



celebrating

20

YEARS

Healthcare.  
**We Care.**



2018 Sustainability Data Supplement

celebrating 20 years

## Contents

1	About Aspen
2	About this data supplement
4	Our sustainable business strategy
6	Intellectual capital
7	Manufactured capital
8	Human capital
13	Social and relationship capital
14	Natural capital
19	Financial capital
21	Abbreviations and definitions
23	Calculation of ratios supporting material sustainability KPIs

### About Aspen

This year we celebrate our 20th anniversary as a JSE-listed company. Established from humble beginnings in Durban, South Africa, and with a 160 year heritage, we have grown into a leading specialty and branded multinational pharmaceutical company. Our extensive basket of products treat a broad spectrum of acute and chronic conditions experienced through all stages of life.

Our core categories that receive our highest focus include Regional Brands, Anaesthetics, Thrombosis, High Potency & Cytotoxics and Nutritional.

Our manufacturing facilities are scalable to demand and cover a wide variety of product types including injectables, oral solid dose, liquids, semi-solids, steriles, biologicals, active pharmaceutical ingredients and nutritional. These facilities hold international approvals from some of the most stringent global regulatory agencies.

celebrating 20 years

## About this data supplement

In preparing the Group's 2018 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.

In addition to the Group's 2018 Integrated Report, 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 2018
- Supplementary documents:
  - Unabridged Corporate Governance report
  - Social & Ethics Committee report
  - Audit & Risk Committee report
  - BBBEE report
- 2018 Carbon Disclosure Project and Water Disclosure Project submissions
- Communication on Progress report in respect of the UN Global Compact's 10 Principles for 2018
- 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 as set out on page 5. The 2018 sustainability assurance statements from external assurance providers, ERM, Empowerdex (an accredited BBBEE verification agency) 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 2018 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, United States 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.

celebrating 20 years

## About this data supplement continued

The following material KPIs are only relevant to certain business units:

Material KPIs	Applicable business unit	Rationale
<p><b>All environmental KPIs including:</b></p> <ul style="list-style-type: none"> <li>• Carbon emissions</li> <li>• Waste recycled</li> <li>• Water used</li> <li>• Electricity used</li> </ul>	Manufacturing business units only	<ul style="list-style-type: none"> <li>• Environmental indicators are not measured and reported on for the commercial business units as their environmental impact is not material.</li> </ul>
<p><b>Safety KPIs including:</b></p> <ul style="list-style-type: none"> <li>• Disabling incident frequency ratio ("DIFR")</li> <li>• Lost work day frequency ratio ("LWDFR")</li> </ul>		<ul style="list-style-type: none"> <li>• 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.</li> <li>• Permanent disabling injuries are monitored and measured at the manufacturing business units only.</li> <li>• Occupational fatalities are monitored and measured across both the manufacturing and commercial business units.</li> </ul>
<p><b>Commercial KPIs including:</b></p> <ul style="list-style-type: none"> <li>• IMS value of total product pipeline for the next five years</li> </ul>	Commercial business units only	<ul style="list-style-type: none"> <li>• The commercial business units are responsible for identifying and launching commercially viable molecules from the product pipeline.</li> </ul>
<p><b>Promoting equality KPIs including:</b></p> <ul style="list-style-type: none"> <li>• BBBEE accreditation</li> <li>• Percentage of black employees in South Africa</li> <li>• Percentage of black employees in the top 50 positions in South Africa</li> </ul>	South African business units only	<ul style="list-style-type: none"> <li>• The BBBEE legislation and related transformation objectives are only applicable to the South African business.</li> <li>• Employment equity is a key focus for the South African business.</li> </ul>

### 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 and 15 of the Integrated Report 2018. The Group's 2018 Stakeholder Engagement Report and the Stakeholder Engagement Policy are available online.

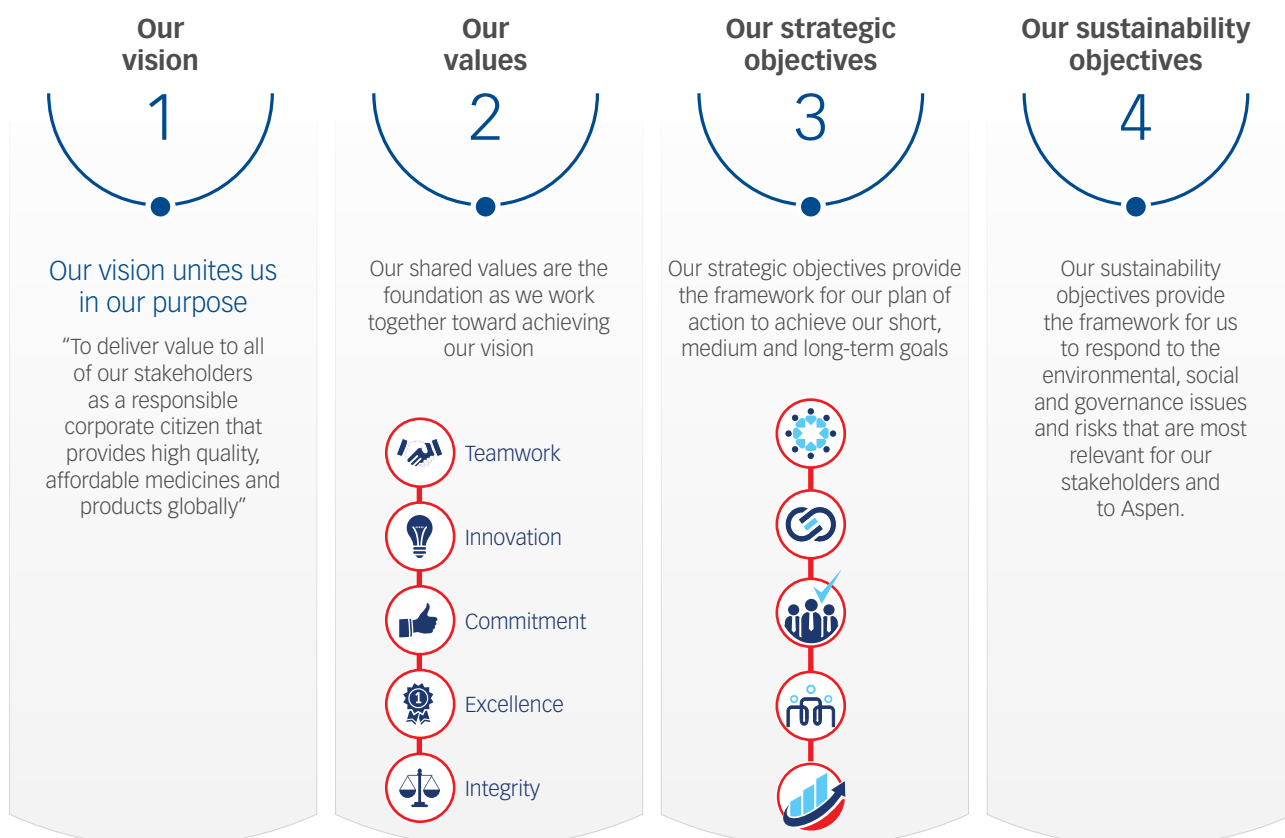
### Contact details

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

celebrating 20 years

## Our sustainable business strategy

We recognise that doing business in a sustainable and responsible manner is integral to ensuring our future viability. Sustainability considerations underpin our strategy and are integrated into the way we do business.



### Our material issues

Our material issues are grouped into our sustainability objectives, which are aligned to our strategy and aligned to our sustainability objectives. We consider material issues to be those that have the potential to substantially impact our ability to create and sustain value for our stakeholders over the short-, medium-, and long term. We review these issues and risks each year with reference to:

- identifying and assessing the needs of our stakeholders through constructive engagement with them (page 14);
- our external operating context (page 22);
- key business risks impacting our sustainability (pages 30 to 37);
- the value exchange and/or opportunity costs of applying our available capitals and our responsible management of these (refer pages 42 to 79); and
- our responsibility to provide relevant and transparent reporting with reference to the GRI, King IV, the Companies Act of South Africa, the Department of Trade and Industry’s BBBEE Codes of Good Practice (“BBBEE Codes”) in South Africa, the FTSE/JSE Responsible Investment Index, the Carbon and Water Security Disclosure Projects and the UN Global Compact.

### Implementation of our strategy














We implement our strategy by applying the resources we have available in execution of our business model to drive growth and create sustainable value (pages 28 and 29).

We have identified key performance indicators designed to provide a defined measure of performance against our strategic and related sustainability objectives. We track our performance by reporting against these KPIs to the Board on a quarterly basis. In this way, the performance of executive directors, executives and senior management is aligned to our sustainable business strategy as follows:

- reporting on our performance against our strategic objectives is included in “Our strategic business performance” (pages 30 to 37); and
- reporting on the sustainability objectives is integrated into our reporting on the capitals in the section “Creating value through our capitals” (pages 42 to 79).

Page references relate to the Group’s 2018 Integrated Report.






# Our sustainable business strategy continued

Our strategic objectives	Our sustainability objectives	Our capitals	Key Performance Indicator ("KPI")
<p>To enhance access to high quality, affordable medicines</p>  <p>(page 30)</p>	<p>Sustaining life and health through high quality, affordable medicines</p>	 <p>Intellectual</p>	<ul style="list-style-type: none"> <li>• IMS value of total product pipeline for the next five years ●</li> <li>• Number of product recalls ●</li> </ul>
<p>To achieve strategic advantage through our integrated supply chain</p>  <p>(page 32)</p>	<p>Sustaining a cost-competitive manufacturing base</p>	 <p>Manufactured</p>	<ul style="list-style-type: none"> <li>• Return on total assets ●</li> <li>• Normalised EBITDA margin ●</li> </ul>
<p>To provide a safe, challenging and rewarding environment for our employees</p>  <p>(page 32)</p>	<p>Creating an environment in which our employees can thrive</p> <p>Providing a safe working environment</p>	 <p>Human</p>	<ul style="list-style-type: none"> <li>• Average staff turnover ●</li> <li>• Average training spend per employee ●</li> <li>• Disabling incident frequency ratio ("DIFR") ●</li> <li>• Lost work day frequency ratio ("LWDFR") ●</li> </ul>
<p>To practise good corporate citizenship</p>  <p>(page 34)</p>	<p>Promoting equality</p> <p>Conducting our business in a responsible manner</p>	 <p>Social &amp; Relationship</p>	<ul style="list-style-type: none"> <li>• BBBEE accreditation in South Africa* ●</li> <li>• Percentage of female employees ●</li> <li>• Percentage of females in top 100 positions in the Group ●</li> <li>• Percentage of black employees in South Africa* ●</li> <li>• Percentage of black employees in top 50 positions in South Africa* ●</li> <li>• Number of significant incidents of legislative infringements ●</li> <li>• FTSE/JSE Responsible Investment Index score ●</li> </ul>
<p>To create sustainable economic value for all of our stakeholders</p>  <p>(page 36)</p>	<p>Preserving the environment</p> <p>Managing the efficient utilisation of scarce resources</p> <p>Adding economic value to stakeholders</p> <p>Maintenance of financial health</p>	 <p>Natural</p>  <p>Financial</p>	<ul style="list-style-type: none"> <li>• Carbon emissions# ●</li> <li>• Waste recycled#% ●</li> <li>• Water used # ●</li> <li>• Electricity used# ●</li> </ul>
<p>To create sustainable economic value for all of our stakeholders</p>  <p>(page 36)</p>	<p>Adding economic value to stakeholders</p> <p>Maintenance of financial health</p>	 <p>Financial</p>	<ul style="list-style-type: none"> <li>• Growth in revenue ●</li> <li>• Growth in NHEPS ●</li> <li>• Growth in normalised EBITDA ●</li> <li>• Return on ordinary shareholders' equity ●</li> <li>• Operating cash flow per share ●</li> <li>• Leverage ratio ●</li> </ul>

# Measured for manufacturing sites only (does not include New Zealand New Milk ("NZNM"))  
 \* South African businesses only

### Assurance on our KPIs

We obtain assurance on these reported KPIs through a combined assurance approach:

-  ERM
-  PwC
-  Internal Audit
-  Empowerdex
-  Group Compliance Officer Review

Page references relate to the Group's 2018 Integrated Report.



(This information is designed to supplement the disclosures made in pages 42 to 47 of the Integrated Report.)

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

**Material KPIs**

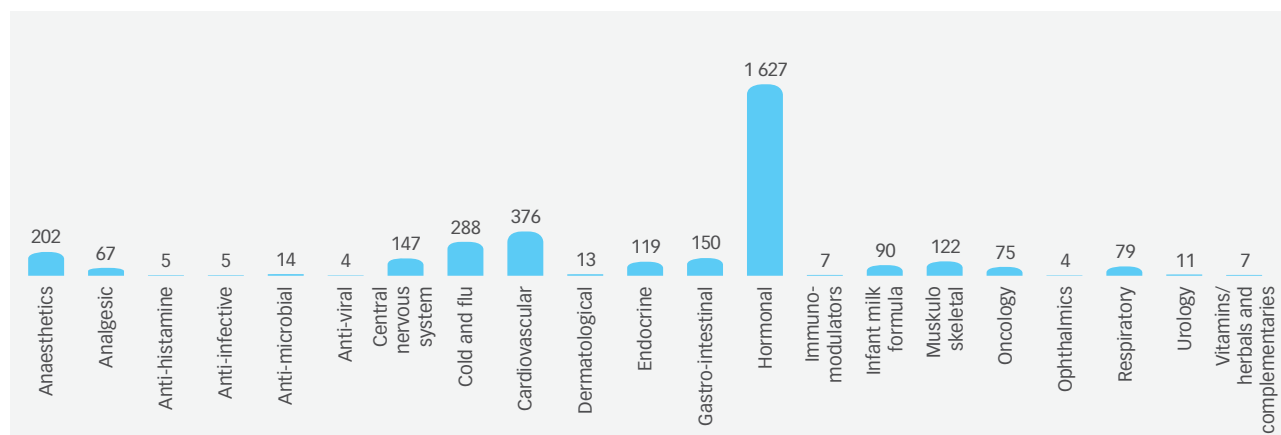
		2018	2017	2016	2015	2014
IMS value of total product pipeline for the next five years	USD billion	3,4	3,2	4,8	4,6	6,7
Number of product recalls	Number	17	7	11	6	5

**Additional KPIs**

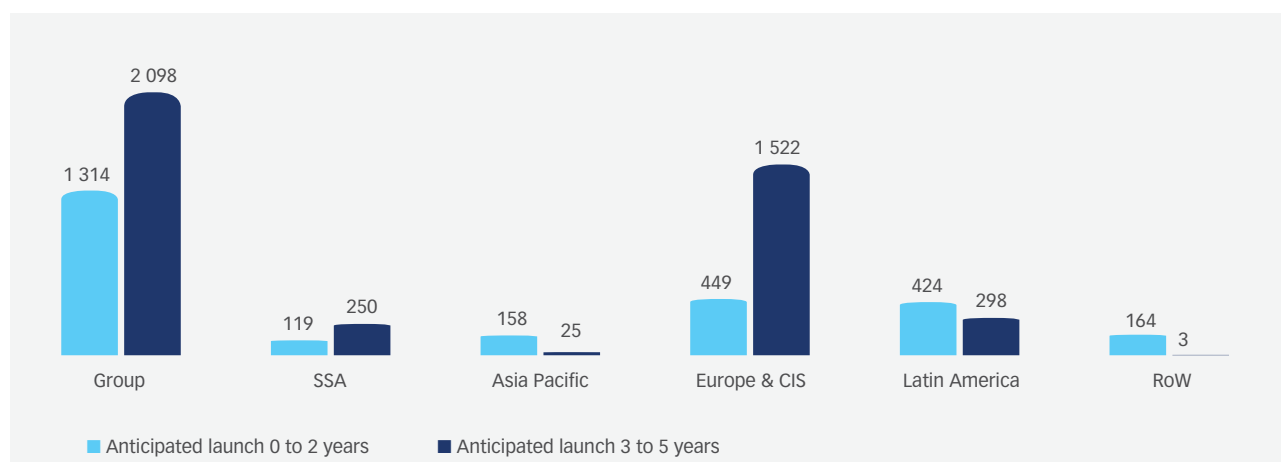
		2018	2017	2016	2015	2014
Product launches	Number	45	56 <sup>#</sup>	53 <sup>#</sup>	23 <sup>#</sup>	54

<sup>#</sup>The number of product launches has been restated as a result of the refinement the product launch definition.

**IMS value of product pipeline per therapeutic category (USD million)**



**Anticipated timing of product pipeline launch values (USD million)**



celebrating 20 years

# Manufactured capital

*(This information is designed to supplement the disclosures made in pages 48 to 53 of the Integrated Report.)*

## Sustaining a cost-competitive manufacturing base

### Material KPIs

		2018	2017	2016	2015	2014
Return on total assets	%	<b>10,3</b>	11,5	11,1	12,7	13,8
Normalised EBITDA margin	%	<b>28,2</b>	27,7	28,4	26,9	27,7



celebrating 20 years  
**Human capital** 

(This information is designed to supplement the disclosures made in pages 54 to 61 of the Integrated Report.)

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

**Material KPIs**

		2018	2017	2016	2015	2014
Average staff turnover	%	<b>12,3</b>	14,0	13,5	13,6	12,7
Average training spend per employee	Rand	<b>6 742</b>	4 987	5 829	5 656	3 477

**Additional KPIs for 2018 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	<b>10 205</b>	4 203	429	1 250	2 783	1 241	299*
Appointment of employees	Number of people	<b>2 137</b>	680	52	479	365	449	112
Termination of employment contracts	Number of people	<b>(1 621)</b>	(576)	(68)	(260)	(323)	(331)	(63)
Transfers between business segments	Number of people	<b>—</b>	—	—	—	(1)	—	1
Retirements	Number of people	<b>(8)</b>	(5)	—	—	(2)	(1)	—
Medical retirements	Number of people	<b>(25)</b>	(10)	(3)	(3)	(7)	(2)	—
Deaths	Number of people	<b>(12)</b>	(8)	(1)	—	(2)	(1)	—
<b>Total employees at the end of the year</b>	Number of people	<b>10 676</b>	4 284	409	1 466	2 813	1 355	349
Permanent employees	Number of people	<b>9 965</b>	3 984	386	1 439	2 579	1 248	329
Temporary employees	Number of people	<b>711</b>	300	23	27	234	107	20
Percentage of permanent employees	%	<b>93,3</b>	93,0	94,4	98,2	91,7	92,1	94,3
Percentage of temporary employees	%	<b>6,7</b>	7,0	5,6	1,8	8,3	7,9	5,7
Total female employees	Number of people	<b>5 285</b>	2 291	109	797	1 172	731	185
Total male employees	Number of people	<b>5 391</b>	1 993	300	669	1 641	624	164
<b>Permanent employee ratios</b>								
Percentage of permanent female employees	%	<b>49,5</b>	53,6	26,4	54,5	41,1	54,3	52,6
Percentage of permanent male employees	%	<b>50,5</b>	46,4	73,6	45,5	58,9	45,7	47,4
Ratio of new hires to average employees	%	<b>15,2</b>	8,4	12,2	34,3	7,8	29,5	30,9
Average permanent staff turnover	%	<b>12,3</b>	8,2	16,8	18,3	9,1	22,8	17,9

\* Restated.

celebrating 20 years

**Human capital** 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>94,6</b>	85,6	100,0	97,8	98,3	98,7
<b>Collective bargaining units</b>							
Percentage of employees belonging to collective bargaining units	%	<b>38,6</b>	39,9	27,9	0,0	70,2	23,9
<b>Trade unions</b>							
Percentage of employees belonging to trade unions	%	<b>27,3</b>	35,0	29,6	51,2	1,4	37,0
<b>HIV/AIDs*</b>							
Employees who participated in the voluntary HIV/Aids testing**	Number of people	<b>641</b>	319	290	—	—	3
Employees who tested HIV positive as a percentage of total employees*	%	<b>0,1</b>	0,1	2,9	0,0	0,0	0,0
<b>Employee wellness</b>							
Employees participating in the voluntary counselling programme	Number of people	<b>667</b>	377	290	—	—	—
<b>Employee training</b>							
Total investment in training and development	R'million	<b>65,5</b>	21,5	0,2	6,2	26,9	5,9
Investment in training and development as a percentage of the Group's total	%	<b>100,0</b>	32,6	0,4	9,5	41,1	9,0
Training spend per employee	Rand	<b>6 742</b>	5 469	627	4 709	10 441	4 880
Employees trained during the year	Number of people	<b>8 441</b>	2 806	401	1 118	2 449	1 305
Employees trained as a percentage of the Group's total	%	<b>100,0</b>	33,2	4,8	13,2	29,0	15,5

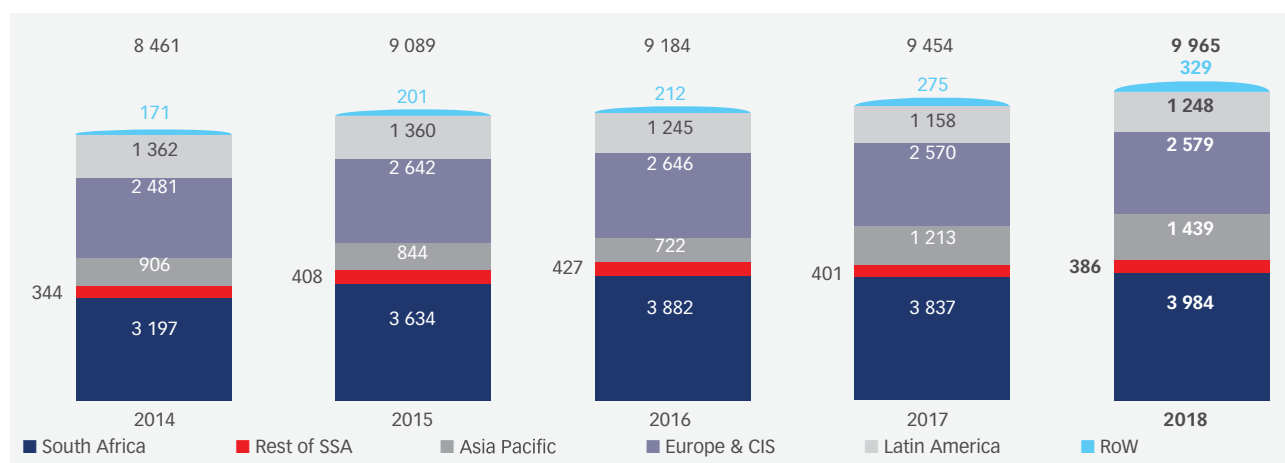
\* These KPIs are only applicable to SSA.

\*\* 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

(Number of employees)



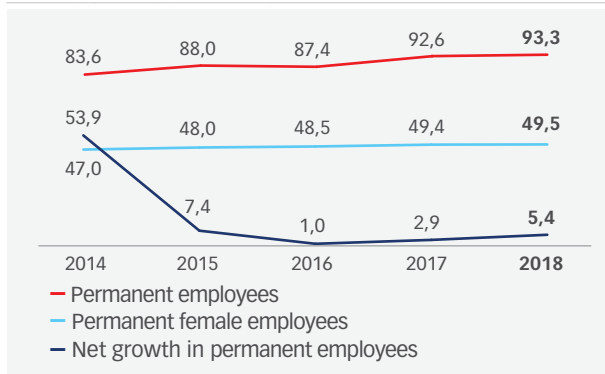
celebrating 20 years

# Human capital continued



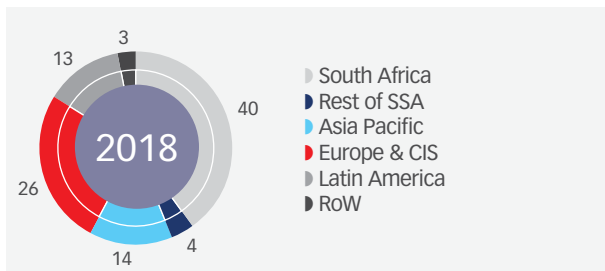
## Group employee trends

(Percentage)

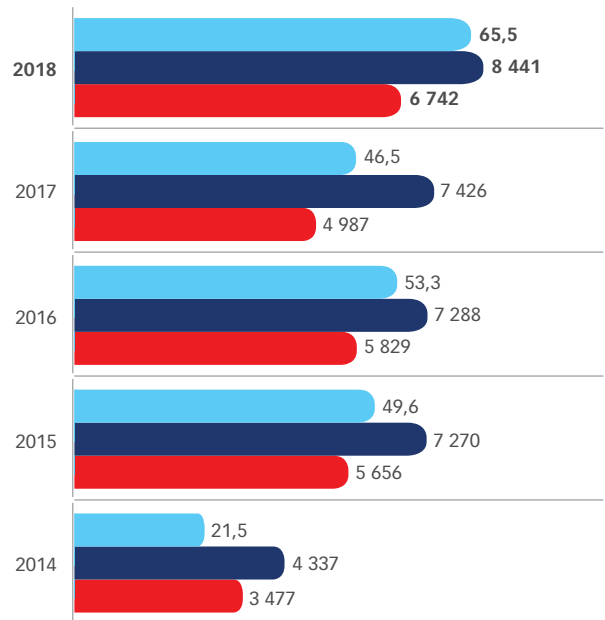


## Total employees by region (10 676 employees)

(%)



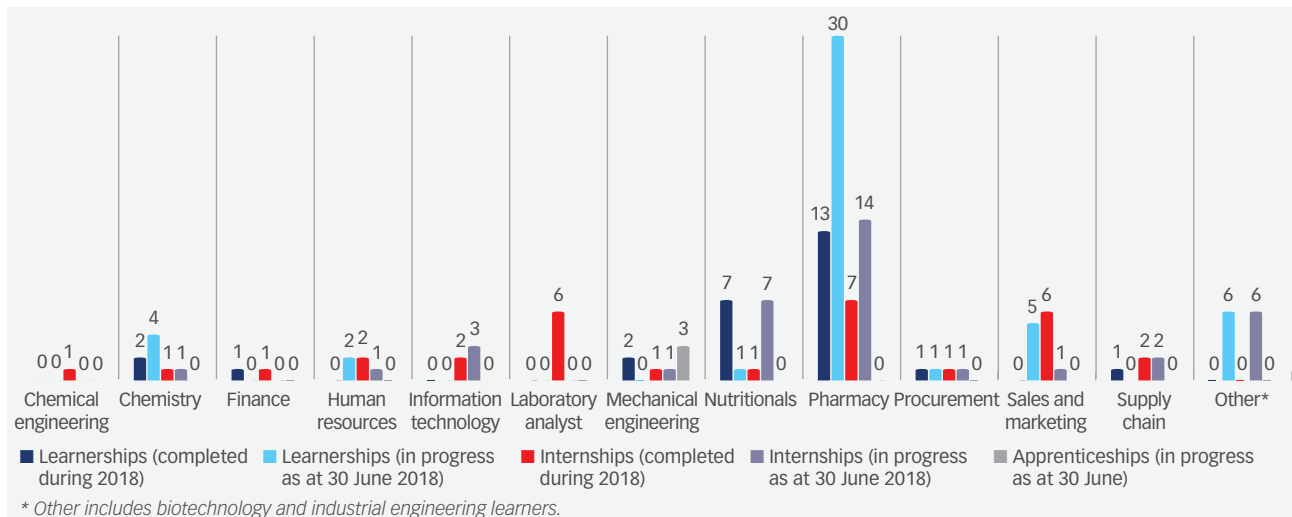
## Investment in employee training



■ Investment in training and development (R'million)  
 ■ Employees trained (Number of people)  
 ■ Training spend per employee (Rand)

## Skills development programmes for South Africa for 2018

(Number of participants)



\* Other includes biotechnology and industrial engineering learners.

## Providing a safe working environment

### Material KPIs

		2018	2017	2016	2015	2014
DIFR	Ratio	0,82	0,93*	1,06	1,08	1,32
LWDFR	Ratio	0,78	0,85*	0,84	0,85	0,84

\* Restated to take account of new data.

celebrating 20 years

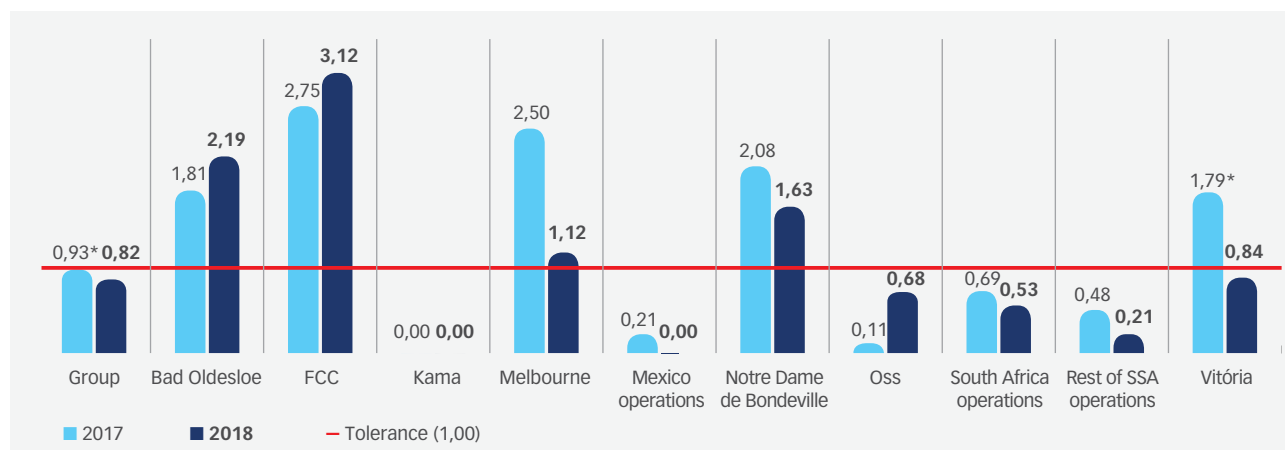
**Human capital** continued



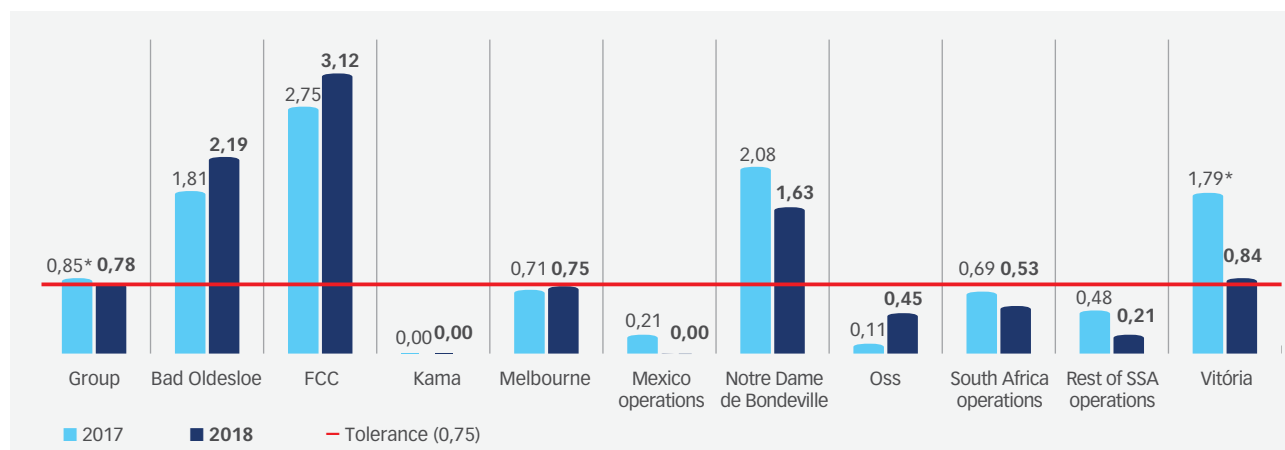
**Additional KPIs for 2018 per region**

		Group	SSA				
			South Africa	Rest of SSA	Asia Pacific	Europe & CIS	Latin America
Occupational fatalities (manufacturing and commercial)	Number	—	—	—	—	—	—
Irreversible occupational diseases	Number	<b>1</b>	—	—	—	1	—
Permanent disabilities	Number	<b>2</b>	1	1	—	—	—
Lost work day cases	Number	<b>53</b>	27	2	2	21	1
Disabling injury cases	Number	<b>56</b>	27	2	3	23	1
Employee hours worked	Thousand hours	<b>13 618</b>	6 411	1 967	535	3 633	1 072
<b>DIFR</b>	Ratio	<b>0,82</b>	0,84	0,20	1,12	1,27	0,19
DIFR tolerance level	Ratio	<b>1,00</b>	1,00	1,00	1,00	1,00	1,00
<b>LWDFR</b>	Ratio	<b>0,78</b>	0,84	0,20	0,75	1,16	0,19
LWDFR tolerance level	Ratio	<b>0,75</b>	0,75	0,75	0,75	0,75	0,75

**DIFR trend**



**LWDFR trend**



\* Restated.

(This information is designed to supplement the disclosures made in pages 62 to 67 of the Integrated Report.)

### Conducting our business in a responsible manner

#### Material KPIs

		2018	2017	2016	2015	2014
Number of significant legislative infringements	Number	0	1	0	0	0
FTSE/JSE Responsible Investment Index score	Score	4,0	3,4	2,5	2,3	n/a

#### Additional KPIs for 2018 per region

		SSA						
		Group	South Africa	Rest of SSA	Asia Pacific	Europe & CIS	Latin America	RoW
Employees who have completed the required annual Aspen code of conduct declaration	%	97,3	90,6	100,0	100,0	99,5	100,0	99,4

### Promoting equality

#### Material KPIs

		2018	2017	2016	2015	2014
Percentage of female employees	%	49,5	49,4	48,5	48,0	47,0
Percentage of females in top 100 positions in the Group	%	27,0	n/a <sup>#</sup>	n/a <sup>#</sup>	n/a <sup>#</sup>	n/a <sup>#</sup>
Percentage of black employees in South Africa	%	81,5	81,0	80,0	79,0	75,0
Percentage of black employees in top 50 positions in South Africa	%	22,0	n/a <sup>#</sup>	n/a <sup>#</sup>	n/a <sup>#</sup>	n/a <sup>#</sup>
BBBEE accreditation in South Africa	Level	4	4	4	4	3*

\* Under the previous BBBEE codes.

<sup>#</sup> This is a new KPI and therefore no comparative data is available

#### Additional KPIs

		2018	2017	2016	2015	2014
Female Board members	%	33,3*	30,0	30,0	30,0	27,3
Black Board members	%	33,3*	40,0	40,0	40,0	45,5

\* As at date of publication.

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

#### Material KPIs

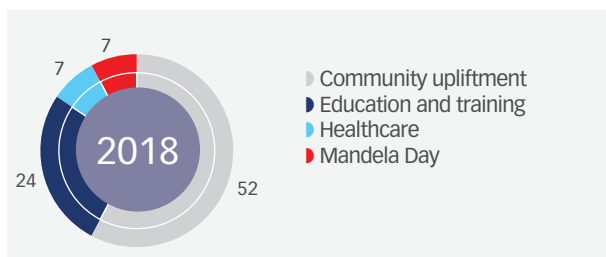
		2018	2017	2016	2015	2014
Socio-economic development ("SED") spend*	R'million	19,0	17,7	16,3	20,5	14,1

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

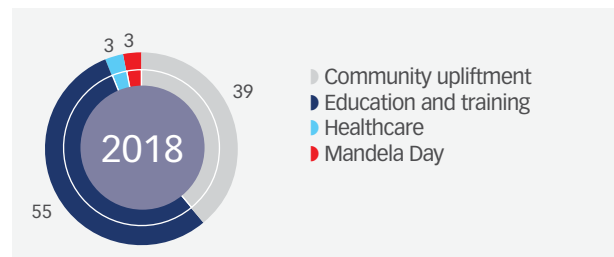


	Group	SSA					Latin America	RoW
		South Africa	Rest of SSA	Asia Pacific	Europe & CIS			
<b>SED spend by project type</b>								
Community upliftment	R'million	<b>6,4</b>	5,8	—	0,2	0,2	0,1	0,1
Education and training	R'million	<b>8,3</b>	8,3	—	—	—	—	—
Healthcare	R'million	<b>1,1</b>	0,5	0,2	0,1	—	0,2	0,1
HIV/AIDS	R'million	<b>0,1</b>	—	—	—	—	0,1	—
Mandela Day	R'million	<b>3,1</b>	0,4	0,6	0,4	1,2	0,2	0,3
<b>Total SED spend</b>	R'million	<b>19,0</b>	15,0	0,8	0,7	1,4	0,6	0,5
SED spend as a percentage of the Group's total spend	%	<b>100</b>	79	4	4	7	3	3

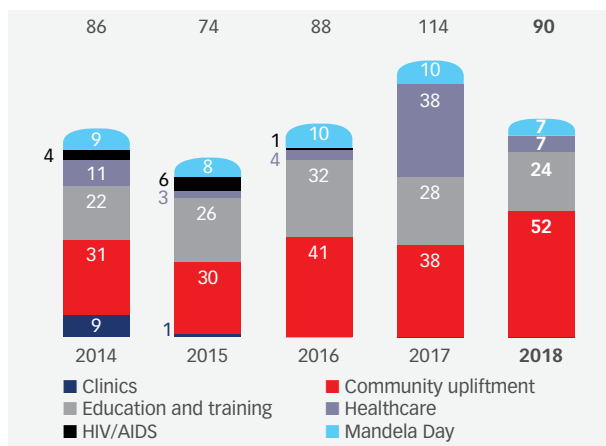
**Number of SED projects in South Africa (90 projects)**  
(Number of projects)



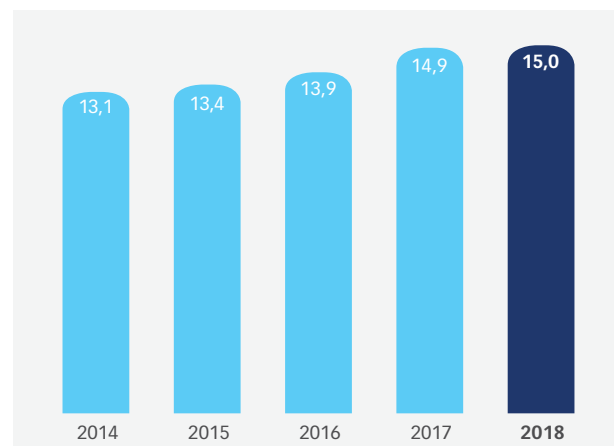
**SED project spend in South Africa by project type (R15,0 million)**  
(%)



**SED projects supported in South Africa**  
(Number of projects)



**SED project spend trend in South Africa**  
(R'million)



(This information is designed to supplement the disclosures made in pages 68 to 73 of the Integrated Report.)

## Preserving the environment

### Material KPIs

		2018	2017	2016	2015	2014
Scope 1 emissions*	tCO <sub>2</sub> e	<b>44 305</b>	48 435	43 588	44 868	10 917
Scope 2 emissions*	tCO <sub>2</sub> e	<b>148 912</b>	160 237	158 260	151 183	114 615
Waste recycled	Tonnes	<b>80 973</b>	76 577	70 740	34 360	3 496

\* Carbon footprinting is calculated in accordance with the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard. DEFRA 2017 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 GHGs that contribute to climate change. Biogenic emissions are not calculated or measured.

### Additional KPIs for 2018 per region

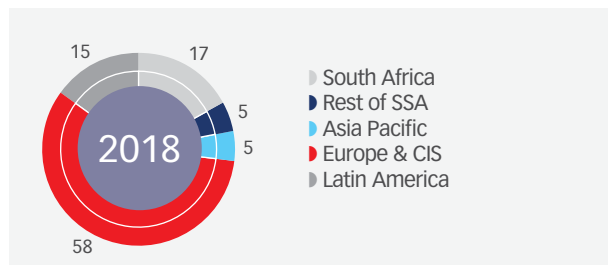
		Group	SSA				Latin America
			South Africa	Rest of SSA	Asia Pacific	Europe & CIS	
<b>Waste generated categorised</b>							
Hazardous waste generated	Tonnes	<b>27 858</b>	5 072	188	161	22 180	257
Non-hazardous waste generated	Tonnes	<b>71 937</b>	2 179	223	346	67 749	1 440
<b>Total waste generated</b>	Tonnes	<b>99 795</b>	7 251	411	507	89 929	1 697
<b>Waste generated by disposal method</b>							
Biological treatment	Tonnes	<b>46</b>	—	—	—	46	—
Composting	Tonnes	<b>165</b>	—	—	—	165	—
Energy recovery	Tonnes	<b>2 884</b>	1962	—	—	922	—
Reclamation	Tonnes	<b>4 393</b>	—	—	—	4 393	—
Recycling	Tonnes	<b>42 061</b>	2 205	92	275	38 451	1 038
Reuse	Tonnes	<b>31 424</b>	1	22	—	31 401	—
<b>Total waste recycled</b>	Tonnes	<b>80 973</b>	4 168	114	275	75 378	1 038
Co-processing	Tonnes	<b>56</b>	—	—	—	—	56
Incineration	Tonnes	<b>10 223</b>	88	71	89	9 853	122
Landfill	Tonnes	<b>3 163</b>	1 971	226	121	462	383
Thermal desorption	Tonnes	<b>926</b>	926	—	—	—	—
Treatment plant	Tonnes	<b>4 454</b>	98	—	22	4 236	98
<b>Total waste disposed</b>	Tonnes	<b>18 822</b>	3083	297	232	14 551	659
<b>Total waste generated</b>	Tonnes	<b>99 795</b>	7251	411	507	89 929	1 697
Waste recycled as a percentage of waste generated	%	<b>81,1</b>	57,5	27,6	54,3	83,8	61,2

		Group	SSA		Asia Pacific	Europe & CIS	Latin America
			South Africa	Rest of SSA			
<b>Spillages</b>							
Number of spillages	Number	<b>4</b>	—	1	—	3	—
Volume of spillages	kℓ	<b>4,6</b>	—	1,0	—	3,6	—
Material of spillages				Furnace Oil		Scrubber liquid & Cooling methanol	
Impact of spillages on the environment				None to Low		None to Low	
<b>Effluent management</b>							
Volume of water discharged	Mℓ	<b>1 475</b>	226	4	26	1 180*	39
Destination of water discharged		Municipal sewage system and regional wastewater treatment plants					
Quality of water discharged		Compliant with the required municipal standards with minor non-compliances experienced at the facility in Johannesburg during the year.					

\* 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 disentanglement process.

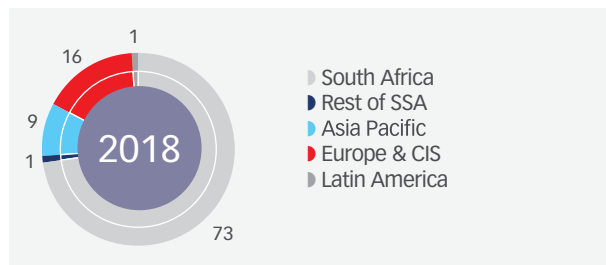
**Scope 1 emissions (44 305tCO<sub>2</sub>e)**

(%)



**Scope 2 emissions (148 912tCO<sub>2</sub>e)**

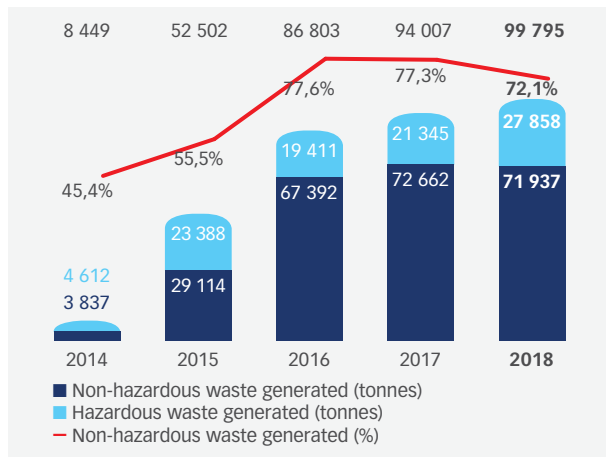
(%)



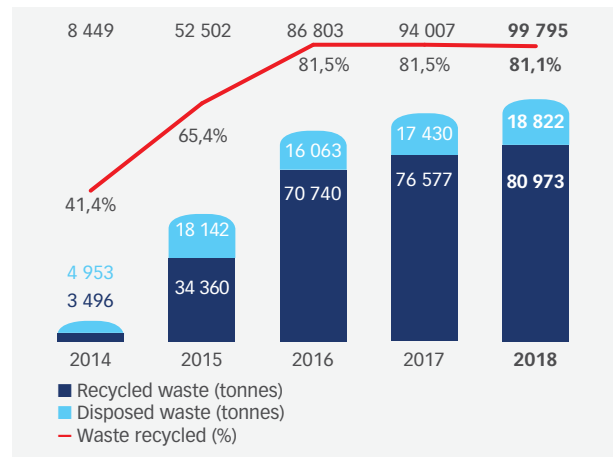




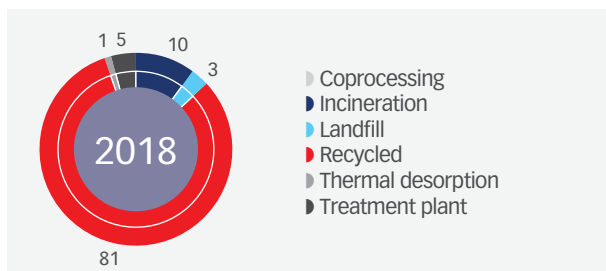
**Waste generated (99 795 tonnes)**



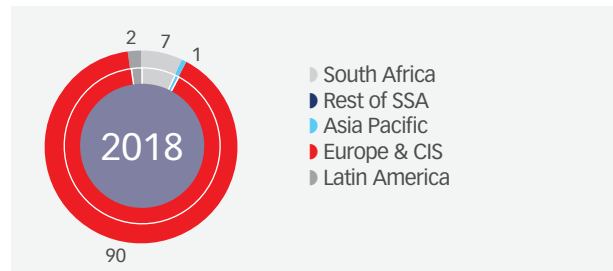
**Waste recycled (80 973 tonnes)**



**Waste generated by disposal method (99 795 tonnes) (%)**



**Waste generated by region (99 795 tonnes) (%)**



**Managing the efficient utilisation of scarce resources**

**Material KPIs**

		2018	2017	2016	2015	2014
Volume of water used	Mℓ	<b>1,584</b>	1 667*	1 789	1 833	444
Electricity used	GJ	<b>663 557</b>	692 449	689 048	696 437	445 224

\* The 2017 volume of water used has been restated due to a third party metering being inaccurate at one of the South African sites.

celebrating 20 years

**Natural capital** continued



**Additional KPIs for 2018 per region**

			SSA				
		Group	South Africa	Rest of SSA	Asia Pacific	Europe & CIS	Latin America
<b>Water consumption</b>							
Municipal water	Mℓ	<b>1 206</b>	306	142	45	646	67
Ground water	Mℓ	<b>378</b>	—	17	—	276	85
<b>Total volume of water used</b>	Mℓ	<b>1 584</b>	306	159	45	922	152
<b>Recycled water</b>							
Water recycled for own use	Mℓ	<b>19</b>	14	—	—	—	5
Water recycled for third-party use (donated)	Mℓ	<b>29</b>	0	—	—	—	29
<b>Total volume of water recycled</b>	Mℓ	<b>48</b>	14	—	—	—	34
Water recycled as a percentage of water used	%	<b>3</b>	5	—	—	—	22
<b>Energy consumption</b>							
Electricity	GJ	<b>663 557</b>	370 302	13 243	46 109	183 224	50 679
Natural gas (excluding natural gas used to produce steam consumed by third parties)	GJ	<b>484 224</b>	—	—	39 635	333 092	111 497
Steam purchased	GJ	<b>50 096</b>	50 096	—	—	—	—
Fuel	GJ	<b>76 188</b>	61 613	13 087	12	1 019	457
<b>Total energy consumption</b>	GJ	<b>1 274 065</b>	482 011	26 330	85 756	517 335	162 633
Natural gas used to produce steam consumed by third parties	GJ	<b>104 378</b>	—	—	—	104 378	—
<b>Resource savings*</b>							
Volume of water saved	Mℓ	<b>11 277</b>	6 264	13	—	5 000	—
Electricity saved	GJ	<b>4 952</b>	3 821	3	—	1 123	5
<b>Environmental monetary fines and non-monetary sanctions issued by Authorities</b>							
Number of non-monetary sanctions	Number	<b>4</b>	—	4	—	—	—
Number of monetary fines	Number	<b>3</b>	3	—	—	—	—
<b>Total number of sanctions and fines</b>	Number	<b>7</b>	3	4	—	—	—
<b>Total monetary value of fines</b>	Rand	<b>61 259</b>	61 259	—	—	—	—

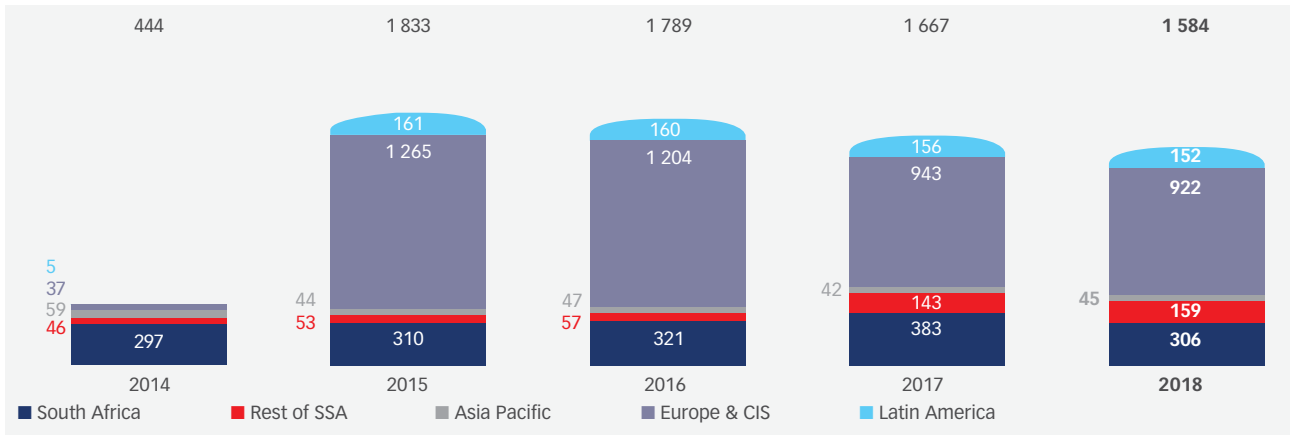
\* Amounts reported have either been estimated or measured internally and have not been subject to audit.

celebrating 20 years

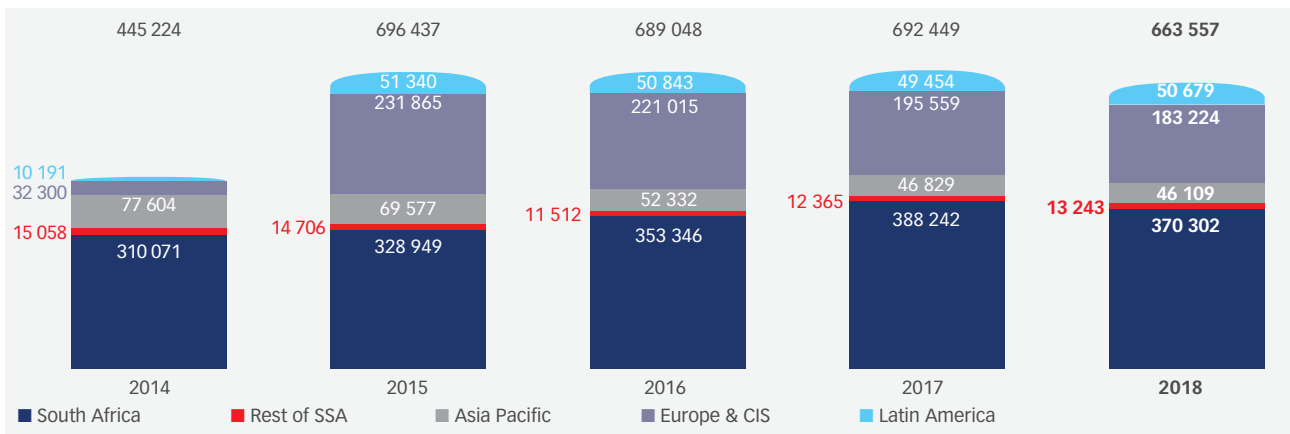
**Natural capital** continued



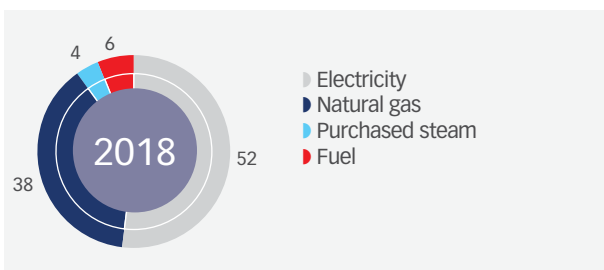
**Water used by region**  
(Megalitres)



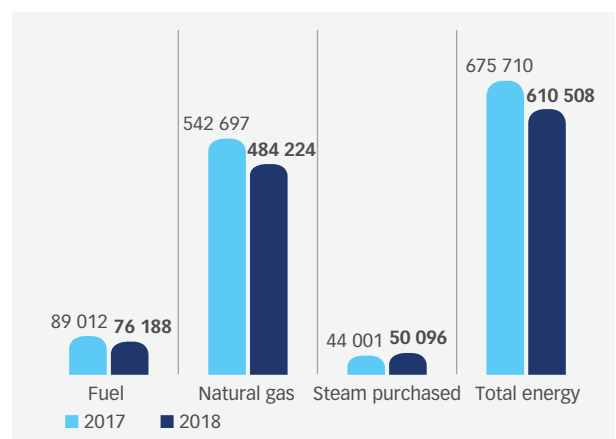
**Electricity usage by region**  
(Gigajoules)



**Energy usage by source type (1 274 065GJ)**  
(%)



**Energy usage by source type excluding electricity**  
(Gigajoules)



# celebrating 20 years

## Financial capital

(This information is designed to supplement the disclosures made in pages 74 to 79 of the Integrated Report.)

### Adding economic value to stakeholders

#### Material KPIs

		2018	2017	2016	2015	2014
Growth in revenue	%	3,4	15,9	(1,6)	22,4	52,9
Growth in normalised headline earnings per share	%	9,7	15,8	10,3	7,7	27,1
Growth in normalised EBITDA	%	5,4	13,0	3,9	19,1	39,6
Return on ordinary shareholders' equity	%	12,2	12,2	10,6	17,0	19,7

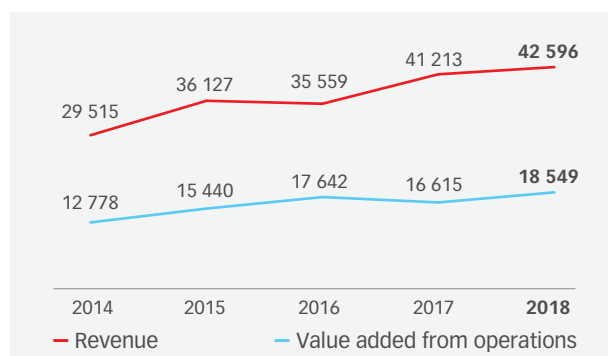
#### Additional KPIs

		2018	2017	2016	2015	2014
Value added per permanent employee*	R'000	1 861	1 815	1 923	1 705	1 756

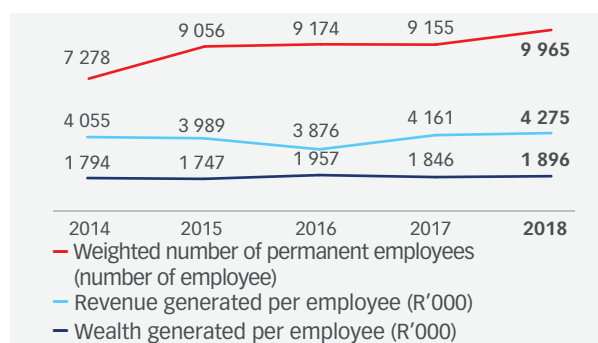
\* The value added per employee using the total weighted number of employees of 10 676 (2017: 9 905, with the inclusion of total temporary employees, is R1 770 thousand (2017: R1 707 thousand).

#### Value added from operations

(R'million)

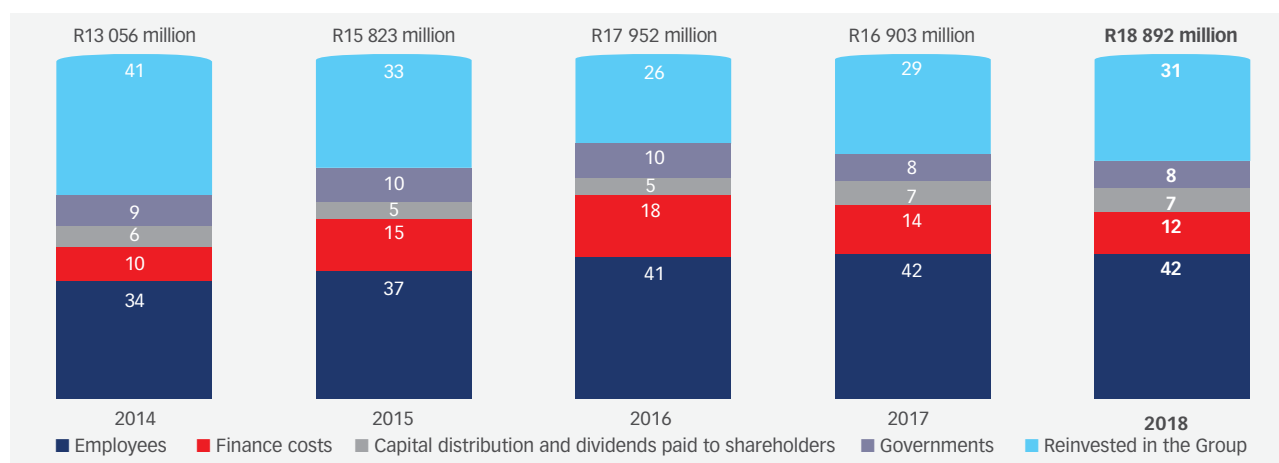


#### Employee productivity measures



#### Total value distribution

(Percentage)





**Maintenance of financial health**

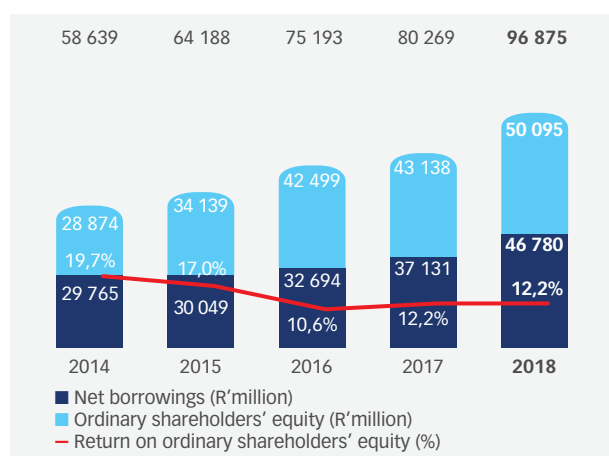
**Material KPIs**

		2018	2017	2016	2015	2014
Operating cash flow per share	Cents	<b>1 537,3</b>	1 421,4	706,7	1 060,3	841,1
Leverage ratio	Ratio	<b>3,78</b>	3,25	3,31	3,06	3,14

**Additional KPIs**

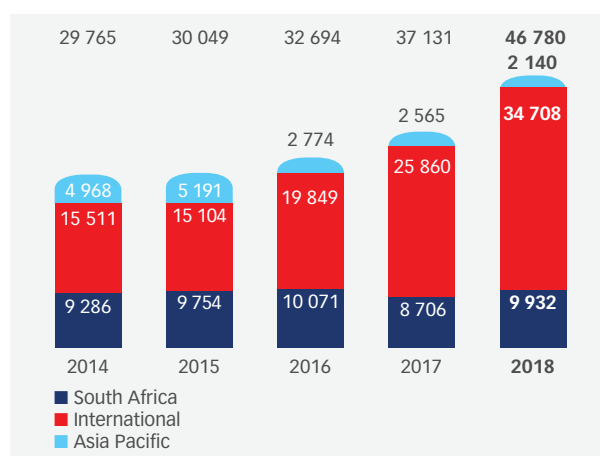
		2018	2017	2016	2015	2014
Net interest cover	Times	<b>6,4</b>	5,8	6,1	6,2	7,8

**Capital composition**



**Net borrowings composition**

(R'million)



celebrating 20 years

## Abbreviations and definitions

Abbreviation	Full name
<b>AA1000</b>	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
<b>Asia Pacific</b>	Includes Australasia, China, Japan and Other Asia
<b>Aspen and/or Group</b>	Aspen Pharmacare Holdings Limited and/or its subsidiaries
<b>API Inc.</b>	Aspen API Incorporated, incorporated in the United States
<b>Bad Oldesloe</b>	The manufacturing site based in Bad Oldesloe, Germany
<b>BBBEE</b>	Broad-Based Black Economic Empowerment
<b>DIFR</b>	Disabling injury frequency ratio
<b>Empowerdex</b>	An independent economic empowerment rating agency in South Africa
<b>ERM</b>	Environmental Resources Management (Pty) Limited
<b>Europe &amp; CIS</b>	Europe and the Commonwealth of Independent States and the former Soviet Union. Includes Developed and Developing Europe
<b>FCC</b>	Fine Chemicals Corporation (Pty) Limited
<b>GHG</b>	Greenhouse gas
<b>GJ</b>	Gigajoules
<b>Internal Audit</b>	The Aspen Group Internal Audit function
<b>International</b>	Includes all businesses except for those in Asia Pacific and South Africa
<b>IMS</b>	IMS Health is a leading provider of healthcare and pharmaceutical market intelligence
<b>Kama</b>	Kama Industries Limited
<b>KPA</b>	Key performance area
<b>KPI</b>	Key performance indicator
<b>LWDFR</b>	Lost work day frequency ratio
<b>Mandela Day</b>	The Nelson Mandela International Day
<b>Mℓ</b>	Megalitres
<b>Melbourne</b>	The manufacturing site based in Dandenong, Melbourne in Australia
<b>Mexican operations</b>	The manufacturing sites based in Toluca (2017 only) and Vallejo (2017 and 2018)
<b>NHEPS</b>	Normalised headline earnings per share
<b>Normalised EBITDA</b>	Normalised EBITDA, comprising of operating profit before depreciation and amortisation adjusted for specific non-trading items
<b>Notre Dame de Bondeville</b>	The manufacturing site based in Notre Dame de Bondeville in France

celebrating 20 years

## Abbreviations and definitions continued

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

celebrating 20 years

## Calculation of ratios supporting the material sustainability KPIs

Ratio	Calculation
<b>Average staff turnover (%)</b>	$\frac{\text{Total number of permanent employee departures}}{\text{Average number of permanent employees}}$
<b>Average training spend per employee (Rand)</b>	$\frac{\text{Total investment in employee training during the year} + \text{value of bursaries granted}}{\text{Average number of permanent employees}}$
<b>DIFR (ratio)</b>	$\frac{\text{Sum of qualifying disabling incident* cases} \times 200\,000}{\text{Number of employee hours worked over rolling 12 months}}$ <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>
<b>Growth in normalised EBITDA (%)</b>	$\frac{\text{Normalised EBITDA (current year)} - \text{Normalised EBITDA (prior year)}}{\text{Normalised EBITDA (prior year)}}$
<b>Growth in NHEPS (%)</b>	$\frac{\text{NHEPS (current year)} - \text{NHEPS (prior year)}}{\text{NHEPS (prior year)}}$
<b>Growth in revenue (%)</b>	$\frac{\text{Revenue (current year)} - \text{Revenue (prior year)}}{\text{Revenue (prior year)}}$
<b>Leverage ratio*</b>	$\frac{\text{Net debt*}}{\text{Normalised EBITDA*}}$ <i>(*Calculated in accordance with the Group's long-term debt agreements.)</i>
<b>LWDFR (ratio)</b>	$\frac{\text{Sum of qualifying lost work day incident cases*} \times 200\,000}{\text{Number of employee hours worked over rolling 12 months}}$ <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>
<b>Normalised EBITDA margin (%)</b>	$\frac{\text{Normalised EBITDA}}{\text{Revenue}}$
<b>Percentage of black employees</b>	$\frac{\text{Permanent black* employees in South Africa}}{\text{Permanent employees in South Africa}}$ <i>(*As defined in the Employment Equity Act)</i>
<b>Percentage of female employees</b>	$\frac{\text{Permanent female employees}}{\text{Total permanent employees}}$
<b>Operating cash flow per share (cents)</b>	$\frac{\text{Cash generated from operating activities}}{\text{Weighted average number of shares in issue}}$
<b>Return on ordinary shareholders' equity (%)</b>	$\frac{\text{Profit attributable to equity holders of the parent}}{\text{Weighted average ordinary shareholders' equity}}$
<b>Return on total assets (%)</b>	$\frac{\text{Normalised EBITDA}}{\text{Total weighted average assets (excluding cash and cash equivalents)}}$



celebrating 20 years

**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)