

Responsible corporate citizenship philosophy

INTRODUCTION

Aspen's vision, "To deliver value to all our stakeholders as a responsible corporate citizen that provides quality, affordable medicines 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 wellbeing of its investors, employees, customers and business partners. In its quest to secure wealth creation and financial growth for its shareholders. Aspen recognises its accountability for:

- the responsible manufacture and supply of products in accordance with applicable pharmaceutical regulations, legislation and guidelines;
- protecting the health and safety of its employees; and
- promoting access to affordable and effective healthcare in the territories and communities in which it operates.

Aspen further recognises the importance of supporting global initiatives aimed at protecting the environment and conserving natural resources. At Aspen, responsible corporate citizenship is more than a compliance requirement, it is fundamental to the Group's objectives.

AN ABSOLUTE COMMITMENT TO GOOD CORPORATE CITIZENSHIP

Lead by an effective Board of Directors and long-serving, experienced executives, Aspen operates on an established foundation of strong corporate governance. The King III Report on Governance is implemented throughout the Group. Aspen acknowledges steps taken internationally towards enhancing and standardising sustainability reporting and supports sustainability initiatives which are relevant to the Group. To this end, the Board has enhanced its commitment to such initiatives through the establishment of the Social & Ethics Committee.

Aspen believes in engagement and communication with the Group's identified stakeholders. In doing so, Aspen undertakes to provide information which is truthful, accurate and consistent and which is relevant to stakeholders in making their decisions.

With the aim of supplying high quality, cost-effective products responsibly to all our customers, products are manufactured and distributed in accordance with the relevant regulations, legislation and guidelines governing the pharmaceutical industry.

In the promotion of Aspen's brand and products, our sales and marketing policies are aligned with relevant marketing codes in each operating territory. In addition, Aspen undertakes to comply with other relevant regulations and legislation in respect of matters relating to consumer relationships, including advertising standards, consumer engagement and the compliance with consumer protection laws.

SECURING ECONOMIC RETURNS TO SHAREHOLDERS

Striving to create wealth is a business imperative and delivering returns to shareholders is a pre-requisite for sustainability of any business as a going concern. Since its public listing in 1999 until 2012, Aspen has delivered progressive returns to its shareholders. Aspen benchmarks its performance against its competitors both in South Africa and internationally. Financial systems of control are applied to monitor and report financial information. Financial objectives are, however, set with due consideration of non-financial factors impacting each area of the business. The business environment in each geographic segment is carefully studied on an ongoing basis and territory-specific business strategies are implemented to maximise the opportunities in each region whilst mitigating the downside. Strategic

transactions are undertaken with due regard to:

- shareholder wealth;
- Aspen's Code of Conduct;
- protecting the credibility and good reputation of the Group;
- compliance and regulatory requirements;
- the expectations of and potential impact on affected stakeholders;
- the Group's tolerance for risk; and
- the unique market and operational dynamics which characterise each territory.

OUR PEOPLE

Aspen's strength lies in its worldwide team and employees work in a trusting environment which is free from discrimination, prejudice, bias, harassment and violation. Employee rights and labour regulations are respected through human resources, industrial relations and legal compliance frameworks implemented throughout the Group. Employees are free to belong to a trade union and/or collective bargaining councils.

Executives and management interact with staff on the basis of an open-door policy and the Group strives to give employees the necessary infrastructure, training and support required to perform their duties professionally, effectively, efficiently and diligently. In this way, every employee is expected to optimise their contribution to the Group and act in good faith as an ambassador of Aspen's values and corporate ethics. To this end, employees sign a Code of Conduct which governs their actions relative to the Group.

Protocols, programmes and support facilities are in place to protect employees' health, safety and wellbeing. Through the Social & Ethics Committee, the Board of Directors endorses diversity and addresses South Africa's BEE objectives.

Responsible corporate citizenship philosophy continued

The Group strives to ensure that each employee's contribution is fairly rewarded and recognised. The Remuneration & Nomination Committee monitors remuneration and reward structures to ensure that employees are compensated with competitive salary and benefit schemes.

“HEALTHCARE. WE CARE”

Aspen continually invests in the upgrading of our world-class manufacturing facilities in order to supply quality products at competitive prices for our customers throughout the world. Highly skilled and competent professionals are employed in our businesses to manage the quality, efficacy and cost of products. Aspen's robust pipeline includes products which cover a wide range of therapeutic categories across a diverse customer base. At the onset of the HIV/AIDS pandemic, Aspen pioneered the concept of voluntary licences through which multinational companies granted manufacturing and supply rights to selected generic companies for patented HIV/AIDS drugs. In this way, Aspen accelerated the supply of affordable ARVs to Africa and other emerging markets. Aspen was the first company to launch generic ARVs in Africa. Such initiatives demonstrate Aspen's commitment to increasing access to affordable medicines throughout its global markets.

Aspen's CSI programme supports the establishment of clinics, healthcare programmes, educational programmes, community programmes and charitable initiatives which are targeted at addressing the shortage of primary healthcare in South Africa. Programmes targeting HIV/AIDS and tuberculosis are given priority.

CSI projects are also carried out at Aspen's International businesses to contribute to the wellbeing of employees, customers and the broader communities.

PROTECTING OUR ENVIRONMENT AND CONSERVING RESOURCES

Our manufacturing and supply protocols promote the ongoing review and continuous improvement of operating policies and procedures in an effort to deliver high quality products to the market responsibly, on time and at competitive prices. In doing so, cognisance is taken of developments in environmental legislation, related technological enhancements relevant to the Company's operations, resource conservation objectives and responsible environmental management guidelines.

REVIEW OF THE CORPORATE CITIZENSHIP PHILOSOPHY

This corporate citizenship philosophy must be reviewed by the Company Secretary & Group Governance Officer from time to time to ensure that it remains updated and appropriate. Any proposed changes must be submitted to the Board for approval.