Headquartered in Durban, South Africa, we have a 160-year heritage and have grown into a leading specialty and branded multinational pharmaceutical company in both emerging and developed markets.

Our key business segments are Manufacturing and Commercial Pharmaceuticals comprising Regional Brands and Sterile Focus Brands that include Anaesthetics and Thrombosis. Our world-class manufacturing facilities are scaleable to demand and are accredited by leading international regulatory authorities which enables us to improve the lives of patients through our high quality, affordable medicines and products.

**Aspen overview**

23 manufacturing facilities at 13 manufacturing sites

Approximately 10 000 employees

55 business operations in 70 locations

We supply medicines to 150 countries

Some 782 000 Mandela Day beneficiaries over nine years

83% waste recycled

313 SED and educational initiatives

**Aspen’s six capitals**

All organisations depend on various forms of capital for their value creation. In the International <IR> Integrated Reporting Framework, these capitals are defined as intellectual, manufactured, human, social & relationship, natural and financial capital.

The business model on pages 08 and 09 details the integration of our six capitals into the business. The icons below serve as an identifiable visual reference to these six capitals within this report.
More than 600 brands supplied to approximately 150 countries and territories

Over 40 million tonnes of API and medicines produced at our sites in 2019

More than 45 nationalities employed in 70 locations across the world

More than 300 SED projects supported by the Group

More than 72,000 tonnes of waste recycled by our manufacturing sites

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Our sustainable business strategy

14 | Our sustainable business strategy

Our governance

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Referencing

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Forward-looking statements

This report may contain forward-looking statements with respect to our future performance and prospects. While these statements represent our judgements and future expectations at the time of preparing this report, a number of emerging risks, uncertainties and other important factors could cause actual results to differ materially from our expectations. These include factors that could adversely affect our business and financial performance.

Feedback and contact

We value feedback from our stakeholders and use it to ensure that we are reporting appropriately on the issues that are most relevant to them. Please use the online contact form or email the Company Secretary at rverster@aspenpharma.com

www.aspenpharma.com

Financial capital

Statutory financial statements and tax returns filed in more than 55 jurisdictions
About Aspen

We are a global specialty and branded pharmaceutical company, improving the health of patients across the world through our high quality and affordable medicines. Active at every stage of the value chain, we are uniquely diversified by geography, product and manufacturing capability, positioning us well to maximise the value we create for our business and its diverse stakeholders.

Approximately

**10 000 employees in 70 businesses across 55 countries**

**48% Women**

**52% Men**

Total revenue

**R38,9 billion continuing operations**

Our values

define the foundation on which Aspen has been built. These are the values we share as we work together toward achieving the vision of the Group.

- **Teamwork**
  - We optimise our performance by pulling together. Our combined capabilities exceed the sum of each individual.

- **Integrity**
  - Our integrity is not negotiable.

- **Commitment**
  - We go the extra mile, seeking to exceed expectations.

- **Healthcare. We Care.**

- **Excellence**
  - We strive to be the best we can be and to deliver to the highest standards.

- **Innovation**
  - We constantly search for better ways of doing things and are solution orientated.

Our geographic footprint

Headquartered in South Africa, we have a global commercial presence in both emerging and developed markets.

- **56% of Commercial Pharmaceutical revenue from emerging markets**

Our manufacturing capabilities

Our manufacturing capabilities span a wide variety of product types including injectables, oral solid dose, liquids, semi-solids, steriles, biologicals and active pharmaceutical ingredients (“APIs”). Our manufacturing sites hold international approvals from some of the most stringent global regulatory agencies.

- **8 Active pharmaceutical ingredient facilities**
- **15 Finished dose form facilities**

Our commitment to sustainability

We are committed to creating value for all of our stakeholders in a manner that is responsible, transparent and respects the rights of all.

- **FTSE/JSE Responsible Investment Index constituent**

Our vision

“To deliver value to all our stakeholders as a responsible corporate citizen that provides high quality, affordable medicines and products globally.” This 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.
Strategic objectives

Our strategic objectives provide the foundation for our plan of action to achieve our short, medium and long-term goals. An analysis of these strategic objectives and KPIs is set out in our 2019 Integrated Report available online.

Our business segments

We focus on marketing and manufacturing a broad range of post-patent, branded medicines and domestic brands covering both hospital and consumer markets through our key business segments:

<table>
<thead>
<tr>
<th>Commercial Pharmaceuticals</th>
<th>Contribution to Group revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regional Brands</strong> – a widely diverse segment comprising predominantly leading domestic brands in the Sub-Saharan Africa, Australasia and Latin American territories.</td>
<td>46%</td>
</tr>
<tr>
<td><strong>Sterile Focus Brands</strong> – focused on niche, sterile products comprising our Anaesthetics Brands and Thrombosis Brands.</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Anaesthetics</strong> – includes a broad range of general anaesthetics, muscle relaxants as well as a number of local anaesthetics including topical agents.</td>
<td></td>
</tr>
<tr>
<td><strong>Thrombosis</strong> – comprises a broad range of specialist injectable anticoagulants with a focus on low molecular weight heparins, Xa inhibitors and heparin derivatives.</td>
<td></td>
</tr>
<tr>
<td><strong>Manufacturing</strong></td>
<td></td>
</tr>
<tr>
<td>Contract and supply of chemical and biochemical APIs and finished dose form (“FDF”) pharmaceuticals for third parties.</td>
<td>15%</td>
</tr>
</tbody>
</table>

Our history

**Foundation Phase 1997 to 2007**
- Began trading in 1997
- Listed on the JSE in 1998, acquiring South African Druggists thereafter
- Established a presence in Australia, our first offshore operation
- Launched Africa’s first generic anti-retroviral (“ARV”)
- Received various international pharmaceutical regulatory accreditations for our Port Elizabeth-based manufacturing site
- Acquired FCC, South Africa’s only manufacturer of APIs

**Global Expansion Phase 2008 to 2014**

**Specialty Focus Phase 2015 to 2019**
- A number of strategic acquisitions and disposals were concluded, including the acquisition of commercialisation rights for a broad range of anaesthetics, making Aspen the leading supplier of anaesthetics outside of the USA, and the disposal of the Nutritionals business
- Began producing complex specialty brands
- Further geographic expansion, including the establishment of a presence in China
Performance summary

Revenue from continuing operations increased by 1% (-2% CER) to R38 872 million

Revenue growth from Commercial Pharmaceuticals in emerging markets was marginally positive while being marginally negative in developed markets resulting in overall CER decline from this segment of 1%. Manufacturing revenue declined 11% (CER) and was the main contributor to the overall negative CER growth of 2%.

Normalised EBITDA from continuing operations decreased by 2% (-4% CER) to R10 824 million

Normalised EBITDA from continuing operations, comprising operating profit before depreciation and amortisation adjusted for specific non-trading items was negatively impacted by lower manufacturing revenue and related gross margins.

Normalised headline earnings per share from continuing operations decreased by 7% (-8% CER) to 1 414 cents

Normalised headline earnings per share (“NHEPS”) from continuing operations comprises headline earnings per share from continuing operations adjusted for specific non-trading items and is a measure which provides clear comparability of the financial performance of our ongoing underlying business. The lower normalised EBITDA and increased net financing costs contributed to the decline.

Net borrowings reduced to R38 984 million (from R53 507 million at 31 December 2018)

Proceeds from the disposal of the discontinued operations of R12 299 million coupled with strong operating cash flows (cash conversion ratio of 107%) contributed to the reduction in net borrowings.

No dividend has been declared for the year ended 30 June 2019 (2018: 315 cents)

Taking into account our prioritisation of deleveraging the balance sheet, existing debt service commitments during FY2020 and the short-term requirements of the ongoing capital projects, the Board has decided that it would not be prudent to declare a dividend at this time.
Intellectual capital
• Divested the Nutritionals business, achieving increased focus in pharmaceutical business
• Completed serialisation projects in our manufacturing sites meeting regulatory requirements designed to combat counterfeit medicines reaching patients
• 47 products launched in 22 countries and territories

Manufactured capital
• R2 442 million invested in capital replacement and expansion projects
• Progressed various initiatives to support our backward integration objectives at our API manufacturing sites
• Investment in new technology to enhance operational efficiency

Human capital
• R56.6 million invested in training our employees
• Zero occupational fatalities and permanent disabilities
• 27% women in top 100 positions of the Group

Social & relationship capital
• Mandela Day campaign for 2019 reached over 300 000 beneficiaries through 127 projects in 40 countries
• Achieved a score of 3.7 out of 5 in the FTSE/JSE Responsible Investment Index
• Aspen’s 2018 Integrated Report ranked as “good” by the EY Excellence in Integrated Reporting Awards.

Natural capital
• “B- Management” performance rating for 2018 Climate Change carbon disclosure project (“CDP”) and Water CDP
• Increase in waste recycled from 81% to 83%
• 7% increase in water withdrawn

Financial capital
• Significant reduction in the Group’s net borrowings
• Rigorous impairment testing performed resulting in R3 812 million in total impairments to assets
• R1 439 million of wealth created reinvested in the Group
The value we create

As a global pharmaceutical company, we play an important role in contributing to the health and wellbeing of people. Our sustainable business model creates long-term value for our key stakeholders.

Financial value we create

Revenue
R38 872 million

Purchased materials and services
R25 159 million

Investment and other operating income
R1 097 million

Wealth created
R14 810 million

= + –

Patients and healthcare providers

• Providing of employment in the geographic regions in which we operate
• Opportunities for growth and development
• Diverse and inclusive working environment, free of discrimination and harassment

Our employees

• Improving health and quality of life for patients that use our medicines
• Provision of quality and affordable treatment options and medicines to patients, healthcare professionals ("HCPs") and healthcare systems

Communities in which we operate

• Economic stimulus through procurement of goods and services
• Contribution to governments through taxes
• Contribution to society through engagement with civil society and investment in social economic development ("SED")

Our investors and funders

• Capital and shareholder distributions
• Servicing and repayment of debt

Employees
2019: R8 193 million
(2018: R7 520 million)

Providers of capital
2019: R3 914 million
(2018: R3 418 million)

Reinvested
2019: R1 439 million
(2018: R5 439 million)

Governments
2019: R1 264 million
(2018: R1 270 million)

R14 810 million
value distributed
Our investment case

Leveraging our strengths and capabilities to deliver long-term shareholder value, while living the Aspen values.

**Responsible corporate citizen and a trusted partner**

- We are committed to effective and robust corporate governance making us a trusted partner. Recent high profile corporate challenges have further heightened our attention to governance and we remain committed to continuously improving our reporting, transparency and disclosure.
- We are a signatory to the United Nations Global Compact (“UN Global Compact”) Initiative.
- A constituent of the FTSE/JSE Responsible Investment Index.

**Strategically relevant manufacturing capital**

- We are a widely accredited and compliant supplier of high quality, affordable medicines.
- We have the capabilities to improve and sustain a cost competitive manufacturing base concentrating on high volume products.
- Our supply chain is overseen by a dedicated team striving towards delivery, on-time and in-full.

**Global footprint with a focus on emerging markets**

- With a strong foundation in the South African market, we now have 70 established business operations, weighted towards emerging markets.
- Operating in the highly regulated pharmaceutical sector, our geographic footprint provides diversification of our risk exposure.
- Our regional sales force is weighted towards emerging markets, positioning us to benefit from the growth demographics in these territories.

**Diverse, branded product portfolio**

- Our portfolio of products has strong brand equity, supporting the promotion of both our global Sterile and Regional Brands therapeutic segments.
- Diversification is achieved through our product portfolio which comprises a basket of related post-patent, branded medicines and domestic brands spanning most therapeutic areas and offering improved health to patients through all stages of life.

**Committed management team, strongly aligned with shareholders’ interests**

- We have entrepreneurial and decentralised management teams.
- In-country management take responsibility for identifying opportunities in their regions, based on their local expertise.
- Approximately 17% ownership by executive management.

---

**Contribution of emerging markets and developed markets to Commercial Pharmaceuticals**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018 (CER)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developed markets</td>
<td>14 463</td>
<td>14 829</td>
</tr>
<tr>
<td>Emerging markets</td>
<td>18 621</td>
<td>18 525</td>
</tr>
</tbody>
</table>

**Total Commercial Pharmaceuticals**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018 (CER)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sterile Focus Brands</td>
<td>17 817</td>
<td>15 618</td>
</tr>
<tr>
<td>Regional Brands</td>
<td>15 267</td>
<td>17 736</td>
</tr>
</tbody>
</table>

*Definition of EM based on MSCI AWI Index and Frontier Markets Index.*
Our business model

We use our six capitals and our unique value drivers to provide high quality, affordable medicines and products and create value for our stakeholders in a responsible and sustainable way.

We develop our strategic objectives to provide the foundation for our plan of action to achieve our short-, medium- and long-term goals

We rely on our unique value drivers within our six capitals, available online, to effectively implement our strategy and business activities

We create value through our globally integrated value chain

Our values

- Teamwork
- Innovation

08 Aspen Pharmacare Holdings Limited
Corporate Brochure 2019
Achieving outcomes that create long-term value for our stakeholders

- **Improved health and quality of life for the patients and consumers that use our products**
- **Economic stimulation in the regions in which we operate**
- **Employment opportunities and skills development provided to our 10,000 employees**
- **Uplifting the lives in the communities in which Aspen works around the world**
- **Initiatives to reduce the impact of our operations on the natural environment**
- **Generation of wealth to fund future growth and expansion**
- **A contribution to governments through direct and indirect taxation**
- **Sustainable earnings growth and return for shareholders**
Our global presence*

<table>
<thead>
<tr>
<th>Region</th>
<th>Contribution to revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin America</td>
<td>R3 083 million</td>
</tr>
<tr>
<td>USA &amp; Canada</td>
<td>R675 million</td>
</tr>
<tr>
<td>Developed Europe</td>
<td>R12 095 million</td>
</tr>
<tr>
<td>Developing Europe &amp; CIS</td>
<td>R2 516 million</td>
</tr>
</tbody>
</table>

We supply medicines to more than 150 countries

70 established business operations in 55 countries

Aspen has a strong presence in both emerging and developed countries and regions.

Key:
- Group headquarters
- Combined sales, marketing, distribution and manufacturing centres
- Sales, marketing and distribution centres
- Marketing centres
- Branch representative offices
- Manufacturing site
- Sales, marketing, distribution and support centres
- Support centre
- New product development and manufacturing site

* Specific location details are provided online.
Contribution to revenue

- **Japan**: R2 124 million (5%)
- **Other Asia**: R1 456 million (4%)
- **China**: R2 872 million (7%)
- **MENA**: R1 056 million (3%)
- **Sub-Saharan Africa**: R8 575 million (22%)
- **Australasia**: R4 420 million (11%)
Our manufacturing capabilities

Primary sites

UNIT 1 FACILITY
**Capability:** High-volume solids manufacturing and packing for domestic and export markets.
**Maximum output:**
6 billion tablets.

**Accreditation:** ANVISA, FMHACA, GCC, ICHA, MCAZ, MHRA, NAFDAC, NDA, PMPB, PPB, SAHPRA, TFDA, TGA, US FDA, WHO.

UNIT 2 FACILITY
**Capability:** Small to medium-volume solids manufacturing for domestic and export markets.
**Maximum output:**
4 billion tablets.

**Accreditation:** ANVISA, FMHACA, GCC, ICHA, MCAZ, MHRA, NAFDAC, NDA, PMPB, PPB, SAHPRA, TFDA, TGA, US FDA, WHO.

UNIT 3 FACILITY
**Capability:** End state packing for domestic market.
**Maximum output:**
140 million packed units of tablets and capsules.

**Accreditation:** SAHPRA

UNIT 4 FACILITY
**Capability:** Hormonal and high-potency solids manufacturing and packaging for the domestic and export markets.
**Maximum output:**
3.2 billion tablets (hormonal); 395 million tablets (potency).

**Accreditation:** LASD, SAHPRA, and US FDA.

STERILE FACILITY SVP 1: MULTI-PRODUCT SUITES A AND B
**Capability:** Eye drops, ampoules, vials; aseptic and terminal sterilisation capability for domestic and export markets.
**Maximum output:**
Suite A: Up to 42 million units of eye drops;
Suite B: Up to 25 million units of ampoules;
Up to 12 million units of liquid vials.

**Accreditation:** LASD, SAHPRA, US FDA, WHO.

STERILE FACILITY SVP 2: HIGH-POTENCY SUITE
**Capability:** Liquid ampoules, vials and cartridges; emulsion ampoules, vials and cartridges; lyophilised vials; aseptic and terminal sterilisation capability for domestic and export markets.
**Maximum output:**
Suite C:
Up to 20 million vials;
Up to 25 million ampoules;
Up to 13 million cartridges.

**Accreditation:** Regulatory inspections pending (project phase).
LASD tentatively planned; SAHPRA and TGA planned.

NOTRE DAME DE BONDEVILLE, FRANCE

**STERILE PREFILLED SYRINGE MANUFACTURING SITE**
**Capability:** Aseptic and terminally sterilised prefilled syringe manufacturing and packing for domestic and export markets.
**Maximum output:**
85 million syringes (Etna line); 130 million syringes (Stromboli line); 180 million syringes (Vesuve line) – (commercial production FY2020)

**Accreditation:** ANSM, ANVISA, ASN, DQS, HPB, PMDA, US FDA.

BAD OLDESLOE, GERMANY

**MULTI-DOSE FORM SITE**
(Additional commercial production FY2021)
**Capability:** Solid dose forms, oral and topical liquids, semi-solids and blow-fill seal, manufacturing and packing for domestic and export markets.
**Maximum output:**
3.5 billion tablets; 6 240 tonnes of liquids; 1 404 tonnes of topical liquids;
351 tonnes of semi-solids; 60 million units for blow-fill seals.

**Accreditation:** ANVISA, GRA, IRA, LRA, PPB, PMDA, TGA, US FDA.

Regional facilities

ACCRA, GHANA

**Capability:** Small to medium-volume liquids.
**Maximum output:**
567 kℓ of liquids

**Accreditation:** GFDA.

DAR ES SALAAM, TANZANIA

**Capability:** Small to medium volume semi-solids, large volume solids and liquids.
**Maximum output:**
1,0 billion tablets; 60 million capsules; 15 tonnes of semi-solids; 1,500 kℓ of liquids; 8 million sachets.

**Accreditation:** PPB, TMDA, PMPB, ZAMRA, MoH – DRC, NAFDAC, DPML-CI, EFDA.

EAST LONDON, SOUTH AFRICA

**ORAL CONTRACEPTIVE FACILITY**
**Capability:** High-volume oral contraceptive manufacturing and packing for domestic market.
**Maximum output:**
1 billion tablets.

**Accreditation:** Last audit conducted by SAHPRA in 2009

**MULTI-PRODUCT FACILITY**
**Capability:** Solids, semi-solids and liquid manufacturing and packing for domestic market.
**Maximum output:**
560 million tablets; 32 million packs of semi solids; 160 million packed units of liquids.

**Accreditation:** SAHPRA.

We manufacture a wide variety of product types including injectables, oral solid dose, liquids, semi-solids, steriles, biologicals and APIs.

Abbreviations of pharmaceutical regulatory authorities and acronyms are on pages 20 and 21.
### Regional facilities

**HYDERABAD, INDIA**

**Capability:** Small to medium-volume solids manufacturing for export markets.
**Maximum output:**
- 700 million tablets; 30 million effervescent tablets; 120 million capsules; 60 tonnes of pellets; 25 million powder filled sachets
**Accreditation:** DCA, SAHPRA, ANVISA, ISO 9001, ISO 17025.

**MELBOURNE, AUSTRALIA**

**Capability:** High-volume solids, liquids and semi-solids.
**Maximum output:**
- 3 billion tablets; 90 million sachets; 1 167 tonnes semi-solids; 1 721 tonnes liquids.
**Accreditation:** TGA, ISO 14001, OSHAS 18001.

**NAIROBI, KENYA**

**Capability:** Small to medium-volume solids, liquids and fast-moving consumer goods.
**Maximum output:**
- 750 million tablets; 600 kℓ of liquid.
**Accreditation:** PPB, TMDA, UNDA, PMPB, ZAMRA, MoH -DRC, EFDA, NAFDAC, MCAZ, GFDA.

**VITÓRIA, BRAZIL**

**Capability:** Small to medium-volume solids, liquids and semi-solids.
**Maximum output:**
- 10,5 million sealing; 162 million tablets and capsules; 675 000 bottles of liquids or 40 kℓ; 380 000 packs of semi-solids or 3,8 tonnes.
**Accreditation:** ANVISA, GMP ISO 14001, OHSAS 18001.

**CAPE TOWN, SOUTH AFRICA**

**Capability:** Specialised and high potency manufacturing for domestic and export markets.
**Maximum output:**
- 46 000 kg
**Accreditation:** EDQM, PMDA, SAHPRA, US FDA.

**NOTRE DAME DE BONDEVILLE, FRANCE**

**NANDROPARIN & CERTOPARIN FACILITY**

**Nadroparin**

**Capability:** Specialised biochemical API – conversion of heparin to nadroparin.
**Maximum output:**
- 200 batches of nadroparin.
**Accreditation:** ANSM, DQS.

**Certoparin**

**Capability:** Specialised biochemical API – conversion of heparin to certoparin.
**Maximum output:**
- 45 batches of certoparin.
**Accreditation:** Regulatory submission to take place.

**FONDAPARINUX FACILITY**

**Capability:** Specialised chemical API – purification by chromatography of fondaparinux.
**Maximum output:**
- 34 batches of fondaparinux sodium.
**Accreditation:** ANSM, ANVISA, DQS, KFDA, PMDA, TRA, US FDA.

**SIOUX CITY, USA**

**Capability:** Specialist biochemical API – heparin intermediates.
**Maximum output:**
- Biologicals – capacity is measured on demand – dependent on product mix.
**Accreditation:** Re-registration for US FDA.

**DE GEER SITE**

**Capability:** Specialised hormonal and chemical APIs: wet chemical multipurpose capability, final powder handling (milling/sieving) and solvent recovery by distillation.
**Maximum output:**
- Installed reactor capacity: 114 m² with reactor size between 2 m² and 10 m² beside bulk tank storage capability.
**Accreditation:** ANVISA, EMA, ISO 14001, KFDA, OHSAS 18001, PMDA, Russia MoIT, US FDA.

**MOLENEIND SITE**

**Capability:** Specialised biochemical, hormonal and chemical APIs. Dedicated biochemical reactors, multipurpose chemical reactors and dedicated solvent recovery unit.
**Maximum output:**
- Installed chemical reactor capacity (small molecule API + peptides): 59 m³; Biochem reactor capacity: 245 m³ beside multiple storage capacity.
**Accreditation:** ANVISA, EMA, ISO 14001, KFDA, OHSAS 18001, PMDA, Russia MoIT, US FDA.

**BOXTEL SITE**

**Capability:** Specialised biochemical API – gonadotrophin intermediates and virus filtered API.
**Maximum output:**
- Measured on demand.
**Accreditation:** EMA, ISO 14001, OHSAS 18001, PMDA, US FDA.

---

23 manufacturing facilities at 15 sites on 6 continents
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 vision

Our vision unites us in our purpose
To deliver value to all of our stakeholders as a responsible corporate citizen that provides high quality, affordable medicines and products globally.

Our values

Our shared values are the foundation as we work toward achieving our vision
Teamwork: We optimise our performance by pulling together. Our combined capabilities exceed the sum of each individual.
Innovation: We constantly search for better ways of doing things and are solution oriented.
Commitment: We go the extra mile, seeking to exceed expectations.
Excellence: We strive to be the best we can be and to deliver to the highest standards.
Integrity: Our integrity is not negotiable.

Healthcare. We care.

Our credo underpins our commitment to create value for all our stakeholders in a manner that is responsible, transparent and respects the rights of all
Our sustainability themes, available online, are integrated in our corporate strategy:
- Patients
- Employees
- Society
- Environment

Strategic positioning

Our strategic positioning supports delivery of our vision.
We seek to achieve this through developing a differentiated portfolio of relevant IP, creating value through our complex manufacturing capabilities and enabling access through our globally integrated supply chain.
Our market positioning is focused on leveraging opportunities presented by emerging markets, balanced with presence in more established, stable developed markets.
Through our dynamic portfolio management model, we build, maximise and reshape our basket of products to achieve a global product portfolio of niche, specialty products complemented by leading Regional Brands, aligned to our manufacturing capability.

We implement our strategy by applying the resources we have available in execution of our business model to achieve sustainable growth and value creation (pages 08 and 09).
We have identified KPIs designed to provide a defined measure of performance against our strategic 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. Reporting on our performance against our strategic objectives is included in Our strategic business performance available online.

Our five strategic objectives provide the foundation to deliver our strategy of creating long-term value for all of our stakeholders. Our focus areas outline our plan of action over the short- to medium-term.
**Assurance on our KPIs**

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

ERM ◆ PwC ◆ Internal Audit ■ Empowerdex △

Further discussion on combined assurance is available online.

---

**To enhance access to high quality affordable medicines**

**Our focus areas**
- Develop and strengthen pipeline and accelerate product launches
- Expand presence in emerging markets with a focus on establishing a meaningful presence in countries with high growth potential
- Implement initiatives to achieve security of supply
- Explore opportunities for strategic regional partnerships
- Establish a route to market strategy for the United States pipeline

**KPI**
- In-market sales value of total product pipeline for the next five years
- Number of product recalls

---

**To achieve strategic advantage though our integrated supply chain**

**Our focus areas**
- Optimise operations and drive efficiencies and reduce cost of goods
- Achieve the transfer of the manufacture of complex, sterile products to Aspen sites over the next three years
- Focus on supply performance and optimise carrying levels of inventory

**KPI**
- Gross profit percentage

---

**To provide a safe, challenging and rewarding environment for our employees**

**Our focus areas**
- Build a culture of operational excellence and cross-functional collaboration
- Strengthen leadership capacity across the Group
- Harness the benefits of diversity and inclusion
- Focus on the development and retention of required skills
- Maintain a strong health and safety culture across our operations

**KPI**
- Average staff turnover
- Average training spend per employee
- Percentage of females in top 100 positions in the Group
- Percentage of black employees in top 50 positions in South Africa
- Lost work day frequency ratio (LWDFR)*

---

**To practice good corporate citizenship**

**Our focus areas**
- Maintain high governance and ethical standards
- Enhance relationships and reputation with our various stakeholders
- Explore resource efficiency projects to secure security of supply and minimise impact on the environment

**KPI**
- Broad-based black economic empowerment ("BBBEE") accreditation in South Africa
- FTSE/JSE Responsible Investment Index score
- Carbon emissions* (includes divested business until divested date, does not include New Zealand New Milk ("NZNM"))
- Waste recycled* (includes divested business until divested date, does not include NZNM)
- Water withdrawn* (includes divested business until divested date, does not include NZNM)
- Electricity used* (includes divested business until divested date, does not include NZNM)

---

**To create sustainable economic value for all our stakeholders**

**Our focus areas**
- Drive organic growth through maximisation of the potential of existing portfolio and markets
- Increase operating margins and generate strong free cash flow
- Accelerate deleveraging
- Remain alert to acquisition, disposal and collaboration opportunities which present strategic value
- Optimise the allocation of available capital
- Deliver economic benefits to suppliers, employees, governments, communities and shareholders

**KPI**
- Revenue growth
- NHEPS growth
- Normalised EBITDA growth
- Normalised EBITDA margin
- Return on ordinary shareholders' equity
- Operating cash flow per share
- Leverage ratio

---

* Measured for manufacturing sites only (includes divested business until divested date, does not include New Zealand New Milk ("NZNM")).
Our Board of Directors

Executive directors

Stephen Saad (55)
Group Chief Executive
Qualifications: CA(SA), PhD (Commerce) Honors Causa
Appointed: January 1999
Classification: Executive director

Gus Attridge (58)
Deputy Group Chief Executive (Finance Director)
Qualifications: CA(SA)
Appointed: January 1999
Classification: Executive director

Independent non-executive directors

Kuseni Dlamini (51)
Qualifications: MPhil (Oxon), BScSci (Hons) (Natal), Global Leadership for the 21st Century Programme (Harvard), Foundations for Leadership in the 21st Century (Yale)
Appointed: April 2012
Classification: Independent non-executive, Chairman

Ben Kruger (60)
Qualifications: CA(SA), Advanced Programme in Management (Harvard Business School)
Appointed: April 2019
Classification: Lead independent non-executive

Linda de Beer (50)
Qualifications: CA(SA), MCom (Tax), CD(SA)
Appointed: July 2018
Classification: Independent non-executive

Themba Mkhwanazi (49)
Qualifications: B.Eng (Hons)
Appointed: April 2019
Classification: Independent non-executive
Non-executive directors

Babalwa Ngonyama (45)
Qualifications: CA(SA), MBA, Higher Diploma in Banking Law (RAU)
Appointed: April 2016
Classification: Independent non-executive

Sindi Zilwa (52)
Qualifications: CA(SA), CFD(SA), Advanced Taxation Certificate (UNISA), Advanced Diploma in Financial Planning (UOFS) and Advanced Diploma in Banking (RAU)
Appointed: September 2006
Classification: Independent non-executive

Chris Mortimer (58)
Qualifications: BA, LLB
Appointed: January 1999
Classification: Non-executive

David Redfern (53)*
Qualifications: BSc (Hons), CA
Appointed: February 2015
Classification: Non-executive

* British

Expertise
- Leadership
- Pharmaceuticals
- Information and technology governance
- Governance and compliance
- Sales and marketing management
- Accounting, finance and tax
- Risk and opportunity management
- Environment, health and safety
- Human resources
- Manufacturing

Full CVs of all the directors are available online.

Riaan Verster (43)
Qualifications: BProc, LLB, LLM (Labour Law), ACIS
Appointed: December 2011
Classification: Company Secretary & Group Governance Officer
Our approach to governance

Aspen’s approach to governance

Governance in the Group extends beyond mere legislative and regulatory compliance. Management strives to entrench an enterprise-wide culture of good governance aimed at ensuring that decisions are taken in a fair and transparent manner, within an ethical framework that promotes the responsible consideration of all stakeholders, while also holding decision-makers appropriately accountable. In line with the philosophy that good corporate governance is an evolving discipline, governance structures, practices and processes are actively monitored and revised from time to time to reflect best practice.

The Board is accountable to shareholders and other stakeholders and is ultimately responsible for the implementation of sound corporate governance practices throughout the Group. Aspen’s Board of Directors is committed to ensuring that the Group adheres to high standards of corporate governance in the conduct of its business.

The directors are of the opinion that the Group has applied the requirements of King IV™. The application of the King IV™ principles and adoption of the various recommendations set out therein is more fully detailed in our unabridged Corporate Governance report available online.

A formally documented and approved Board Charter outlines the composition, scope of authority, responsibilities, powers and functioning of the Board. In addition, the Board functions in accordance with the requirements of King IV™, the provisions of the South African Companies Act of 2008, the Listings Requirements of the JSE and other applicable laws, rules or codes.

Board composition

**Diversity of expertise**

**Policy:** To create an experienced Board with the appropriate balance of knowledge and skills in areas relevant to the Group.

The following areas of expertise are relevant to Aspen

- **Leadership:** 90%
- **Accounting, finance and tax:** 70%
- **Pharmaceuticals:** 50%
- **Risk and opportunity management:** 80%
- **Information and technology governance:** 40%
- **Environment, health and safety:** 30%
- **Governance and compliance:** 70%
- **Human resources:** 30%
- **Sales and marketing management:** 30%
- **Manufacturing:** 10%

**Independence**

**Policy:** To comprise a majority of non-executive directors, the majority of whom should be independent.

**Board size**

**Policy:** To target a Board size which promotes accountability and encourages healthy, constructive debate and decision-making, while meeting regulatory and MOI requirements. The appropriateness of the Board size is evaluated annually by the Remuneration & Nomination Committee.

**Gender and racial diversity**

**Policy:** The company’s gender diversity policy promotes a voluntary target of 40% female representation on the Board over a three-year period, while the racial diversity policy promotes a voluntary target of 50% black representation on the Board over the same period.

<table>
<thead>
<tr>
<th>Year</th>
<th>Gender</th>
<th>Race</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>2018</td>
<td>30%</td>
<td>70%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Female</th>
<th>Male</th>
<th>Black</th>
<th>White</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>30%</td>
<td>70%</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>2018</td>
<td>30%</td>
<td>70%</td>
<td>30%</td>
<td>70%</td>
</tr>
</tbody>
</table>

**Succession and diversity of tenure**

**Policy:** Periodic, staggered rotation of members so as to ensure the introduction of members with new expertise and perspectives, while retaining valuable industry knowledge, skills, experience and maintaining continuity.

<table>
<thead>
<tr>
<th>Years</th>
<th>Number of non-executive directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1</td>
<td>20%</td>
</tr>
<tr>
<td>1 – 3</td>
<td>10%</td>
</tr>
<tr>
<td>3 – 6</td>
<td>20%</td>
</tr>
<tr>
<td>&gt;6</td>
<td>50%</td>
</tr>
</tbody>
</table>

Succession planning makes provision for the identification, mentorship and development of future members.

**Diversity of age**

**Policy:** Executive directors retire from their positions and from the Board at the age of 65. The company’s retirement policy does, however, make provision to extend the relationship beyond the normal retirement age. Non-executive directors, 70 years and older, retire at each AGM and are proposed for re-election if recommended by the Board.

**Average age**

- **53 years**

- **Younger than 55 years:** 60%

Aspen Pharmacare Holdings Limited
Corporate Brochure 2019
## Senior executive team

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Image</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stephen Saad</strong> (55)</td>
<td>Group Chief Executive</td>
<td><img src="image" alt="Stephen Saad" /></td>
</tr>
<tr>
<td><strong>Gus Attridge</strong> (58)</td>
<td>Deputy Group Chief Executive (Finance Director)</td>
<td><img src="image" alt="Gus Attridge" /></td>
</tr>
<tr>
<td><strong>Sean Capazorio</strong> (54)</td>
<td>Group Finance Officer</td>
<td><img src="image" alt="Sean Capazorio" /></td>
</tr>
<tr>
<td><strong>Lorraine Hill</strong> (56)</td>
<td>Group Operating Officer and Responsible Pharmacist</td>
<td><img src="image" alt="Lorraine Hill" /></td>
</tr>
<tr>
<td><strong>Samer Kassem</strong> (45)</td>
<td>Chief Executive Officer, Aspen Global Incorporated CEO</td>
<td><img src="image" alt="Samer Kassem" /></td>
</tr>
<tr>
<td><strong>Stavros Nicolaou</strong> (54)</td>
<td>Group Senior Executive Strategic Trade</td>
<td><img src="image" alt="Stavros Nicolaou" /></td>
</tr>
<tr>
<td><strong>Carnie van der Linde</strong> (50)</td>
<td>Group Commercial Head</td>
<td><img src="image" alt="Carnie van der Linde" /></td>
</tr>
<tr>
<td><strong>Trevor Ziman</strong> (48)</td>
<td>Asia Pacific CEO</td>
<td><img src="image" alt="Trevor Ziman" /></td>
</tr>
</tbody>
</table>

### Senior executive team

- **Stephen Saad** (55)
  - **Position**: Group Chief Executive
  - **Appointed**: January 1999
  - **Qualifications**: CA(SA), PhD (Commerce) Honoris Causa
  - **Responsibilities**: Stephen is a founding shareholder of Aspen and his responsibilities extend to include strategic positioning of Aspen as a leading multinational pharmaceutical company, global transactions, geographic expansion and product diversification of Aspen in developed and emerging markets.

- **Gus Attridge** (58)
  - **Position**: Deputy Group Chief Executive (Finance Director)
  - **Appointed**: January 1999
  - **Qualifications**: CA(SA)
  - **Responsibilities**: Gus is a founding shareholder of Aspen and is responsible for the strategic and financial wellbeing of the Group while also identifying and pursuing appropriate corporate opportunities and global transactions that will further benefit Aspen and its stakeholders.

- **Sean Capazorio** (54)
  - **Position**: Group Finance Officer
  - **Appointed**: January 1999
  - **Qualifications**: CA(SA)
  - **Responsibilities**: Sean is responsible for all of the Group’s finance functions across Aspen’s 55 businesses and also assesses business performance and identifies business improvement opportunities.

- **Lorraine Hill** (56)
  - **Position**: Group Operating Officer and Responsible Pharmacist
  - **Appointed**: January 1999
  - **Qualifications**: BPharm
  - **Responsibilities**: Lorraine is responsible for multiple operational areas of the business including strategic manufacturing, pharmaceutical affairs, new product development, strategic procurement and IT. In addition, she plays an integral role in negotiation and implementation of new business initiatives including global transactions.

- **Samer Kassem** (45)
  - **Position**: Chief Executive Officer, Aspen Global Incorporated CEO
  - **Appointed**: May 2008
  - **Qualifications**: CMA, CFM, CBM, MBA
  - **Responsibilities**: Samer joined the Group with the responsibility of establishing the company to direct its global operations. He has been integrally involved in the negotiation, completion and integration of strategic acquisitions, the setting up of the Group’s global businesses as well as the trading and supply structures to support these.

- **Stavros Nicolaou** (54)
  - **Position**: Group Senior Executive Strategic Trade
  - **Appointed**: January 1999
  - **Qualifications**: B.Pharm, FPS (SA), PhD (Medicine) Honoris Causa
  - **Responsibilities**: Stavros plays a pivotal role in the initiation of business development opportunities and is also key to the building and maintenance of strategic relations within industry and with all of Aspen’s stakeholders.

- **Carnie van der Linde** (50)
  - **Position**: Group Commercial Head
  - **Appointed**: May 2016
  - **Qualifications**: BTech: Dental Technology
  - **Responsibilities**: Carnie is responsible for the implementation of strategy and the performance delivery of Aspen’s Commercial Pharmaceutical businesses in Europe CIS, Canada, Spanish Latin America, Brazil, Middle East North Africa and Sub-Saharan Africa.

- **Trevor Ziman** (48)
  - **Position**: Asia Pacific CEO
  - **Appointed**: May 2001
  - **Qualifications**: CA(SA)
  - **Responsibilities**: Trevor is responsible for the implementation of strategy and the performance delivery of Aspen’s Commercial Pharmaceutical businesses in Australasia, China, Japan, the Philippines, Taiwan, Malaysia and Hong Kong as well as trade into the rest of the Asia Pacific region. He plays a leading role in all transactional activity in the region.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANDA</td>
<td>Abbreviated new drug application</td>
</tr>
<tr>
<td>ANSM</td>
<td>French National Agency for Medicinal and Health Product Safety</td>
</tr>
<tr>
<td>ANVISA</td>
<td>Brazilian National Health Surveillance Agency</td>
</tr>
<tr>
<td>API</td>
<td>Active pharmaceutical ingredient</td>
</tr>
<tr>
<td>ARV</td>
<td>Anti-retroviral</td>
</tr>
<tr>
<td>ASN</td>
<td>Nuclear Safety Authority for E-beam</td>
</tr>
<tr>
<td>BBBEE</td>
<td>Broad-based black economic empowerment</td>
</tr>
<tr>
<td>CDP</td>
<td>Carbon disclosure project</td>
</tr>
<tr>
<td>COFEPRIS</td>
<td>Mexican Federal Commission for Protection against Health Risk</td>
</tr>
<tr>
<td>DCA</td>
<td>Drug Control Administration – India</td>
</tr>
<tr>
<td>DQS</td>
<td>Deutsche Gesellschaft zur Zertifizierung von Management Systemen</td>
</tr>
<tr>
<td>DPML-CI</td>
<td>Directorate of Pharmacy, Medicines and Laboratories – Ivory Coast</td>
</tr>
<tr>
<td>EDQM</td>
<td>European Directorate for the Quality of Medicines</td>
</tr>
<tr>
<td>EFDA</td>
<td>Ethiopian Food and Drug Administration</td>
</tr>
<tr>
<td>EMA</td>
<td>European Medicines Agency</td>
</tr>
<tr>
<td>FDF</td>
<td>Finished dose form</td>
</tr>
<tr>
<td>FMHACA</td>
<td>Ethiopian Food, Medicine and Healthcare Administration Control Authority</td>
</tr>
<tr>
<td>FSSC</td>
<td>Food Safety System Certification</td>
</tr>
<tr>
<td>GCC</td>
<td>Middle East and North African Gulf Cooperation Council</td>
</tr>
<tr>
<td>GFDA</td>
<td>Ghanaian Food and Drugs Authority</td>
</tr>
<tr>
<td>GMP</td>
<td>Good Manufacturing Practice</td>
</tr>
<tr>
<td>GRA</td>
<td>German Regulatory Authority</td>
</tr>
<tr>
<td>HCP</td>
<td>Healthcare professional</td>
</tr>
<tr>
<td>HPB</td>
<td>Health Protection Branch (Canada)</td>
</tr>
<tr>
<td>ICHA</td>
<td>Ivory Coast Health Authority</td>
</tr>
<tr>
<td>INVIMA</td>
<td>Colombia National Food and Drug Surveillance Institute</td>
</tr>
<tr>
<td>IP</td>
<td>Intellectual property</td>
</tr>
<tr>
<td>IRA</td>
<td>Israeli Regulatory Authorities</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organisation for Standardisation</td>
</tr>
<tr>
<td>KFDA</td>
<td>Korean Food and Drug Administration</td>
</tr>
<tr>
<td>Kℓ</td>
<td>Kilolitre</td>
</tr>
<tr>
<td>KvH</td>
<td>Kilo vessel hours</td>
</tr>
<tr>
<td>LAsD</td>
<td>Local vs Federal Agencies</td>
</tr>
<tr>
<td>LRA</td>
<td>Libyan Regulatory Authorities</td>
</tr>
<tr>
<td>MCAZ</td>
<td>Medicines Control Agency of Zimbabwe</td>
</tr>
<tr>
<td>MHRA</td>
<td>United Kingdom Medicines and Health Products Regulatory Agency</td>
</tr>
<tr>
<td>MOH – DRC</td>
<td>Ministry of Health – Democratic Republic of Congo</td>
</tr>
<tr>
<td>NAFDAC</td>
<td>Nigerian National Agency for Food and Drug Administration and Control</td>
</tr>
<tr>
<td>NDA</td>
<td>Ugandan National Drug Authority</td>
</tr>
<tr>
<td>NHEPS</td>
<td>Normalised headline earnings per share</td>
</tr>
<tr>
<td>OHSAS</td>
<td>Occupational Health and Safety Management Systems</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>PMDA</td>
<td>Japanese Pharmaceutical and Medical Device Agency</td>
</tr>
<tr>
<td>PMPB</td>
<td>Malawian Pharmacy, Medicines and Poisons Board</td>
</tr>
<tr>
<td>PPB</td>
<td>Kenyan Pharmacy and Poisons Board</td>
</tr>
<tr>
<td>Russian MoIT</td>
<td>Ministry of Industry and Trade of the Russian Federation</td>
</tr>
<tr>
<td>SAHPRA</td>
<td>South African Health Products Regulatory Authority</td>
</tr>
<tr>
<td>SED</td>
<td>Socio-economic development</td>
</tr>
<tr>
<td>TFDA</td>
<td>Tanzania Food and Drug Authority</td>
</tr>
<tr>
<td>TGA</td>
<td>Australian Therapeutic Goods Administration</td>
</tr>
<tr>
<td>TMDA</td>
<td>Tanzania Medicines and Medical Devices Authority</td>
</tr>
<tr>
<td>TRA</td>
<td>Turkish Regulatory Authority</td>
</tr>
<tr>
<td>UHT</td>
<td>Ultra-high temperature</td>
</tr>
<tr>
<td>UN Global Compact</td>
<td>United National Global Compact</td>
</tr>
<tr>
<td>UNDA</td>
<td>Ugandan National Drug Authority</td>
</tr>
<tr>
<td>US FDA</td>
<td>United States Food and Drug Administration</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organisation</td>
</tr>
<tr>
<td>ZAMRA</td>
<td>Zambia Medicine Regulatory Authority</td>
</tr>
</tbody>
</table>

**Disclaimer**

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