



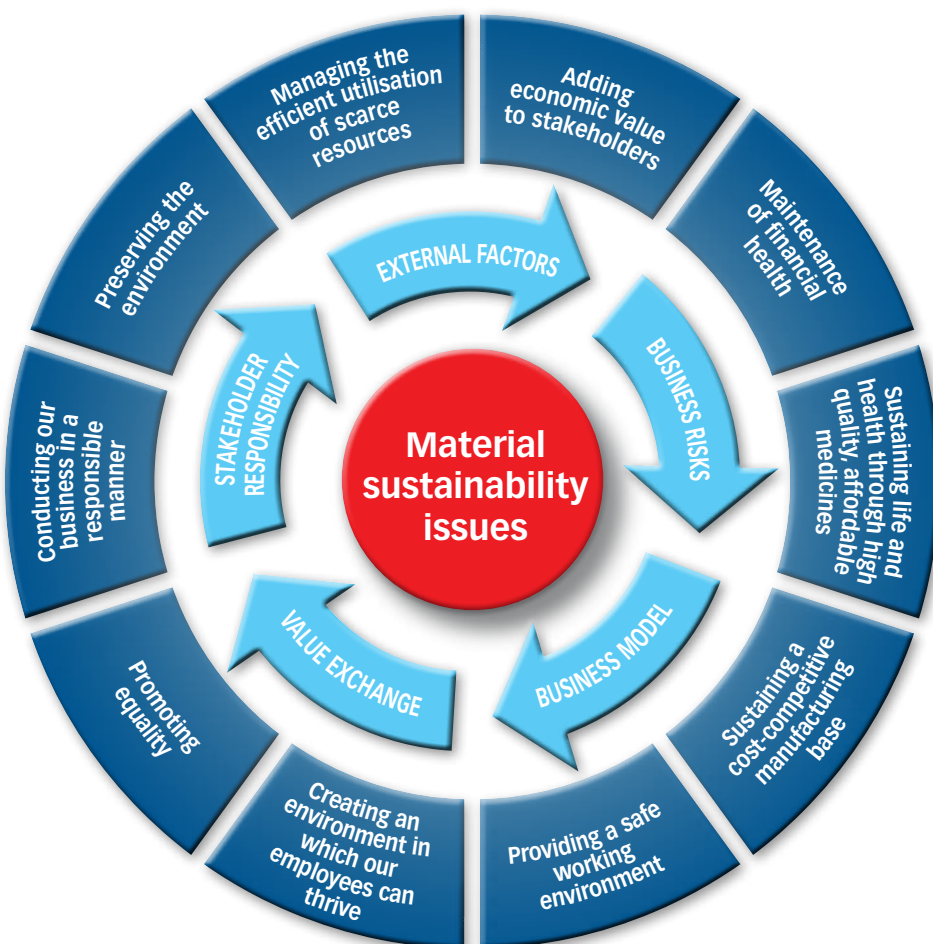
aspen

H O L D I N G S

**SUSTAINABILITY DATA  
SUPPLEMENT 2017**

# Contents

Introduction	1
Our approach to sustainability	1
Our sustainable business strategy	1
Stakeholder engagement	3
About this data supplement	3
Combined assurance	3
Scope and boundaries	3
Intellectual capital	5
Manufactured capital	6
Human capital	6
Social and relationship capital	10
Natural capital	12
Financial capital	16
Abbreviations	18
Calculation of ratios supporting material sustainability KPIs	19



# Sustainability Data Supplement

## Introduction

We are a global supplier of branded and generic pharmaceutical products as well as infant nutritional and consumer healthcare products in selected territories. We have a proud heritage dating back more than 160 years, and are committed to sustaining life and promoting healthcare through increasing access to our high quality, affordable, effective medicines and products.

## Our approach to sustainability

**Our vision, “To deliver value to all our stakeholders as a responsible corporate citizen that provides high quality, affordable medicines and products globally”, encapsulates the Group’s inherent approach of conducting business ethically, with integrity and with a commercial wisdom which strives to enhance the economic and social well-being**

## of our patients, consumers, investors, employees, customers and business partners.




We recognise that doing business in a sustainable manner is integral to ensuring our future viability; as such sustainability considerations underpin our strategy and are integrated into our day-to-day activities. Our material sustainability issues are those economic, social, environmental and governance issues and risks which are considered to be material to our key stakeholders and/or that have a material impact on our strategic objectives.

These issues are determined through ongoing interactions with our key stakeholders with reference to:




- external factors impacting the Group’s business model and pursuit of strategic objectives;
- key business risks impacting the Group’s sustainability;
- the value exchange and/or opportunity cost of the applied financial, intellectual, manufactured, human, social and relationship and natural capitals to the business and responsible management of these; and
- the Group’s responsibility to stakeholders and transparency with reference to GRI Sustainability Reporting Standards, King IV, Companies Act of South Africa, the Department of Trade and Industry’s BBBEE Codes of Good Practice (“BBBEE Codes”) in South Africa, the JSE/FTSE Responsible Investment Index, the Carbon Disclosure Project and the UN Global Compact.

## Our sustainable business strategy

Our material sustainability issues are grouped into ten sustainability objectives which are aligned to the Group’s strategic objectives, the related capitals and the relevant key performance indicator (“KPIs”). The Audit & Risk Committee (“A&R Co”) reviews and approves the sustainability objectives and the related KPIs. The Board monitors the sustainability performance with reference to these KPIs on a regular basis.

Capital	Strategic objective	Sustainability objective	Relevant KPIs
	To enhance access to high quality, affordable medicines	Sustaining life and health through high quality, affordable medicines	<ul style="list-style-type: none"> <li>→ IMS Health (Pty) Limited (“IMS”) value of total product pipeline for the next five years</li> <li>→ Number of product recalls</li> </ul> <p><b>Assurance provider:</b> Internal Audit</p>
	To achieve strategic advantage through our integrated supply chain	Sustaining a cost-competitive manufacturing base	<ul style="list-style-type: none"> <li>→ Return on total assets</li> <li>→ EBITDA margin</li> </ul> <p><b>Assurance provider:</b> PwC</p>
	To provide a safe, challenging and rewarding environment for our employees	Creating an environment in which our employees can thrive	<ul style="list-style-type: none"> <li>→ Average staff turnover</li> <li>→ Average training spend per employee</li> </ul> <p><b>Assurance provider:</b> Internal Audit</p>
		Providing a safe working environment	<ul style="list-style-type: none"> <li>→ Disabling incident frequency rate (“DIFR”)</li> <li>→ Lost work day frequency rate (“LWDFR”)</li> </ul> <p><b>Assurance provider:</b> ERM</p>

## Sustainability Data Supplement continued

Capital	Strategic objective	Sustainability objective	Relevant KPIs
 <p>Social &amp; relationship capital</p>	To practise good corporate citizenship	Promoting equality	<ul style="list-style-type: none"> <li>→ Percentage of female employees</li> <li>→ Percentage of black employees in South Africa*</li> </ul> <p><b>Assurance provided:</b> Internal Audit</p> <ul style="list-style-type: none"> <li>→ BBEE accreditation in South Africa*</li> </ul> <p><b>Assurance provider:</b> Empowerdex</p>
		Conducting our business in a responsible manner	<ul style="list-style-type: none"> <li>→ Number of significant incidents of legislative infringements</li> </ul> <p><b>Assurance provider:</b> Internal Group Compliance officer review</p>
 <p>Natural capital</p>	To practise good corporate citizenship	Preserving the environment	<ul style="list-style-type: none"> <li>→ Carbon emissions<sup>#</sup></li> <li>→ Waste recycled<sup>#</sup></li> </ul> <p><b>Assurance provider:</b> ERM</p>
		Managing the efficient utilisation of scarce resources	<ul style="list-style-type: none"> <li>→ Water used<sup>#</sup></li> <li>→ Electricity used<sup>#</sup></li> </ul> <p><b>Assurance provider:</b> ERM</p>
 <p>Financial capital</p>	To create sustainable economic value for all of our stakeholders	Adding economic value to stakeholders	<ul style="list-style-type: none"> <li>→ Growth in revenue</li> <li>→ Growth in normalised headline earnings per share ("NHEPS")</li> <li>→ Growth in EBITDA<sup>±</sup></li> <li>→ Return on ordinary shareholders' equity</li> <li>→ Value added per permanent employee</li> </ul> <p><b>Assurance provider:</b> PWC</p>
		Maintenance of financial health	<ul style="list-style-type: none"> <li>→ Operating cash flow per share</li> <li>→ Leverage ratio</li> </ul> <p><b>Assurance provider:</b> PWC</p>

\* South African businesses only.

<sup>#</sup> Measured for manufacturing business only (does not include New Zealand New Milks).

<sup>±</sup> Changes to KPI definitions:

1. We have historically used EBITA as our key indicator of operating profitability. In order to enhance peer group comparison, we have changed to EBITDA, the more widely used indicator, and restated all comparative figures.
2. In prior years, the revenue from the SSA Collaboration was notionally grossed up to reflect invoiced sales and defined as gross revenue which was used in the KPI analysis. With the termination of the Collaboration agreement, all related KPIs are restated using reported revenue.

# Sustainability Data Supplement continued

## Stakeholder engagement

Stakeholder management forms part of our day-to-day business activities and the Group promotes an appropriately consultative and constructive approach to stakeholder engagement. Designated representatives, at the Group and business unit levels, are entrusted with the management of key stakeholder relationships and engagement takes place through appropriate mechanisms including meetings, electronic communication, participation in industrial forums, regulated communication protocols and the media. The expectations of key stakeholders are considered in formulating the Group's strategy, in evaluating material risks and in reviewing business unit performance. The most material stakeholder engagement for the Group undertaken since the publication of the previous year's Integrated Report are set out on pages 14 to 15 of the Integrated Report 2017. The Group's 2017 Stakeholder Engagement Report and the Stakeholder Engagement Policy are available online.

## About this data supplement

In preparing the Group's 2017 Integrated Report, we were guided by the International Integrated Reporting Framework, published by the International Integrated Reporting Council in December 2013. We have therefore integrated key material sustainability matters into the Integrated Report and accordingly, a separate Sustainability Report is not prepared. This Sustainability Data Supplement is designed to provide our stakeholders a further level of detail on sustainability-related indicators. The following supplementary documents are available online and provide further detail and context to the key sustainability matters:

- Group and Company Annual Financial Statements for the year ended 30 June 2017
- Supplementary documents:
  - Unabridged Corporate Governance report

- Social & Ethics Committee report
- Audit & Risk Committee report
- BBBEE report
- 2017 Carbon Disclosure Project and Water Disclosure Project submissions
- Communication on Progress report in respect of the UN Global Compact's 10 Principles for 2017
- Stakeholder Engagement report

## Combined assurance

Selected sustainability information in the Integrated Report has been independently assured by Environmental Resources Management (Pty) Limited ("ERM") in accordance with the AccountAbility's AA1000 Assurance Standard (Revised 2008) (Type II moderate level). All material KPIs have been verified, using a combined assurance approach. The 2017 sustainability assurance statements from external assurance providers, ERM and PricewaterhouseCoopers ("PwC"), can be accessed online. Our Group Internal Audit function ("Internal Audit") also provided limited assurance on selected KPIs and, based on the audit work performed, concluded that the tested KPIs have been prepared in accordance with the defined reporting criteria and are free from material misstatements.

Recommendations for improvement arising from the 2017 combined assurance processes will be addressed as part of the continuous improvement processes.

## Scope and boundaries

Except for as set out in this section, the information reported in this Sustainability Data Supplement includes all operating subsidiaries controlled by the Group.

For the purposes of the Sustainability Data Supplement data has been grouped into the following regional categories:

- Asia Pacific;
- Europe and the Commonwealth of Independent States and the former Soviet Republics ("Europe & CIS");
- Latin America;
- sub-Saharan Africa ("SSA"); and
- rest of the world ("RoW").

The SSA region includes South Africa and the rest of sub-Saharan African countries. For the purpose of reporting, due to its nature and size, the API manufacturing site, API Inc., based in Sioux City, USA is combined with the Oss site, and is therefore included in the Europe & CIS region.

The scope and boundary for each KPI is set out in the table on the following page. KPIs are implemented across business units with reference to the following criteria:

- relevance and suitability of the KPI to the effective measurement of performance at a commercial, manufacturing or combined business unit;
- relevance of these KPI measures to the key risk management objectives at a business unit level; and
- the maturity of the business unit in terms of integration into the Group's business model and existence of appropriate reporting infrastructure and systems.

Information in respect of the following business units has been included for the first time:

- environmental, health and safety for Kama Industries Limited ("Kama"), in Ghana, which formed part of the Group from May 2015; and
- Aspen China which commenced commercialisation activities from 1 April 2017.

During May 2017, the manufacturing facility based in Toluca, Mexico, was divested. Information from this facility has been included up until and including the March 2017 quarterly reporting period.

## Sustainability Data Supplement continued

The following material KPIs are relevant to selected business units:

Material KPIs	Applicable business unit	Rationale
<b>All environmental KPIs including:</b> → Carbon emissions → Waste recycled → Water used → Electricity used	Manufacturing business units only	→ Environmental indicators are not measured and reported on for the commercial business units as their environmental impact is not material.
<b>Safety KPIs including:</b> → Disabling incident frequency ratio ("DIFR") → Lost work day frequency ratio ("LWDFR")	Manufacturing business units only	→ The risk of work-related safety incidents and occupational diseases is highest at the manufacturing facilities where employees are directly exposed to and in contact with production machinery as well as pharmaceutical and chemical materials. → Permanent disabling injuries are monitored and measured at the manufacturing business units only. → Occupational fatalities are monitored and measured across both the manufacturing and commercial business units.
<b>Commercial KPIs including:</b> → Product recalls → IMS value of total product pipeline for the next five years	Commercial business units only	→ The affected product is registered in the name of the relevant commercial business unit and not the supplying manufacturing site. It should be noted that quality management and quality assurance processes are in place at the manufacturing sites to ensure compliance with pharmaceutical good manufacturing practice. These processes aim to release products to the commercial business units only after the requisite quality checks have been passed. Products are blocked for release by our Quality Assurance Department in instances where requisite quality standards are not met. This does not, however, constitute a product recall from customers. → The commercial business units are responsible for identifying and launching commercially viable molecules from the product pipeline.
<b>Promoting equality KPIs including:</b> → BBBEE accreditation → Percentage of black employees	South African business units only	→ The BBBEE legislation and related transformation objectives are only applicable to the South African business. → Employment equity is a key focus for the South African business.

# Sustainability Data Supplement continued

## Intellectual capital

(This information is designed to supplement the disclosures made in pages 44 to 47 of the Integrated Report.)

### Sustaining life and health through high quality, affordable medicines and products

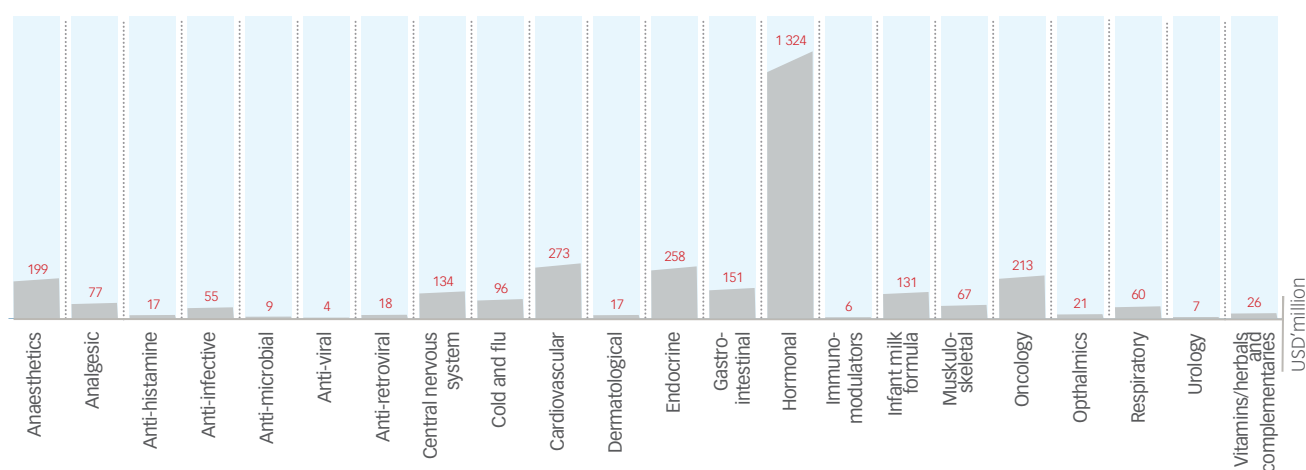
#### Material KPIs

		2017	2016	2015	2014	2013
IMS value of the product pipeline for the next five years	USD'billion	3,2	4,8	4,6	6,7	8,9
Number of product recalls	Number	7	11	6	5	4

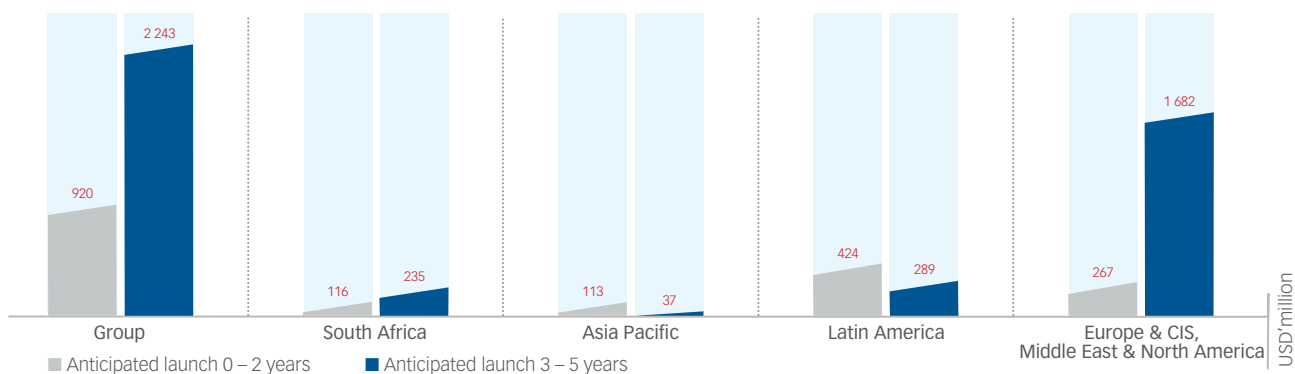
#### Additional KPIs

		2017	2016	2015	2014	2013
Product launches	Number	45	93	105	54	70

#### IMS value of product pipeline per therapeutic category



#### Anticipated timing of product pipeline launch values



## Sustainability Data Supplement continued

### Manufactured capital

(This information is designed to supplement the disclosures made in pages 48 to 51 of the Integrated Report.)

#### Sustaining a cost-competitive manufacturing base

##### Material KPIs

		2017	2016	2015	2014	2013
Return on total assets	%	11	11	13	14	17
EBITDA margin	%	28	28	27	28	31

### Human capital

(This information is designed to supplement the disclosures made in pages 52 to 57 of the Integrated Report.)

#### Creating an environment in which our employees can thrive

##### Material KPIs

		2017	2016	2015	2014	2013
Average staff turnover	%	14	14	14	13	14
Average training spend per employee	Rand	4 987	5 829	5 656	3 477	3 344

#### Additional KPIs for 2017 per region

		Group	SSA					RoW
			South Africa	Rest of SSA	Asia Pacific	Europe & CIS	Latin America	
<b>Employee movement</b>								
Opening number of employees	Number of people	10 513	4 354	906	802	2 872	1 355	224
Appointment of employees	Number of people	1 995	612	76	556	289	343	119
Termination of employment contracts	Number of people	(2 247)	(728)	(552)	(104)	(365)	(454)	(44)
Transfers between business segments	Number of people	0	0	0	0	1	0	(1)
Retirements	Number of people	(29)	(19)	0	(4)	(4)	(2)	0
Medical retirements	Number of people	(11)	(6)	0	0	(5)	0	0
Deaths	Number of people	(17)	(10)	(1)	0	(5)	(1)	0
<b>Total employees at the end of the year</b>								
	Number of people	10 204	4 203	429	1 250	2 783	1 241	298
Permanent employees	Number of people	9 454	3 837	401	1 213	2 570	1 158	275
Temporary employees	Number of people	750	366	28	37	213	83	23
Percentage of permanent employees	%	93	91	93	97	92	93	92
Percentage of temporary employees	%	7	9	7	3	8	7	8
Total female employees	Number of people	5 035	2 274	108	663	1 175	654	161
Total male employees	Number of people	5 169	1 929	321	587	1 608	587	137
<b>Permanent employee ratios</b>								
Percentage of permanent female employees	%	49	55	25	53	42	53	55
Percentage of permanent male employees	%	51	45	75	47	58	47	45
Ratio of new hires to average employees	%	14	7	15	52	6	21	40
Average permanent staff turnover	%	14	12	21	10	10	30	14



# Sustainability Data Supplement continued

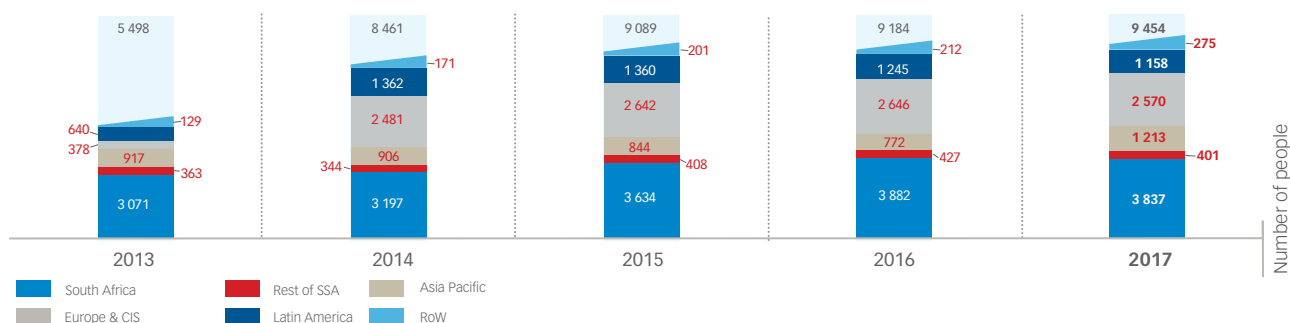
	Group	SSA		Asia Pacific	Europe & CIS	Latin America	RoW	
		South Africa	Rest of SSA					
<b>Key performance assessments ("KPAs")</b>								
Percentage of permanent employees for whom KPAs are in place	%	<b>92</b>	80	100	92	99	97	99
<b>Collective bargaining units</b>								
Percentage of employees belonging to collective bargaining units	%	<b>40</b>	41	27	0	69	25	0
<b>Trade unions</b>								
Percentage of employees belonging to trade unions	%	<b>23</b>	38	30	12	0	38	0
<b>HIV/AIDS*</b>								
Employees who participated in the voluntary HIV/Aids testing#	Number of people	<b>789</b>	134	655+	0	0	0	0
Employees who tested HIV positive as a percentage of total employees	%	<b>0</b>	0	10	0	0	0	0
<b>Employee wellness</b>								
Employees participating in the voluntary counselling programme	Number of people	<b>1 130</b>	454	676+	0	0	0	0
<b>Employee training</b>								
Total investment in training and development	R'million	<b>46,5</b>	13,9	0,3	3,0	23,9	3,5	1,9
Investment in training and development as a percentage of the Group's total	%	<b>100</b>	30	1	6	51	8	4
Training spend per employee	Rand	<b>4 987</b>	3 613	632	2 976	9 166	2 885	7 964
Employees trained during the year	Number of people	<b>7 426</b>	2 336	381	763	2 415	1 267	264
Employees trained as a percentage of the Group's total	%	<b>100</b>	31	5	10	33	17	4

\* These KPIs are only applicable to SSA.

# All employees who participated in the voluntary HIV/AIDS testing were counselled prior to being tested.

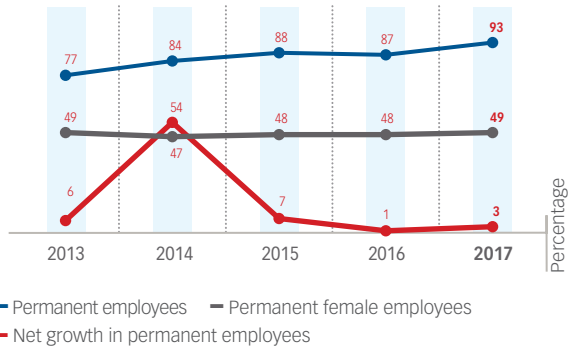
+ Includes contract workers which could not be isolated due to confidentiality of individuals.

## Permanent employees trend by region

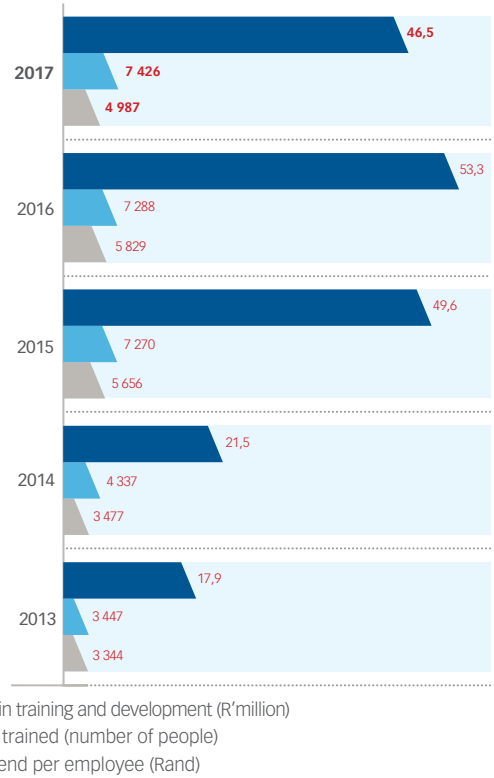


# Sustainability Data Supplement continued

## Group employee trends

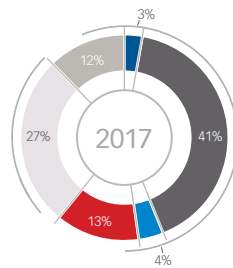


## Investment in employee training

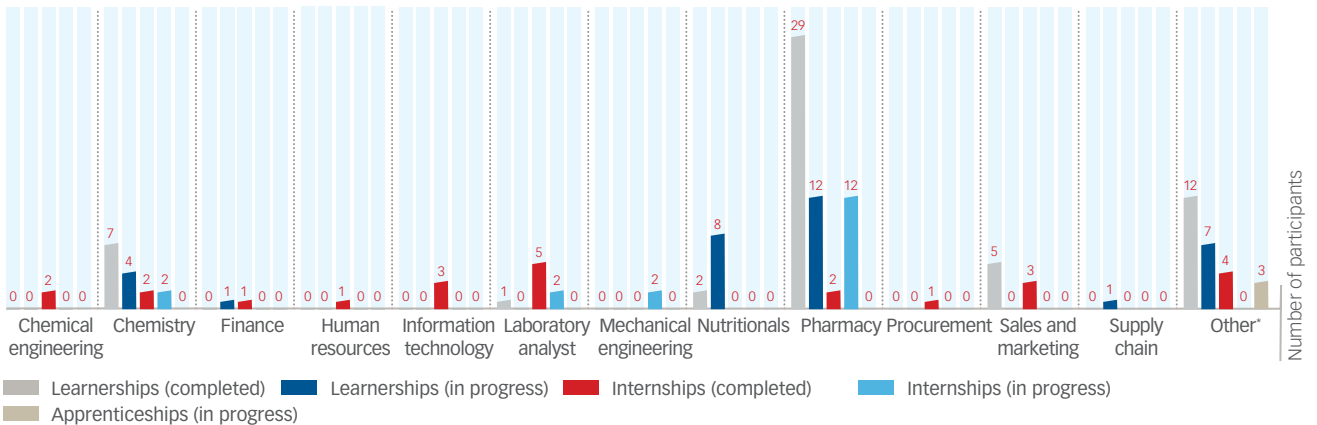


## Total employees by region (10 204 employees)

- RoW
- South Africa
- Rest of SSA
- Asia Pacific
- Europe & CIS
- Latin America



## Skills development programmes for South Africa



\* Other includes biotechnology, compliance and product-related interns or learners.

# Sustainability Data Supplement continued

## Providing a safe working environment

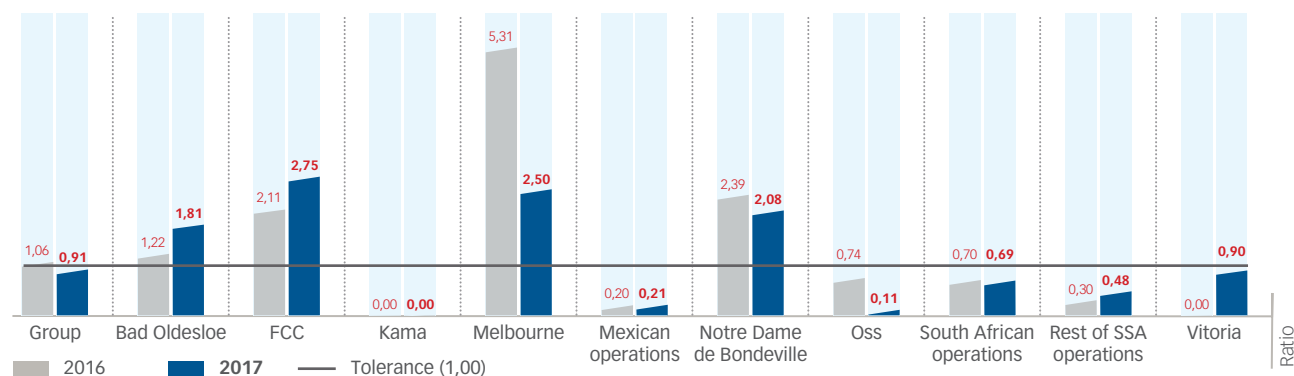
### Material KPIs

		2017	2016	2015	2014	2013
DIFR	Ratio	<b>0,91</b>	1,06	1,08	1,32	1,08
LWDFR	Ratio	<b>0,84</b>	0,84	0,85	1,14	0,86

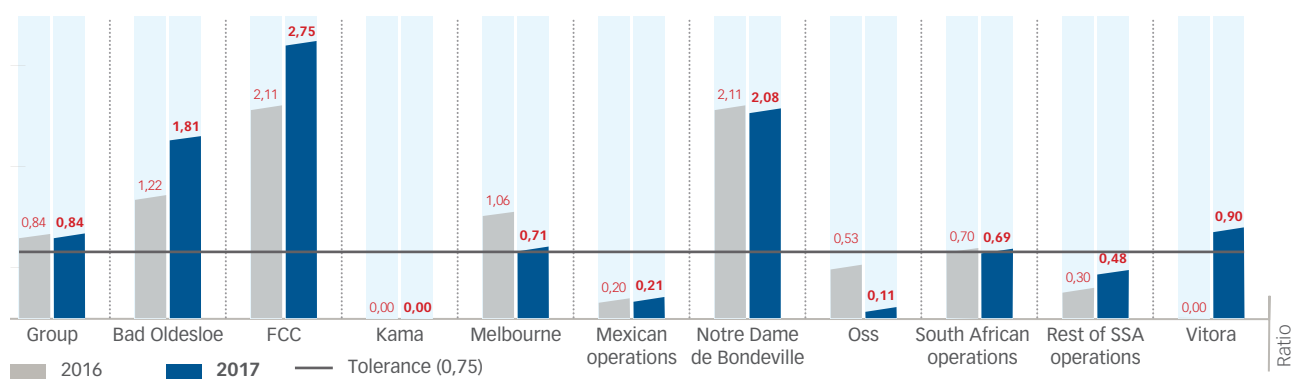
### Additional KPIs for 2017 per region

		Group	SSA		Asia Pacific	Europe & CIS	Latin America
			South Africa	Rest of SSA			
Occupational fatalities (manufacturing and commercial)	Number	<b>0</b>	0	0	0	0	0
Irreversible occupational diseases	Number	<b>3</b>	0	0	0	3	0
Permanent disabilities	Number	<b>0</b>	0	0	0	0	0
Lost work day cases	Number	<b>59</b>	31	5	2	19	2
Disabling injury cases	Number	<b>64</b>	31	5	7	19	2
Employee hours worked	Thousand hours	<b>14 043</b>	6 568	2 172	560	3 559	1 183
<b>DIFR</b>	Ratio	<b>0,91</b>	<b>0,94</b>	<b>0,46</b>	<b>2,50</b>	<b>1,07</b>	<b>0,34</b>
DIFR tolerance level	Ratio	<b>1,00</b>	1,00	1,00	1,00	1,00	1,00
<b>LWDFR</b>	Ratio	<b>0,84</b>	<b>0,94</b>	<b>0,46</b>	<b>0,71</b>	<b>1,07</b>	<b>0,34</b>
LWDFR tolerance level	Ratio	<b>0,75</b>	0,75	0,75	0,75	0,75	0,75

### DIFR trend



### LWDFR trend



## Sustainability Data Supplement continued

### Social & relationship capital

(This information is designed to supplement the disclosures made in pages 58 to 62 of the Integrated Report.)

#### Conducting our business in a responsible manner

##### Material KPIs

		2017	2016	2015	2014	2013
Number of significant legislative infringements	Number	1	0	0	0	0

##### Additional KPIs for 2017 per region

	Group	SSA		Asia Pacific	Europe & CIS	Latin America	RoW
		South Africa	Rest of SSA				
Employees who have completed the required annual Aspen code of conduct declaration	%	98	91*	100	100	100	100

\* As at 20 October 2017.

#### Promoting equality

##### Material KPIs

		2017	2016	2015	2014	2013
Percentage of female employees	%	49	48	48	47	49
Percentage of black employees in South Africa	%	81	80	79	75	76
BBBEE accreditation in South Africa	Level	4	4	4	3*	3*

\* Under the previous BBBEE codes.

##### Additional KPIs

		2017	2016	2015	2014	2013
Female Board members	%	30	30	30	27	20
Black Board members	%	40	40	40	45	40

#### Contributing to enhancement of healthcare, education and basic needs in communities

##### Material KPIs

		2017	2016	2015	2014	2013
Socio-economic development ("SED") spend	R'million	17,7	16,3	20,5	14,1	15,1

# Sustainability Data Supplement continued

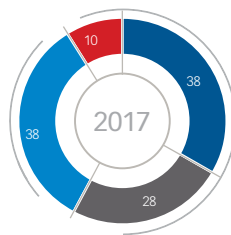
## Additional KPIs for 2017 per region

	Group	SSA					RoW	
		South Africa	Rest of SSA	Asia Pacific	Europe & CIS	Latin America		
<b>SED spend by project type</b>								
Community upliftment	R'million	<b>6,0</b>	4,9	0,1	0,2	0,0	0,8	0,0
Education and training	R'million	<b>5,8</b>	5,7	0,0	0,0	0,1	0,0	0,0
Healthcare	R'million	<b>4,3</b>	4,0	0,1	0,1	0,0	0,0	0,1
Mandela Day*	R'million	<b>1,6</b>	0,3	0,1	0,3	0,3	0,3	0,3
<b>Total SED spend</b>	<b>R'million</b>	<b>17,7</b>	<b>14,9</b>	<b>0,3</b>	<b>0,6</b>	<b>0,4</b>	<b>1,1</b>	<b>0,4</b>
SED spend as a percentage of the Group's total spend	%	<b>100</b>	84	2	3	2	6	2

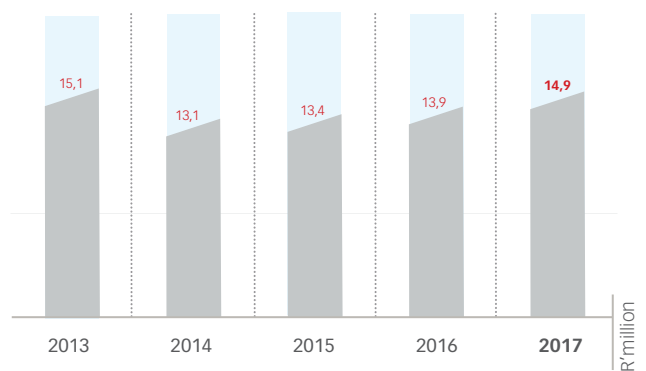
\*Mandela Day activity contributions have been included for the first time from 2017. Previous years have not been restated.

Number of SED projects in South Africa by project type (114 projects)

- Community upliftment
- Education and training
- Healthcare
- Mandela Day

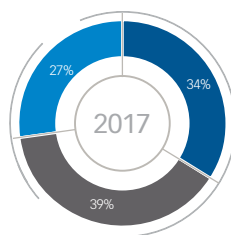


SED project spend trend in South Africa

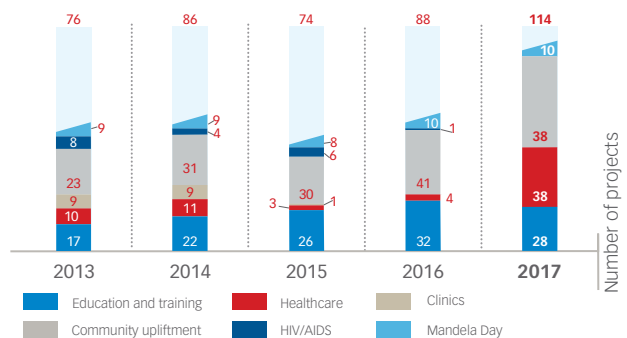


SED project spend in South Africa by project type (R14.9 million)

- Community upliftment
- Education and training
- Healthcare



SED projects supported in South Africa



## Sustainability Data Supplement continued

### Natural capital

(This information is designed to supplement the disclosures made in pages 63 to 67 of the Integrated Report.)

#### Preserving the environment

##### Material KPIs

		2017	2016	2015	2014	2013
Scope 1 emissions*	tCO <sub>2</sub> e	<b>48 435</b>	43 588	44 868	10 917	10 744
Scope 2 emissions*	tCO <sub>2</sub> e	<b>160 237</b>	158 260	151 183	114 615	119 189
Waste recycled	Tonnes	<b>76 577</b>	70 740	34 360	3 496	2 476

\* Carbon footprinting is calculated in accordance with the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard. DEFRA 2016 and local emission factors, for natural gas and electricity, have been used to calculate the GHG emissions. The emission factors used in the calculations take into account the seven main GHG that contribute to climate change. Biogenic emissions are not calculated or measured.

##### Additional KPIs for 2017 per region

		Group	SSA			Europe & CIS	Latin America
			South Africa	Rest of SSA	Asia Pacific		
<b>Waste generated categorised</b>							
Hazardous waste generated	Tonnes	<b>21 345</b>	5 882	63	177	14 794	428
Non-hazardous waste generated	Tonnes	<b>72 662</b>	2 398	183	323	68 213	1 546
<b>Total waste generated</b>	Tonnes	<b>94 007</b>	<b>8 280</b>	<b>245</b>	<b>501</b>	<b>83 007</b>	<b>1 974</b>
<b>Waste generated by disposal method</b>							
Biological treatment	Tonnes	<b>24</b>	6	0	0	18	0
Composting	Tonnes	<b>363</b>	0	0	0	363	0
Energy recovery	Tonnes	<b>2 355</b>	1 368	0	0	987	0
Reclamation	Tonnes	<b>3 476</b>	0	0	0	3 476	0
Recycling	Tonnes	<b>43 530</b>	2 065	78	289	40 124	974
Reuse	Tonnes	<b>26 829</b>	2	9	0	26 818	0
<b>Total waste recycled</b>	Tonnes	<b>76 577</b>	<b>3 441</b>	<b>87</b>	<b>289</b>	<b>71 786</b>	<b>974</b>
Co-processing	Tonnes	<b>504</b>	0	0	0	0	504
Incineration	Tonnes	<b>6 668</b>	246	55	116	6 009	242
Landfill	Tonnes	<b>4 268</b>	3 382	103	86	443	254
Thermal desorption	Tonnes	<b>1 070</b>	1 070	0	0	0	0
Treatment plant	Tonnes	<b>4 920</b>	141	0	9	4 770	0
<b>Total waste disposed</b>	Tonnes	<b>17 430</b>	<b>4 839</b>	<b>158</b>	<b>211</b>	<b>11 222</b>	<b>1 000</b>
<b>Total waste generated</b>	Tonnes	<b>94 007</b>	<b>8 280</b>	<b>245</b>	<b>500</b>	<b>83 008</b>	<b>1 974</b>
Waste recycled as a percentage of waste generated	%	<b>81</b>	42	36	58	86	49

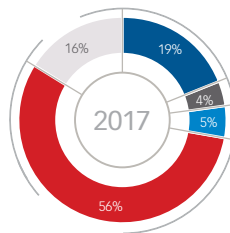
# Sustainability Data Supplement continued

	Group	SSA		Asia Pacific	Europe & CIS	Latin America	
		South Africa	Rest of SSA				
<b>Spillages</b>							
Number of spillages	Number	5	0	0	5	0	
Volume of spillages	kℓ	2,6	0	0	2,6	0	
Material of spillages		Oil and chemical					
Impact of spillages on the environment		None to low					
<b>Effluent management</b>							
Volume of water discharged	kℓ	1 533 816	241 354	4 199	24 921	1 214 939*	48 403
Destination of water discharged		Municipal sewage system and regional wastewater treatment plant					
Quality of water discharged		Compliant with the required municipal standards with isolated minor non-compliances being experienced at the Nutritional and FCC facilities from time to time					

\* Incoming water at Oss is from both municipal supplies and groundwater. Oss' water discharged is higher than water withdrawn from these sources as it also includes rainwater, wastewater from operations, water extracted from the ground for soil contamination control as well as water from MSD which cannot be quantified due to the still-in-progress disentangling process.

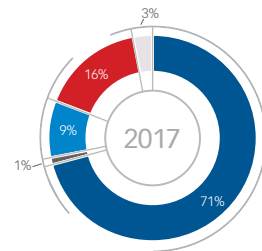
## Scope 1 emissions (48 435tCO<sub>2</sub>e)

- South Africa
- Rest of SSA
- Asia Pacific
- Europe & CIS
- Latin America

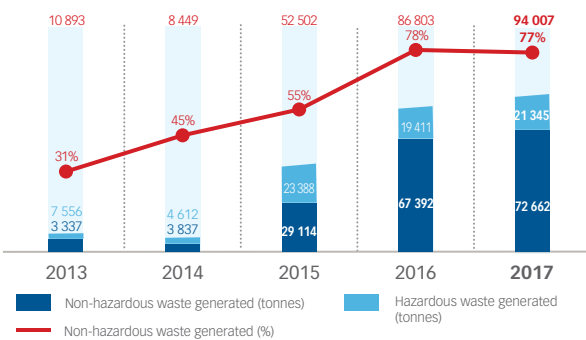


## Scope 2 emissions (160 237tCO<sub>2</sub>e)

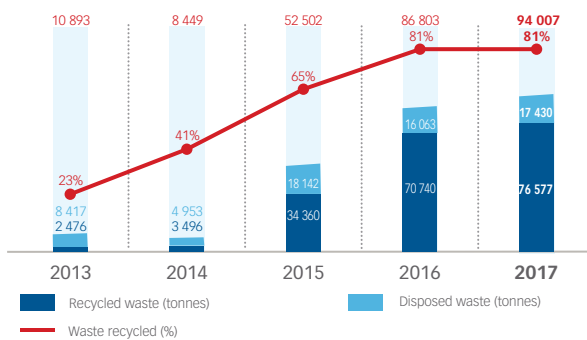
- South Africa
- Rest of SSA
- Asia Pacific
- Europe & CIS
- Latin America



## Waste generated (94 007 tonnes)

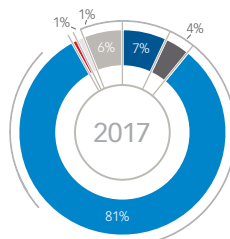


## Waste recycled (76 577 tonnes)



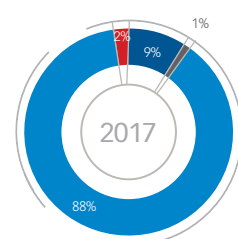
## Waste generated by disposal method (94 007 tonnes)

- Incineration
- Landfill
- Recycled
- Co-processing
- Thermal desorption
- Treatment plant



## Waste generated by region (94 007 tonnes)

- SSA
- Asia Pacific
- Europe & CIS
- Latin America



## Sustainability Data Supplement continued

### Managing the efficient utilisation of scarce resources

#### Material KPIs

		2017	2016	2015	2014	2013
Volume of water used	kℓ	1 634 966	1 789 283	1 833 421	443 893	499 715
Electricity used	GJ	692 449	689 048	696 437	445 224	469 767

#### Additional KPIs for 2017 per region

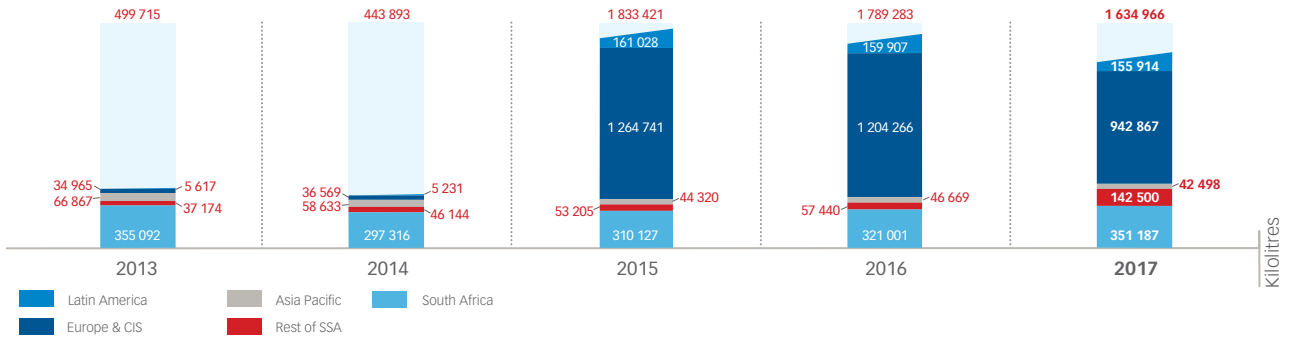
		Group	SSA			Asia Pacific	Europe & CIS	Latin America
			South Africa	Rest of SSA				
<b>Water consumption</b>								
Municipal water	kℓ	1 325 042	351 187	127 005	42 498	743 808	60 544	
Ground water	kℓ	309 924	0	15 495	0	199 059	95 370	
<b>Total volume of water used</b>	kℓ	<b>1 634 966</b>	<b>351 187</b>	<b>142 500</b>	<b>42 498</b>	<b>942 867</b>	<b>155 914</b>	
<b>Recycled water</b>								
Water recycled for own use	kℓ	23 953	21 516	0	0	0	2 437	
Water recycled for third-party use (donated)	kℓ	13 746	0	0	0	0	13 746	
<b>Total volume of water recycled</b>	kℓ	<b>37 699</b>	<b>21 516</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16 183</b>	
Water recycled as a percentage of water used	%	2	6	0	0	0	10	
<b>Energy consumption</b>								
Electricity	GJ	692 449	388 242	12 365	46 829	195 559	49 454	
Natural gas (excluding natural gas used to produce steam consumed by third parties)	GJ	542 697	0	0	37 675	412 527	92 495	
Steam purchased	GJ	44 001	44 001	0	0	0	0	
Fuel	GJ	89 012	72 482	13 365	54	1 263	1 848	
<b>Total energy consumption</b>	GJ	<b>1 368 159</b>	<b>504 725</b>	<b>25 730</b>	<b>84 558</b>	<b>609 349</b>	<b>143 797</b>	
Natural gas used to produce steam consumed by third parties	GJ	63 740	0	0	0	63 740	0	
<b>Resource savings*</b>								
Volume of water saved	kℓ	97 117	4 517	0	0	92 000	600	
Electricity saved	GJ	17 661	0	0	3 330	14 331	0	
<b>Environmental monetary fines and non-monetary sanctions issued by Authorities</b>								
Number of non-monetary sanctions	Number	4	1	0	0	2	1	
Number of monetary fines	Number	2	2	0	0	0	0	
<b>Total number of sanctions and fines</b>	Number	<b>6</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	
<b>Total monetary value of fines</b>	Rand	<b>39 106</b>	<b>25 294</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13 812</b>	

\*Amounts reported have either been estimated or measured internally and have not been subject to audit.

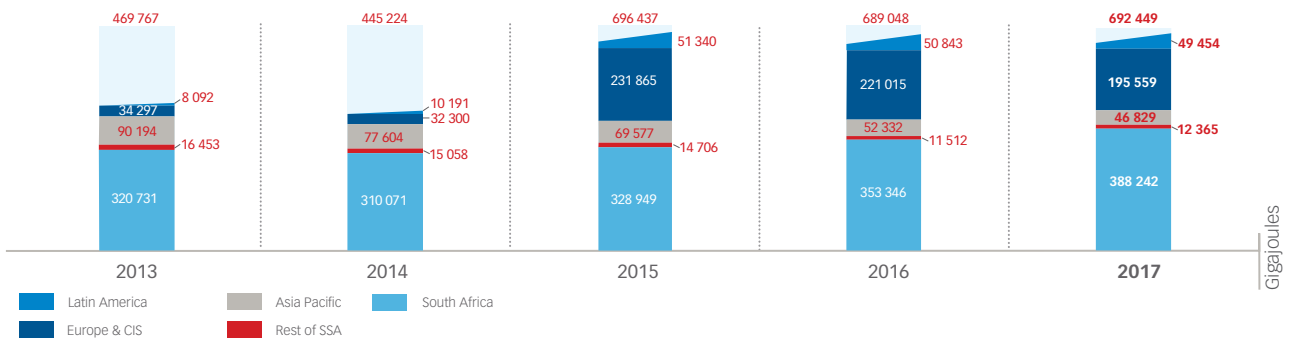


# Sustainability Data Supplement continued

## Water usage by region

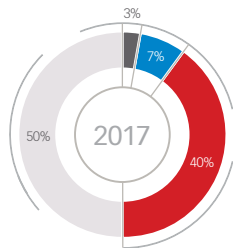


## Electricity usage by region

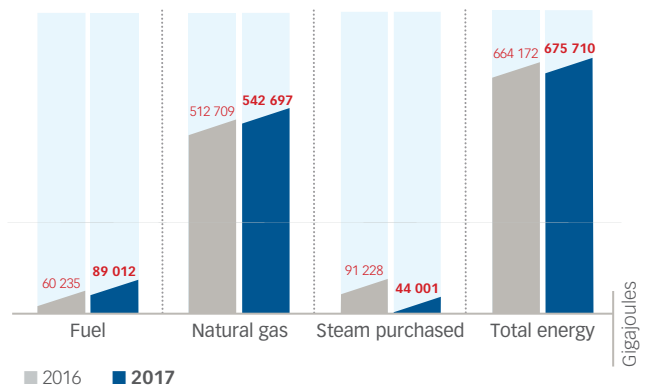


## Energy usage by source type (1 368 159GJ)

- Steam purchased
- Fuel
- Natural gas
- Electricity



## Energy usage by source type excluding electricity



# Sustainability data supplement continued

## Financial capital

(This information is designed to supplement the disclosures made in pages 68 to 71 of the Integrated Report.)

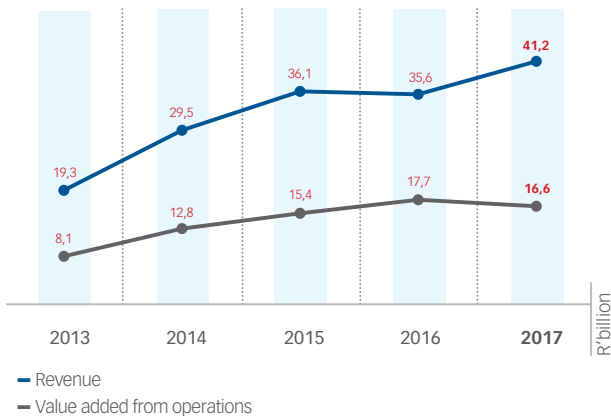
### Adding economic value to stakeholders

#### Material KPIs

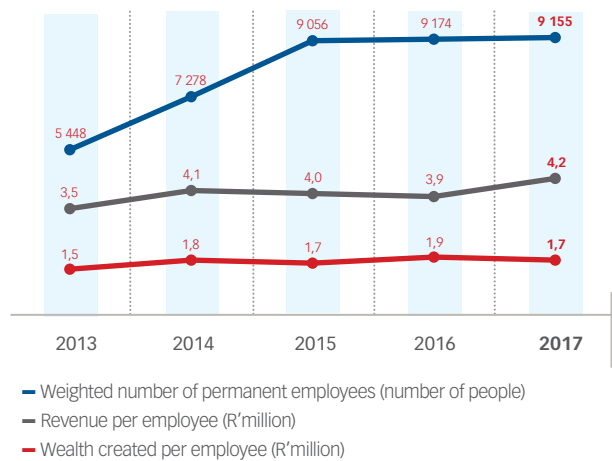
		2017	2016	2015	2014	2013
Growth in revenue	%	<b>16</b>	(2)	22	53	27
Growth in normalised headline earnings per share	%	<b>16</b>	10	8	27	27
Growth in EBITDA	%	<b>13</b>	4	19	39	26
Return on ordinary shareholders' equity	%	<b>12</b>	11	17	20	18
Value added per permanent employee*	R'million	<b>1,8</b>	1,9	1,7	1,8	1,5

\* The value added per employee using the total weighted number of employees of 9 905 (2016: 10 503), with the inclusion of total temporary employees, is R1,7 million (2016: R1,7 million).

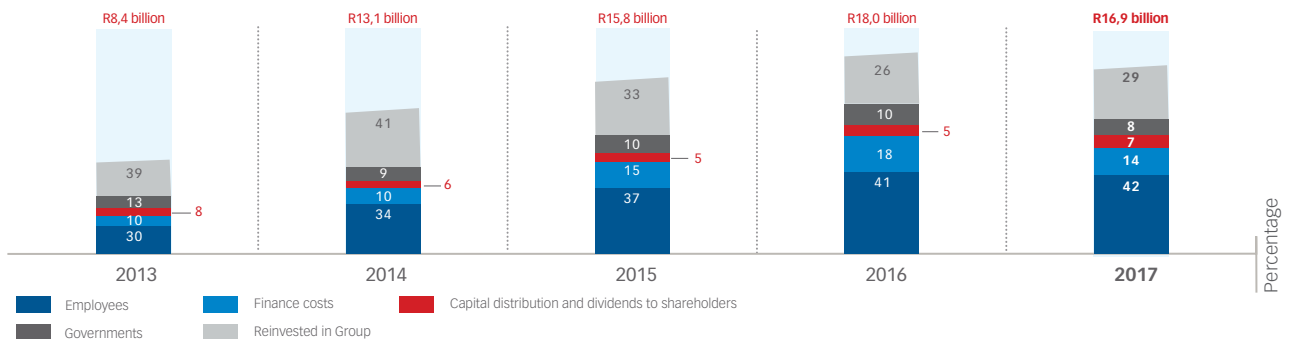
#### Value added from operations



#### Employee productivity measures



#### Total value distribution



## Maintenance of financial health

### Material KPIs

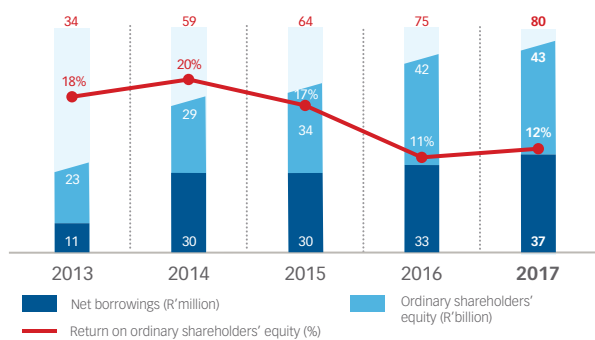
		2017	2016	2015	2014	2013
Operating cash flow per share	Cents	1 421	707	1 060	841	875
Leverage ratio*	Ratio	3,2	3,3	3,1	3,1	n/a

\* Comparative information is only available from the 2014 financial year onwards.

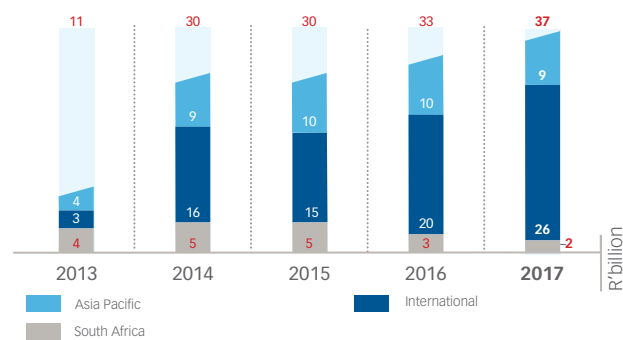
### Additional KPIs

		2017	2016	2015	2014	2013
Net interest cover	Times	5,8	6,1	6,2	7,8	9,7

#### Capital composition



#### Net borrowings composition



## Contact details

Queries regarding our sustainability information can be directed to the Group Risk and Sustainability Manager at [jenglund@aspenpharma.com](mailto:jenglund@aspenpharma.com).

## Sustainability Data Supplement continued

### Abbreviations

Abbreviation	Full name
AA1000	The AA1000 Assurance Standard (Revised, 2008) (Type II Moderate level), is a standard for assessing and strengthening the credibility and quality of organisation's economic, social and environmental reporting
Asia Pacific	Includes Australasia, China, Japan and Other Asia
Aspen and/or Group	Aspen Pharmacare Holdings Limited and/or its subsidiaries
API Inc.	Aspen API Incorporated, incorporated in the United States
Bad Oldesloe	The manufacturing site based in Bad Oldesloe, Germany
BBBEE	Broad-Based Black Economic Empowerment
DIFR	Disabling injury frequency rate
EBITDA	Normalised EBITDA, comprising of operating profit before depreciation and amortisation adjusted for specific non-trading items
Empowerdex	An independent economic empowerment rating agency in South Africa
ERM	Environmental Resources Management (Pty) Limited
Europe & CIS	Europe and the Commonwealth of Independent States and the former Soviet Union. Includes Developed and Developing Europe
FCC	Fine Chemicals Corporation (Pty) Limited
GHG	Greenhouse gas
GJ	Gigajoules
Internal Audit	The Aspen Group Internal Audit function
International	Includes all businesses except for those in Asia Pacific and South Africa
IMS	IMS Health is a leading provider of healthcare and pharmaceutical market intelligence
Kama	Kama Industries Limited
KPA	Key performance area
KPI	Key performance indicator
kℓ	Kilolitres
LWDFR	Lost work day frequency rate
Mandela Day	The Nelson Mandela International Day
Melbourne	The manufacturing site based in Dandenong, Melbourne in Australia
Mexican operations	The manufacturing site based in Vallejo and Toluca (divested, effective May 2017) in Mexico
NHEPS	Normalised headline earnings per share
Notre Dame de Bondeville	The manufacturing site based in Notre Dame de Bondeville in France

## Sustainability Data Supplement continued

Abbreviation	Full name
Oss	The manufacturing sites based in Moleneind, De Greer and Boxtel in the Netherlands and the API Inc., a API manufacturing site in Sioux City, USA
PwC	PricewaterhouseCoopers Inc.
Rand	South African Rand
Rest of SSA	Includes sites based in Accra, Ghana; Dar es Salaam, Tanzania; Kampala, Uganda; Lagos, Nigeria; and Nairobi, Kenya
Rest of World	Includes Canada, Middle East, North Africa and the United States of America
SED	Socio-economic development
South African operations	The manufacturing sites in Port Elizabeth, East London and Johannesburg
SSA	Sub-Saharan Africa, which includes South Africa and Rest of SSA
Rest of SSA operations	The manufacturing sites in Dar es Salaam, Tanzania and Nairobi, Kenya
tCO <sub>2</sub> e	Tonnes of carbon dioxide equivalent
USD	US Dollar
Vitória	The manufacturing site based in Vitória, Brazil

### Calculation of ratios supporting material sustainability KPIs

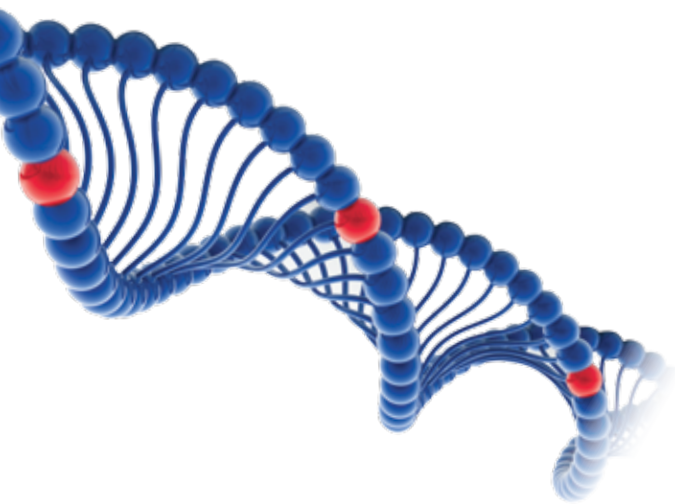
Ratio	Calculation
Average staff turnover (%)	$\frac{\text{Total number of permanent employee departures}}{\text{Average number of permanent employees}}$
Average training spend per employee (Rand)	$\frac{\text{Total investment in employee training during the year} + \text{value of bursaries granted}}{\text{Average number of permanent employees}}$
DIFR (ratio)	$\frac{\text{Sum of qualifying disabling incident* cases} \times 200\,000}{\text{Number of employee hours worked over rolling 12 months}}$ <p><i>(*A disabling incident includes a work related injury that results in death, permanent disability or temporary disability. Disabling injuries include lost work day cases, restricted work day cases and occupational diseases and excludes minor (first aid level) injuries.)</i></p>
EBITDA margin (%)	$\frac{\text{EBITDA}}{\text{Revenue}}$
Growth in EBITDA (%)	$\frac{\text{EBITDA (current year)} - \text{EBITDA (prior year)}}{\text{EBITDA (prior year)}}$
Growth in revenue (%)	$\frac{\text{Revenue (current year)} - \text{Revenue (prior year)}}{\text{Revenue (prior year)}}$
Growth in NHEPS (%)	$\frac{\text{NHEPS (current year)} - \text{NHEPS (prior year)}}{\text{NHEPS (prior year)}}$
Leverage ratio	$\frac{\text{Borrowings, net of cash and cash equivalents*}}{\text{EBITDA*}}$ <p><i>(*Calculated in accordance with the Group's long-term debt agreements.)</i></p>

## Sustainability Data Supplement continued

Ratio	Calculation
LWDFR (ratio)	Sum of qualifying lost work day incident cases* x 200 000
	Number of employee hours worked over rolling 12 months <i>(*A lost work day occurs when an employee, as a result of the injury, or disease, is unable to carry on with all normal duties on the next day or shift (including weekends, off duty days and public holidays), as verified by a medical practitioner.)</i>
Normalised headline earnings	Normalised headline earnings are headline earnings adjusted for specific non-trading items, being transaction costs and other acquisition and disposal-related gains or losses, restructuring costs, settlement of product related litigation cost and significant once-off tax provision charges or credits arising from the resolution of prior year matters
Percentage of black employees	Permanent black* employees in South Africa
	Permanent employees in South Africa <i>(*as defined in the Employment Equity Act)</i>
Percentage of female employees	Permanent female employees
	Total permanent employees
Operating cash flow per share (cents)	Cash generated from operating activities
	Weighted average number of shares in issue
Return on ordinary shareholders' equity (%)	Profit attributable to equity holders of the parent
	Weighted average ordinary shareholders' equity
Return on total assets (%)	EBITDA
	Total weighted average assets (excluding cash and cash equivalents)
Value added per permanent employee (R'million)	Value added from operations
	Weighted number of permanent employees at year end

## **Disclaimer**

We may make statements that are not historical facts and relate to analyses and other information based on forecasts of future results and estimates of amounts not yet determinable. These are forward looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as “prospects”, “believe”, “anticipate”, “expect”, “intend”, “seek”, “will”, “plan”, “indicate”, “could”, “may”, “endeavour” and “project” and similar expressions are intended to identify such forward looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that predictions, forecasts, projections and other forward looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. The factors that could cause our actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements are discussed in each year’s Annual Report. Forward looking statements apply only as of the date on which they are made, and we do not undertake other than in terms of the Listings Requirements of the JSE Limited, any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.



**Aspen Holdings Head Office**

Durban, South Africa  
Aspen Place  
9 Rydall Vale Park  
Douglas Saunders Drive  
La Lucia Ridge  
Tel: +27 31 580-8600

[www.aspenpharma.com](http://www.aspenpharma.com)