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

Period for which data is reported
Sun 01 Jul 2012 - Sun 30 Jun 2013

W0.3**Reporting Boundary**

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.

Companies, entities or groups over which operational control is exercised

W0.4**Exclusions**

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

Yes

W0.4a**List of Exclusions**

Please report the exclusions in the following table

Exclusion	Please explain why you have made the exclusion
Operations in Brazil, Mexico, Kenya and Tanzania.	No data available for the reporting year

Further Information

Module: Current State

Page: W1. Context

W1.1

Please rate the importance (current and future) of water quality and water quantity to the success of your organization

Water quality and quantity	Importance rating	Please explain
Direct use: sufficient amounts of good quality freshwater available for use across your own operations	Vital for operations	Water is a critical resource and is utilised in the production of product and the maintenance of environmental conditions. Aspen's commitment to water conservation/management is formalised in the Aspen Pharmacare Environmental Management Principles Policy, which was implemented across the Group.
Direct use: sufficient amounts of recycled, brackish and/or produced water available for use across your own operations	Important	Where possible, Aspen has undertaken projects to enable the recycling of water; for example, at the Port Elizabeth and East London sites, purified water (generated by Reverse Osmosis (RO) is recycled: the RO system is a two-step purification process, and a % of the first step purified water is rejected and discharged; this rejected water is now captured and fed to the cooling towers and ablution facilities, reducing consumption of potable water feeding these installations.
Indirect use: sufficient amounts of good quality freshwater available for use across your value chain	Have not evaluated	Not applicable at this stage.
Indirect use: sufficient amounts of recycled, brackish and/or produced water available for use across your value chain	Have not evaluated	Not applicable at this stage.

W1.2

Have you evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy?

Yes, evaluated over the next 1 year

W1.2a

Please explain how your organization evaluated the effects of water quality and water quantity on the success (viability, constraints) of your organization's growth strategy?

Informal, high level assessments were conducted based on the projected consumption volumes for the following year. The business does not foresee any impact on the organisations growth strategy due to the water quantity or quality.

W1.2b

What is the main reason for not having evaluated how water quality and water quantity affects /could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?

Main reason	Current plans	Timeframe until evaluation	Comment
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W1.3

Has your organization experienced any detrimental impacts related to water in the reporting period?

No

W1.3a

Please describe the detrimental impacts experienced by your organization related to water in the reporting period

Country	River basin	Impact indicator	Impact	Description of impact	Overall financial impact	Response strategy	Description of response strategy
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W1.3b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting period and any plans you have to investigate this in the future

Primary reason	Future plans
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Further Information

No further information.

Module: Risk Assessment

Page: W2. Procedures and Requirements

W2.1

Please select the option that best describes your procedures with regard to assessing water risks and provide an explanation as to why this option is suitable for your organization

Water risks are not assessed

W2.1a

You may provide additional information about your approach to assessing water risks here

A formal water risk assessment process has not been established.

W2.2

Please state how frequently you undertake water risk assessments, what geographical scale and how far into the future you consider

Frequency	Geographic scale	Timeframe
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W2.3

Please state the methods used to assess water risks

Method

W2.4

Which of the following contextual issues are always factored into your organization's water risk assessments?

Issues	Choose option	Please explain
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W2.4a

Which of the following stakeholders are always factored into your organization's water risk assessments?

Stakeholder	Choose option	Please explain
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W2.5

Do you require your key suppliers to report on their water use, risks and management?

No

W2.5a

Please provide the proportion of key suppliers you require to report on their water use, risks and management and the proportion of your procurement spend this represents

Proportion of key suppliers %	Total procurement spend %	Rationale for this coverage
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W2.5b

Please choose the option that best explains why you do not require your key suppliers to report on their water use, risks and management

Primary reason	Please explain
Other: Not yet established	No formal process has been established, Aspen has a large number of local and international suppliers, and the practicality would need to be evaluated so that a meaningful process could be implemented.

Further Information

No further information.

Module: Implications

Page: W3. Water Risks

W3.1

Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?

Yes, direct operations and supply chain

W3.2

Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk

A substantive change is defined as any loss in the ability to operate and manufacture products, and loss of revenue in any of the regions due water risks.

W3.2a

Please complete the table below providing information as to the number of facilities in your direct operations exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure. Please also provide either the proportion of cost of goods sold, global revenue or global production capacity that could be affected across your entire organization at the river basin level

Country	River basin	Number of facilities within the river basin exposed to water risk	Reporting metric	Proportion of chosen metric that could be affected within the river basin
South Africa	Other: Swartkops, Keiskamma, Limpopo, Great Berg	4	% global revenue	31-40

W3.2b

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
South Africa	Other: Swartkops, Keiskamma, Limpopo, Great Berg	Physical-Increased water stress	Other: Production Disruptions	The operations in South Africa are situated in areas which experience intermittent water stress, which could disrupt operations.	Unknown	Probable	Medium	Establish site-specific targets	Low-medium	1) Focus on water conservation initiatives. 2) Culture of water conservation entrenched

W3.2c

Please list the inherent risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
South Africa	Other: Swartkops, Keiskamma, Limpopo, Great Berg	Physical-Climate change	Supply chain disruption	Climate change may result in water scarcity in some areas in which Aspen operates. Changes in global precipitation patterns may impact on the crops used in the	Unknown	Probable	Medium	Supplier diversification	Unknown	The financial implications cannot be quantified as the impact will be determined by the severity of

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				<p>synthesis of raw materials. For example: floods in a source country resulted in a shortage of a crop (Sapolins) which is used in the production of Active Pharmaceutical Ingredients. Manufacturers had to pay a premium in order to secure stock.</p>						the water shortage or flood.

W3.2d

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
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W3.2e

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
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W3.2f

Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this

Primary reason	Future plans
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Further Information

No further information.

Page: W4. Water Opportunities

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?

Yes

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
South Africa	Cost savings	Where possible, preference will be given to evaporative cooling towers when purchasing HVAC (heating, ventilating, and air-conditioning) systems, due to the high efficiency of the units.	1-3 years	Water-cooled chillers are normally more energy efficient than air-cooled chillers due to heat rejection to tower water at or near wet-bulb temperatures. Air-cooled chillers must reject heat at the higher dry-bulb temperature, and thus have a lower average Reversed Carnot cycle effectiveness.

W4.1b

Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain
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W4.1c

Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain
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Further Information

No further information.

Module: Accounting

Page: W5. Water Accounting (I)

W5.1

Please report the total withdrawal, discharge, consumption and recycled water volumes across your operations for the reporting period

Water use	Quantity (megaliters)
Total volume of water withdrawn	446.97
Total volume of water discharged	0
Total volume of water consumed	446.97
Total volume of recycled water used	0

W5.2

For those facilities exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure, the number of which was reported in W3.2a, please detail which of the following water aspects are regularly measured and monitored and an explanation as to why or why not

Water aspect	% of facilities	Please explain
Water withdrawals- total volumes	76-100	All water utilised is withdrawn from the Municipal water supplies.
Water withdrawals- volume by sources	76-100	All water is withdrawn from the Municipal water supplies.
Water discharges- total volumes		
Water discharges- volume by destination		
Water discharges- volume by treatment method		
Water discharge quality data- quality by standard effluent parameters	76-100	All water discharged from the facilities complies to the relevant municipal standards.
Water consumption- total volume	76-100	All water is withdrawn from the Municipal water supplies.
Water recycling/reuse-total volume		

W5.3

Water withdrawals: for the reporting period, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility reference number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting period?	Please explain the change if substantial
Facility 1	South Africa	Other: Swartkops	Port Elizabeth	167.65	About the same	Not Applicable.
Facility 2	South Africa	Other: Keiskamma	East London	24.19	About the same	Not Applicable.
Facility 3	South Africa	Limpopo	Johannesburg (Nutritionals)	69.80	Lower	Resource Conservation initiatives resulted in a 7% reduction in water usage.
Facility 4	South	Great Kei	Cape Town (Fine	83.51	Lower	The decrease relates to a discontinuation

Facility reference number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting period?	Please explain the change if substantial
	Africa		Chemical Corporation)			of the production of a water intensive product.
Facility 5	Germany	Other: Scxhleil/Trave	Bad Oldesloe	34.97	About the same	Not Applicable.
Facility 6	Australia	Not known	Dandenong	48.94	This is our first year of estimation	
Facility 7	Australia	Not known	Baulkham Hills	4.60	This is our first year of estimation	
Facility 8	Australia	Not known	Croydon	8.52	This is our first year of estimation	
Facility 9	Australia	Not known	Noble Park	4.80	This is our first year of estimation	

Further Information

No further information.

Page: W5. Water Accounting (II)

W5.3a

Water withdrawals: for the reporting period, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.3

Facility reference number	Surface water	Groundwater (renewable)	Groundwater (non-renewable)	Municipal water	Recycled water	Produced/process water	Wastewater	Brackish/salt water
Facility 1				167.65				
Facility 2				24.19				
Facility 3				69.80				
Facility 4				83.51				
Facility 5				34.97				
Facility 6				48.94				
Facility 7				4.60				
Facility 8				8.52				
Facility 9				4.80				

W5.4

Water discharge: for the reporting period, please provide the water accounting data for all facilities reported in W5.3

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the total water discharged at this facility compare to the last reporting period?	Please explain the change if substantive
Facility 1			Not measured.
Facility 2			Not measured.
Facility 3			Not measured.
Facility 4			Not measured.
Facility 5			Not measured.
Facility 6			Not measured.
Facility 7			Not measured.
Facility 8			Not measured.
Facility 9			Not measured.

W5.4a

Water discharge: for the reporting period, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.3

Facility reference number	Surface water	Municipal Treatment Plant	Saltwater	Injection for production/disposal	Aquifer recharge	Storage/waste lagoon
Facility 1						
Facility 2						
Facility 3						
Facility 4						
Facility 5						
Facility 6						
Facility 7						
Facility 8						
Facility 9						

W5.5

Water consumption: for the reporting period, please provide water consumption data for all facilities reported in W5.3

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting period?	Please explain the change if substantive
Facility 1	167.65	About the same	Not applicable.

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting period?	Please explain the change if substantive
Facility 2	24.19	About the same	Not applicable.
Facility 3	69.80	Lower	Resource Conservation initiatives resulted in a 7% reduction in water usage.
Facility 4	83.51	Lower	The decrease relates to a discontinuation of the production of a water intensive product.
Facility 5	34.97	About the same	Not applicable.
Facility 6	48.94	This is our first year of estimation	
Facility 7	4.60	This is our first year of estimation	
Facility 8	8.52	This is our first year of estimation	
Facility 9	4.80	This is our first year of estimation	

W5.6

For the reporting period, please provide any available water intensity values for your organization's products or services across its operation

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
South Africa	Other: Swartkops, Keiskamma, Limpopo, Great Berg	Pharmaceutical and Infant Nutritional Products.	Other: Each (SKU)	Liters	1.0172	Withdrawals	The statistic provided excludes API manufacturing at the Cape Town facility.

Country	River basin	Product name	Product unit	Water unit	Water intensity (Water unit/Product unit)	Water use type	Comment
Germany	Other: Scxhlei/Trave	Pharmaceutical Products.	Other: Each (SKU)	Liters	0.744	Withdrawals	
Australia	Other: Dandenong, Baulkham Hills and Noble Park	Pharmaceutical Products.	Other: Each (SKU)	Liters	0.7034	Withdrawals	The statistic provided excludes manufacturing at the Croydon facility.

W5.7

For all facilities reported in W3.2a what proportion of their accounting data has been externally verified?

Water aspect	% verification	What standard was used?
Water withdrawals- total volumes	76-100	AA1000AS
Water withdrawals- volume by sources	76-100	AA1000AS
Water discharges- total volumes		
Water discharges- volume by destination		
Water discharges- volume by treatment method		
Water discharge quality data- quality by standard effluent parameters	76-100	Municipal water analysis
Water consumption- total volume	76-100	AA1000AS
Water recycling/reuse-total volume		

Further Information

The volume of water discharged and water recycled is not currently measured. Plans are in place to formalise measurement of these metrics.

Module: Response

Page: W6. Governance and Strategy

W6.1

Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
Individual/Sub-set of the Board or other committee appointed by the Board	Scheduled-quarterly	The Social and Ethics Committee, a sub-committee of the board of Aspen Pharmacare Holdings, is tasked with this responsibility.

W6.2

Is water management integrated into your business strategy?

Yes

W6.2a

Please choose the option(s) below that best explain how water has positively influenced your business strategy

Influence of water on business strategy	Please explain
Introduction of water management KPIs	Water consumption and conservation have been identified as key performance indicators (KPI's) and are reported to the Aspen board on a quarterly basis as part of the Group's Sustainability report. Aspen's commitment to water conservation/management is formalised in the Aspen Pharmacare Environmental Management Principles Policy. In addition, constant awareness training is provided to employees on effective water conservation. Wastewater quality testing is conducted periodically.

W6.2b

Please choose the option(s) below that best explains how water has negatively influenced your business strategy

Influence of water on business strategy	Please explain
No measurable influence	No measurable influence.

W6.2c

Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so

Primary reason	Please explain

W6.3

Does your organization have a water policy that sets out clear goals and guidelines for action?

Other: Group Environmental Management Principles Policy

W6.4

How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting period compare to the previous reporting period?

Water-related spending: % of total CAPEX during this reporting period compared to last reporting period	Water-related spending: % of total OPEX during this reporting period compared to last reporting period	Motivation for these changes
0%	0%	

Further Information

No further information. Aspen has not previously categorised spend in the manner above and as such the data is not readily available.

Page: W7. Compliance

W7.1

Was your organization subject to any penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting period?

No

W7.1a

Please describe the penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them

Facility name	Incident description	Financial penalty or fine	Currency	Incident resolution
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W7.1b

Please indicate the total of all penalties and/or fines for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations as a percentage of total operating expenditure (OPEX) compared to last year

Further Information

No fines or penalties were received in the reporting year.

Page: W8. Targets and Initiatives

W8.1

Do you have any company wide targets (quantitative) or goals (qualitative) related to water?

No

W8.1a

Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made

Category of target	Motivation	Description of target	Quantitative unit of measurement	Base-line year	Target year	Proportion of target achieved, % value
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W8.1b

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

Goal	Motivation	Description of goal	Progress
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W8.1c

Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future

Water resource conservation projects were previously managed as site continuous improvement projects, however formal conservation targets were not always set. A resource conservation engineer has been appointed to assist the facilities with the identification of conservation opportunities and the setting of formal targets.

Further Information

No further information.

Module: Sign Off

W9.1

Please provide the following information for the person that has signed off (approved) your CDP water response

Name	Job title	Corresponding job category
Dr Morne Geyser	Executive: Group Strategic Operations	Board/Executive board

Further Information

No further information.

CDP 2014 Water 2014 Information Request