

**Environmental
Resources
Management**

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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 Sustainability Report 2015 (the Report).

Engagement Summary	
Scope:	<ol style="list-style-type: none"> 1. Whether Aspen adheres, in all material respects, to the three AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness. 2. Whether the 2015 data, for the period 01 July 2014 to 30 June 2015, for the following selected performance indicators are fairly presented, in all material respects: <ul style="list-style-type: none"> • Disabling incident frequency ratio; • Lost work day frequency ratio; • Total electricity used (gigajoules); • Total volume of water used (kilolitres); • Total volume of water recycled (kilolitres); • Total amount of waste recycled (tonnes); • Total amount of hazardous waste generated (tonnes); and • Greenhouse gas emissions (Scope 1 and 2) (tonnes CO₂e). 3. Whether the GRI G3.0 Application Level B, as self-declared in the "Reading the Sustainability Report" section, is consistent with the GRI criteria for this Application Level.
Reporting Criteria:	AA1000 AccountAbility Principles Standard (2008) criteria and those of the Global Reporting Initiative's Sustainability Reporting Guidelines [G3.0]
Standard Used:	AA1000 Assurance Standard (2008) – Type 2
Assurance Level:	Moderate assurance
Respective responsibilities:	<p>Aspen is responsible for preparing the Report and for the collection and presentation of the information within it, including the maintenance and integrity of the website.</p> <p>ERM's responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.</p>

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Company Registration Number
2003/001404/07

Directors
Ian Bailey (UK) (Chairman)
Urmilla Bob (Non-Executive)
Linda Kumbemba
Tania Swanepoel
Marinda van der Merwe

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

Our conclusions

AA1000APS (2008) Principles

1. Based on our assurance 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

2. Based on our assurance activities, nothing has come to our attention to indicate that the 2015 data for the selected indicators, as listed under the scope above, are not fairly presented, in all material respects, with the reporting criteria.

GRI "B" Application Level Check

3. Based on our assurance activities, the Report has been prepared in accordance with the GRI G3.0 criteria for a "B" Application Level.

Our assurance activities

A multi-disciplinary team of environmental, health and safety, social, governance and assurance specialists with extensive experience in sustainability reporting 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, and review of selected documentary evidence, to understand Aspen's 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 at the FCC Cape Town, South Africa and Bad Oldesloe, Germany manufacturing sites.*
- *Desktop reviews of the East London, South Africa; Notre Dame de Bondeville, France; and Vitoria, Brazil sites to verify source data.*
- *An analytical review of the year-end data submitted by all sites included in the consolidated 2015 group data for the selected indicators.*
- *A review of selected evidence related to the design, information collection, and production of the Report using the GRI G3.0 Guidelines and the United Nations Global Compact Principles.*
- *Reviewing the presentation of information relevant to the scope of our work in the Report, and within the Integrated Report, 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 key observations and recommendations:

In relation to the Inclusivity principle:

Aspen has formal 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 included in internal documents such as the Stakeholder Engagement Policy and the Aspen Code of Conduct. Stakeholders are identified, mapped and ranked; notable stakeholder engagements are reported to the Board on a quarterly basis and are considered as part of the annual review of Aspen's material issues and the formulation of the group's business strategy.

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 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 the issues are reviewed by the Board on an annual basis. Material issues have largely remained the same over the previous three years. The group's strategic objectives are translated into sustainability themes which are monitored on the basis of material key performance indicators.

In relation to the Responsiveness principle:

Aspen has developed appropriate and adequate policies, strategies and plans that are 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 a Sustainability Report, 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 issues and the impact of the organisation's activities in this regard. ERM recommends that the Social & Ethics Committee continues to develop its understanding of such issues in order to enhance its ability to respond to stakeholders in this respect and provide the requisite input into the Sustainability Report.

In relation to Selected Performance Indicators

- There is scope to improve data management and reporting systems at group and site level including improving the understanding of data reporting requirements and KPI definitions, as well as documenting data change control processes and responsibilities; and
- Strengthening internal data quality controls is required, such as review of submitted data and maintenance of records at a business unit level to identify and correct data inconsistencies timeously.

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.



Donald Gibson
Partner
02 November 2015

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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 exercise provide no consultancy related services to Aspen in any respect.