



Independent Assurance Statement to the Board of Directors and Stakeholders of Aspen Pharmacare Holdings Limited (Aspen)

ERM Southern Africa (Pty) Ltd (ERM) was engaged by Aspen to provide assurance in relation to the information set out below and presented in the 2017 Integrated Report and Sustainability Data Supplement (the Reports).

Engagement Summary	
Scope:	<ol style="list-style-type: none"> 1. <i>Whether Aspen adheres, in all material respects, to the three AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness.</i> 2. <i>Whether the 2017 data, for the period 01 July 2016 to 30 June 2017, for the following selected performance indicators are fairly presented, in all material respects:</i> <ul style="list-style-type: none"> • <i>Disabling incident frequency ratio – presented on page 57;</i> • <i>Lost work day frequency ratio – presented on page 57;</i> • <i>Total electricity used (gigajoules) – presented on page 67;</i> • <i>Total volume of water used (kilolitres) – presented on page 66;</i> • <i>Total volume of water recycled (kilolitres) – presented on page 14 of the 2017 Sustainability Data Supplement;</i> • <i>Total amount of waste recycled (tonnes) – presented on page 66;</i> • <i>Total amount of hazardous waste generated (tonnes) – presented on page 12 of the 2017 Sustainability Data Supplement; and</i> • <i>Greenhouse gas emissions (Scope 1 and 2) (tonnes CO₂e) – presented on page 65.</i>
Reporting Criteria:	<p><i>AA1000 AccountAbility Principles Standard (2008)</i></p> <p><i>Aspen Group Risk & Sustainability Standard Operating Procedures Global Pack (30/03/2017)</i></p>
Standard Used:	<i>AA1000 Assurance Standard (2008) – Type 2</i>
Assurance Level:	<i>Moderate (limited) assurance for all subject matters</i>
Respective responsibilities:	<p><i>Aspen is responsible for preparing the Reports, and for the collection and presentation of the information within them, including the maintenance and integrity of the website.</i></p> <p><i>ERM’s responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.</i></p>

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Company Registration Number
2003/001404/07

Directors
Claudio Bertora
Urmilla Bob (Non-Executive)
Linda Kumbemba
Tania Swanepoel
Marinda Rasmussen

**A member of the Environmental
Resources Management Group**

Our conclusions

AA1000APS (2008) Principles

Based on our activities, nothing has come to our attention to indicate that Aspen does not adhere, in all material respects, to the AA1000APS (2008) principles of Inclusivity, Materiality and Responsiveness.

Selected Performance Indicators

Based on our activities, nothing has come to our attention to indicate that the 2017 data for the selected indicators, as listed under the scope above and presented on pages 57, 65, 66 and 67 of the 2017 Integrated Report and on pages 12 and 14 of the 2017 Sustainability Data Supplement, are not fairly presented, in all material respects, with the reporting criteria.

Our assurance activities

We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions. A multi-disciplinary team of sustainability and assurance specialists performed the following activities:

- *A review of external media reporting relating to Aspen, peer company annual reports and industry standards to identify relevant sustainability issues in the reporting period.*
- *Interviews with relevant corporate level staff to understand changes to the sustainability strategy, policies and management systems, including stakeholder engagement.*
- *Interviews with relevant staff to understand and evaluate the data management systems and processes (including IT systems and internal review processes) used for collecting and reporting on the data for the selected indicators.*
- *A review of the suitability of the internal reporting guidelines, including conversion factors used.*
- *Visits to verify source data and selected evidence at the following sites: Port Elizabeth, South Africa and Notre Dame de Bondeville, France.*
- *Virtual reviews to verify source data for the following sites: Johannesburg, South Africa; Nairobi, Kenya; and Dandenong, Australia.*
- *An analytical review of the year-end data submitted by all sites included in the consolidated 2017 Group data for the selected indicators.*
- *A review of the presentation of information relevant to the scope of our work in the Reports to ensure consistency with our findings.*

Our observations and recommendations

We have provided Aspen with a separate management report. Without affecting the conclusions presented above, we have the following observations and recommendations:

In relation to the Inclusivity principle:

Aspen has formal and informal stakeholder engagement processes in place which make provision for communication on and consideration of those issues

raised by its key stakeholders both at Group and operational levels. The company's commitment to being accountable to stakeholders is stated publicly, and is included in internal documents such as the Stakeholder Engagement Policy and the Aspen Code of Conduct. Stakeholders are identified and notable stakeholder engagements are reported to the Board quarterly including material issues raised. Issues raised by stakeholders are also considered as part of the annual review of Aspen's material issues and risks.

In relation to the Materiality principle:

Aspen has applied due process in determining and reporting on its material issues in a transparent and balanced manner. A rigorous review process exists, including the review of internal and external information gained from various sources, including, *inter alia*, through participation in forums to determine material issues, and through consideration of stakeholder feedback received. The Group's material sustainability issues are closely interlinked with the Group's risks and are translated into sustainability objectives. These objectives are aligned with the Group's strategic objectives, which are approved and monitored by the Board annually. Material issues have largely remained the same over the previous three years, and the Group is monitoring risks and material issues that are increasing and emerging.

In relation to the Responsiveness principle:

Aspen has developed appropriate and adequate policies, strategies and plans that are broadly consistent with both stakeholder and organisational interests and expectations. There are numerous mechanisms for stakeholder feedback, including routine and scheduled meetings, participation in forums and conferences, representation on industry bodies, audits, investor presentations, social media, and the publication of an Integrated Report and a Stakeholder Engagement Report summarising the means of engagement with key stakeholders. Sustainability issues, as raised by Aspen's key stakeholders, are a standing agenda item at Board meetings, influencing how the organisation manages and responds to material issues. At Board level, the Social & Ethics Committee has been tasked with considering and reviewing safety, health and environmental performance, and that in relation to the UN Global Compact.

Progress has been made by Aspen in target development and consideration should be given to disclosing performance against targets in future reporting processes. Similarly, it should consider disclosure on how its business activities align with international imperatives such as the Sustainable Development Goals.

In relation to Selected Performance Indicators

Aspen implemented the Credit 360 data management system in 2015 which has facilitated sustainability data handling and reporting. This has resulted in improvements in the consolidation and retention of supporting documentation for sustainability data, especially for waste, which was well managed at most sites visited. Change management processes were adhered to particularly well at Group level, however improvements are required at site level to ensure the timely correction of data.

Sites would also benefit from the development of site-specific procedures for the handling and reporting of waste, greenhouse gas emissions and water recycled

data. Supplementary training in these site-specific procedures should also ensure completeness and consistency in the reporting of these KPIs across all sites to Group.

The limitations of our engagement

The evidence gathering procedures for moderate assurance are more restricted than for high assurance and therefore less assurance is obtained with moderate assurance than for high assurance as per AA1000AS 2008. It is important to understand our assurance conclusions in this context. Our independent assurance statement provides no assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular whether any changes may have occurred to the information since it was first published.



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Partner

2 November 2017

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ERM Southern Africa (Pty) Ltd is a member of the ERM Group and is an AccountAbility Licensed Assurance Provider. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. The ERM staff that have undertaken work on this assurance engagement provide no consultancy related services to Aspen in any respect.