

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Aspen is a pharmaceutical company listed on the Johannesburg Stock Exchange Limited (“JSE”). Aspen employs approximately 10 000 employees and its heritage dates back more than 160 years in South Africa. Aspen supplies branded and generic pharmaceutical products and consumer healthcare products in selected territories and to more than 150 countries worldwide. The Aspen brand has become synonymous with high quality and affordable products. Aspen recognises that climate change has potential direct and indirect implications on its operations and is therefore relevant to Aspen’s sustainability objectives. As at 30 June 2019, the Group had 23 manufacturing facilities across 15 sites. The manufacturing sites contribute to the bulk of Aspen’s carbon emissions and as such environmental reporting is focused at a manufacturing site level. The main contributors to Aspen’s Scope 1 emissions are natural gas, refrigerants and fuel consumption while Scope 2 emissions are comprised of purchased electricity and steam.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2018	June 30 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Australia
- Brazil
- France
- Germany
- Ghana
- Kenya
- Mexico
- Netherlands
- South Africa
- United Republic of Tanzania
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	The Aspen Board of Directors is led by the Chairman and is collectively responsible for setting the strategic direction for the Group and approving the Group's strategic objectives, one of which is "To practice good corporate citizenship". The Board is responsible for the oversight of performance against this strategic objective by considering both the financial aspects of the business and impact that the business operations have on the economic, physical and social environments in which Aspen operates. Aligned to the Group's strategic objectives, the Board ratifies the Group's material Key Performance Indicators (KPIs) annually, which includes, KPI's relating to carbon emissions and electricity usage. The achievement of the Group's strategic objectives is monitored on the basis of these approved KPIs. In January 2020, the Chair of the Board requested we revisit our broader ESG strategy, with a focus on climate change. This was endorsed by Aspen Strategic Leadership.
Board-level committee	Aspen's Social and Ethics Committee (a subcommittee of the Board) is responsible for the governance of the Group's social, environmental, human rights and ethics responsibilities in accordance with the relevant regulations, guidelines, recommendations. Aspen's Audit and Risk Committee is responsible for the governance of the Group's enterprise risk management (which includes climate-related risks).
Chief Executive Officer (CEO)	The Group Chief Executive and the Deputy Group Chief Executive are Executive Director members of the Board and have overall responsibility for performance of the Group. The Deputy Group Chief Executive is the line manager of the Group Corporate Services Officer (who has reporting oversight of the Group risk and sustainability function). The Executive approves business unit strategies, budgets and capital projects.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures 	<Not Applicable>	As per C1.1a) above, the Group's strategic objectives and related KPI's are ratified by the Board on an annual basis. The Deputy Group CEO presents the Group's performance against these objectives and KPI's to the Board at each of its scheduled quarterly meetings. The Group's Executive Risk Forum (which comprises the Deputy Group CEO, the Group Chief Operating Officer, the Group Finance Officer, the Group Corporate Services Officer and the Group Strategic Development Officer) presents the top enterprise-wide risks to the Group Audit & Risk Committee at the scheduled quarterly meetings, after which the risk profile is included in this Committee's report to the Board. This includes significant climate-related risks that have been identified and the Board reviews how the proposed risk mitigation has been considered in the business plan of the impacted business unit. Any major capital expenditure needed to implement the proposed mitigation would be included in the review and approval processes, as needed. The Group SHE function (which falls under the Group Corporate Services Officer reporting line) presents key environmental compliance and performance data to the Social & Ethics Committee on a quarterly basis.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (Deputy Group Chief Executive)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Operating Officer (COO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	As important matters arise
Other C-Suite Officer, please specify (Group Corporate Services Officer)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	As important matters arise
Other C-Suite Officer, please specify (Executive Head of Site)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other committee, please specify (Executive Risk Forum)	<Not Applicable>	Assessing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The responsibility for climate-related issues in the first instance lies with the Site Head, who is responsible for developing and executing the business unit strategy in alignment with the overall Group strategy. The Site Head is responsible for conducting a site risk assessment, which would include climate-related risks and for driving performance aligned to the Group's KPI's. In respect of operational aspects, Site Heads report into Group Executives who ensure strategic alignment across the Group's operations. Technical input is provided by Group SHE (who report, through the Group Risk & Sustainability Manager, to the Group Corporate Services Officer). In respect of overall performance, Site Heads are ultimately accountable to the Group Chief Executive and Group Deputy Chief Executive. In respect of enterprise risk management, significant and material risks are reported by the Site Heads, through their Group Executive as appropriate, to the Executive Risk Forum (comprised of the Deputy Chief Executive, the Group Operating Officer, the Group Finance Officer, the Group Corporate Services Officer and the Group Strategic Development Officer). The Executive Risk Forum provide the Group A&R Committee with a Group view on the top risks and related mitigations who then report on this risk profile to the Board.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Incentives are provided by some sites and these can be in monetary or non-monetary form. These incentives can also be small prizes given during site/company campaigns. These are explained below.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
All employees	Non-monetary reward	Behavior change related indicator	In some operations such as South Africa and Tanzania, employees are rewarded for active participation and innovative ideas during environmental campaigns which include climate change, water security and global warming. The rewards take the form of prizes, recognition or give-aways to participants in the campaigns.
All employees	Non-monetary reward	Behavior change related indicator	The Australian facility has employee recognition programmes aimed at promoting positive behaviours and resource conservation. Energy consumption is reported internally on a monthly basis. Recognition is given to the management teams and employees involved in the initiatives.
Other, please specify (Engineering/ Facilities Managers)	Monetary reward	Energy reduction project	In the operations in South Africa, Brazil and Tanzania, energy reduction and efficiency projects form part of the Engineering Manager's key performance areas (KPA's). The KPA's are directly linked to the performance appraisal process and the awarding of performance-based annual increases.
Energy manager	Monetary reward	Energy reduction target	In Aspen France, incentives are given to energy managers and project participants when an energy reduction project is successfully implemented. The incentive is included as part of the management bonus.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	None
Medium-term	2	5	None
Long-term	5	20	20 years and beyond.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The risk assessment methodology requires the assessment of the identified risks in relation to the potential impact and this provides the assessment of substantive financial or strategic impact at the business unit level and at the Group level. A predefined 4-point scale categorises the impact from catastrophic to minor taking into account the potential financial impact, impact on the viability of the current and future planned business model and supporting systems; impact on compliance to regulations/legislation/contractual agreements/internal governance procedures; and/or impact on the Group's reputation and/or its stakeholders.

1. Catastrophic/Exceptional

EBITA / recovery impact of more than 30% to the business unit; and/or Event expected to have a significant impact to the viability of the current and future planned business model and supporting systems ; and/or Major non-compliance to regulations/legislation/ contractual agreements/internal governance procedures which could lead to material penalties/ material trade restrictions; and/or Event which could have a sustained impact on the Group's reputation and/or its stakeholders if not mitigated effectively.

2. Critical/Substantial

EBITA / recovery impact of more than 20% to the business unit; and/or Event expected to have a moderate impact to the viability of the current and future planned business model and supporting systems; and/or A serious breach of regulations/legislation/ contractual agreements/internal governance procedures which could lead to material penalties and/or result in temporary trade restrictions; and/or Event which could have a significant but temporary impact on the Group's reputation and/or its stakeholders if not mitigated effectively.

3. Moderate

EBITA / recovery impact of more than 10% to the business unit; and/or The viability of the business model is not expected to come under scrutiny but could have some impact on the effectiveness of supporting systems; and/or A minor breach of regulations/legislation/contractual agreements/internal governance procedures and could result in minor penalties. Continuity of operations not expected to be impacted; and/or Event which is expected to have a negligible negative impact on Aspen's reputation and impact to related stakeholders.

4. Minor

EBITA / recovery impact of 5% to 10% to the business unit; and/or The viability of the current and future planned business model not impacted; The event could impact viability of supporting systems; and/or Event does not constitute a breach of regulation/legislation; and/or Event does not negatively impact the Group's reputation.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Risk management is an embedded attribute of Aspen's corporate culture and is inherent in all its business decisions, activities and transactions. An integrated approach to risk management is implemented giving due consideration to economic, environmental and social indicators impacting the Company and its stakeholders. Strategic, operational, financial and compliance risk assessments are conducted annually at a business unit level and at a company level and are updated on an ongoing basis, but at least each quarter. Company-wide risks are identified by the Group Risk & Sustainability Manager and reported to the Executive Risk Forum. The risk assessment is performed in accordance with the approved Group Risk Management policy and Group Risk Management Framework. The following aspects are considered with specific reference to climate change: (i) The effectiveness of environmental management systems. (ii) Responsible management of energy and carbon footprint. (iii) Environmental risks. The risk assessment methodology requires the assessment of the identified risks in relation to the potential impact and the probability. A predefined 4-point scale categorises the impact from catastrophic to minor taking into account the potential financial impact, impact on the viability of the current and future planned business model and supporting systems; impact on compliance to regulations/legislation/ contractual agreements/internal governance procedures; and/or impact on the Group's reputation and/or its stakeholders. The application of a likelihood assessment (from "almost certain" to "unlikely") to the impact rating results in an overall inherent risk rating. The effectiveness the risk mitigations are assessed to determine the residual level of risk. These inherent and residual risk assessments are used to rank risks relative to each other. Interdependent risks and/or risk concentrations are considered by the Executive Risk Forum and included in their Group risk report, as necessary. The business unit integrated risk assessments are supported by the SHE risk assessments which are conducted using a systematic approach for the identification and assessment of all safety, health and environmental risks, including climate change. All activities, processes, plant machinery and energy sources are taken into consideration under normal, abnormal and emergency conditions. Parameters such as severity, occurrence and exposure are used to calculate the inherent and residual risk, and then prioritised according to the determined risk levels. Proposed solutions and resources required for mitigating significant risks and impacts are presented to Executive Management for approval. The status of the risk mitigation plans are reported on a regular basis during the site SHE performance review meetings.

Value chain stage(s) covered

Direct operations

Risk management process

A specific climate-related risk management process

Frequency of assessment

Please select

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

During 2020, we initiated the exercise to conduct a Company-level climate risk and opportunities assessment aligned to the methodology set out in TCFD. This assessment seeks to consider both transition and physical risks and identify climate-related opportunities. Once completed, this assessment will further inform our climate change strategic response and our reporting in climate related risks and opportunities. While the assessment is focused on own operations for now, it is envisaged that it would be extended to cover the entire value chain, as relevant, as we mature the risk assessment process.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Our ability to ensure compliance with all current environmental regulation is relevant to all of our operations. For example, risk exposure to new carbon pricing taxation is a regulatory risk which Aspen faces.
Emerging regulation	Relevant, always included	Emerging regulation relating to climate change increases the risk of non-compliance which could lead to fines, penalties and/or disruption to operations. Increased costs to adapt to new legislative requirements could also significantly impact both capital and operating costs for example green energy transition regulations which could require significant financial injection.
Technology	Relevant, always included	In order to adapt to new regulatory requirements and/or adopt new technologies in line with our environmental policy objectives, technology risks are considered especially in relation to the capital investment required. Investing in green technology is an example in some of our operations.
Legal	Relevant, always included	Our business activities have not exposed us to climate related litigation and we do not anticipate this materialising into a substantive risk. However, the potential for this risk as climate disclosures are expanded increases and therefore this risk factor is monitored.
Market	Relevant, always included	Risks arising from changing expectations from key stakeholders (for example, key customers and end consumers) are considered relevant, especially in respect of "social licence to operate" and reputational impacts.
Reputation	Relevant, always included	Usually as a consequence of not managing one of the other categories of risk, reputational risks are considered at both the Group and at the business unit level.
Acute physical	Relevant, always included	Physical risks are considered as part of the business continuity risk assessment process, and would include risk related to extreme weather events. Some of Aspen's operations, for example, have been impacted by severe water shortage events.
Chronic physical	Relevant, sometimes included	Chronic physical risks are relevant, but may not be discretely assessed in risk management processes, unless impacts are already being experienced. For example, changing weather patterns which may be contributing to the drought experienced in parts of South Africa. Water risk assessments are being conducted and will be expanded for climate change related risks going forward.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Legal	Exposure to litigation
-------	------------------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

South Africa is amongst the world's most carbon-intensive economies. Recognizing the importance of reducing carbon emissions and foreseeing the benefits that a low carbon economy can bring, the South African government has committed to ambitious greenhouse gas emission reductions of 34% by 2020 and 42% by 2025. This resulted in the formulation of the Carbon Tax Act and the Customs and Excise Amendment Act which came into effect on 1 June 2019. The introduction of the carbon tax in South Africa will have a direct cost impact on operations in the short term. In the medium term, there will be an increase in these costs as its likely that the tax will increase after 2022. In addition, there is likely to be an increase in other energy costs, such as electricity, as the cost of carbon increases in the economy and energy providers pass these costs on. Given the rising risk of climate change, there are likely to be additional costs related to carbon pricing in other jurisdictions.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

800000

Explanation of financial impact figure

When the 60% tax-free allowances and additional allowances are taken into account, the effective tax rate will range between R6- R48 per ton of CO2e. Based on the current proposed tariff structure the potential impact is estimated to be under R800 000 for the South African Operations.

Cost of response to risk

0

Description of response and explanation of cost calculation

In line with Aspen's environmental management principles, Aspen continues to proactively implement energy conservation and resource efficiency projects and we are in the process of setting tangible targets for manufacturing sites. The company's commitment to the conservation of scarce resources will assist with mitigation of this risk.

Comment

The potential impact of carbon pricing needs to be determined in all jurisdictions. A scenario analysis of different carbon pricing scenarios per jurisdiction should be done over time to understand and quantify real potential cost impact. This will assist in making the business case to address climate change across all Aspen sites.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services
--------------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Aspen makes use of HVAC and associated refrigerants in order to maintain the required environment for manufacture. As per the requirements of the Montreal Protocol, Aspen is required to seek alternative "ozone-friendly" refrigerants as per the mandatory timelines. The Montreal Protocol on Substances that Deplete the Ozone Layer is widely regarded as the world's most successful environment protection agreement. It is the only treaty with universal ratification, with all 197 member countries of the United Nations having accepted legally-binding obligations to phase out the production and consumption of ozone-depleting substances. The Protocol sets out a mandatory timetable for the phase-out of ozone-depleting substances hydrochlorofluorocarbons (HCFC), such as R22 for developed and developing countries. R22 has come under the spotlight because of its harmful impact on the ozone layer but also because it is classified as a greenhouse gas (GHG) which contributes to climate change. The deadline for developed countries for the complete phase-out is 2020 and 90% reduction in usage of R22 by 2015. In Europe, all HCFC top-ups were prohibited from 1 January 2015. In developing countries such as South Africa, Kenya, Tanzania, Ghana, and Brazil, the deadline for the total ban of R22 is 2030. The phase-out of refrigerants with a high global warming potential to those with a low GHG impact may lead to increased operating costs.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Possible solutions include: 1. The replacement of existing units with new units that use alternatives to R22 such as R407c, R404a or Ammonia. This is the most expensive but simplest option. 2. Conversion of existing units to enable them to utilise alternatives to R22 substitutes. While both options will incur costs, it is anticipated that the price of R22 will increase once the ban and import prohibition is in place. The exact financial impact for the Group has not been quantified and will differ from country to country. Capital expenditure will be required for the replacement and refurbishment of HVAC units. In addition, a change to alternative refrigerants could increase the operational costs of the HVAC units.

Cost of response to risk

0

Description of response and explanation of cost calculation

The total cost has not been established although as at 2018, the average cost of a chiller unit is between R1,5 and R3 million and the average cost of a small air conditioner is between R5000 and R10 000.

Comment

This risk emphasizes the importance of the mitigation measure for the risk above driving efficiency and carbon reduction in the business. Quantifying the cost of phase-out of refrigerants will help contribute to the business case.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The combination of reduced precipitation and rising temperatures might impact the supply of water to some of our sites such as Cape Town and Port Elizabeth and leading to higher costs for alternative supplies. In addition, this creates a potential safety risk such as insufficient municipal water pressure in the event of a fire.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

It is anticipated that the total cost across the Port Elizabeth and Cape Town operations is anticipated to be in the region of R35 million.

Cost of response to risk

0

Description of response and explanation of cost calculation

The quantum of the potential financial impact is unknown, however, the cost of water could increase due to the potential tariff increase levied by the municipality in an attempt to decrease consumption and additional treatment of water from alternative sources. The facilities would also incur capital expenditure costs in order to secure an alternate water supply and to install water pressure regulators.

Comment

It is anticipated that the total cost across the Port Elizabeth and Cape Town operations is anticipated to be in the region of R35 million.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Enhanced emissions-reporting obligations
--------------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In Kenya, under the Air Quality Regulations (2014), there is provision for quarterly boiler emission measurement as well as the measurement of other parameters. In addition, the facility is required to obtain an emission license on an annual basis. This will result in increased expenditure due to periodic emissions measurement and annual licensing fees.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

75000

Explanation of financial impact figure

This is the estimated cost of carrying out annual emission measurements and the application for an annual emission license.

Cost of response to risk

75000

Description of response and explanation of cost calculation

Compliance with legal requirements to ensure that the boilers are adequately serviced and clean fuel is utilised in Aspen's operations.

Comment

Estimated cost of carrying out annual emission measurements and the application for an annual emission license.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Rising mean temperatures
------------------	--------------------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Increasing temperatures can affect Aspen in a number of ways, including increasing energy requirements for cooling both within operations and in the supply chain and impacting on the stability and lifespan of individual products. The continuous increase in temperatures will further require more use of air handling units within the facility. This translates into more energy consumption to drive the increased need for the same.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Costs would be incurred for the installation of additional ventilation and additional electricity consumption.

Cost of response to risk

0

Description of response and explanation of cost calculation

The increased severity of extreme events can impact both operations and the supply chain and lead to reduced revenue and increased costs (including insurance costs). Increasing more natural means of ventilation such as additional windows mostly in the office environments, taking into account a design and change management process in the facility's buildings.

Comment

Costs not yet established.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Stakeholder/investor expectations are increasing significantly. Although the industry is not regarded as one of the main climate change culprits, investor questions, and interest in climate change issues are on the increase. In addition, staff and new potential employees view the company they work for as a good corporate citizen.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cannot be quantified at this stage

Cost of response to risk

0

Description of response and explanation of cost calculation

We are in the process of developing a clear position statement and strategy on climate change and continue regular communication and awareness campaigns to our staff on climate change as well as any interested external stakeholders.

Comment

No additional information at this stage.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
--------	----------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

As the pressure on countries to address climate change increases, the cost of carbon is likely to rise. There may be additional pass-through costs from suppliers of raw materials if these suppliers are impacted by carbon pricing.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cannot be quantified at this stage

Cost of response to risk

0

Description of response and explanation of cost calculation

Conduct more detailed Scope 3 assessments. Implement programs to address sustainability in the supply chain to determine risks and opportunities.

Comment

No additional information at this stage

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services
---------------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Transitioning to a low-carbon electricity system would bring the global economy an estimated \$1.8 trillion in financial savings between 2015 and 2035. Several emerging regulations in regions such as the Netherlands and Kenya have proposed regulations that lean towards transitioning to low carbon energy i.e. low-carbon electricity and low-carbon transportation systems. This might require businesses to invest in low carbon technology and equipment and also costs to deploy the new technology, practices, and processes.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Aspen is potentially limited by the cost and capacity to transition to lower emissions technology.

Cost of response to risk

0

Description of response and explanation of cost calculation

Cannot be quantified at this stage

Comment

No further information

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

In Aspen, all manufacturing facilities are required to include environmental indicators such as fuel consumption and electricity consumption for sustainability reporting. In line with one of Aspen's key values, i.e. innovation, and commitment to compliance with its ISO 14001 Environmental Management Systems, and ISO 50001 Energy Management Systems, we strive for continual improvement. As such, energy conservation and efficiency projects which create investment and improvement opportunities for the sustainable development of the business are promoted.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact is dependent on the amount of capital expenditure required to fund the resource conservation initiative identified. The French facility, for instance, has invested over R1 million towards energy and resource efficiency projects in the last 2 years.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Driving reduction in energy, carbon and other utilities such as water reduces operational costs (including tax liability) and demonstrates commitment to addressing climate change to external stakeholders.

Comment

Costs are variable. In order to drive this effectively, the cost of carbon needs are, where possible, included in the capital project process and also in the design of all new facilities and equipment purchasing.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Due to the continuous rise in temperature and reduction in diurnal temperature changes each day as reported in the recent years, an opportunity to generate power from renewable sources such as solar as a way of mitigating both climate risk and security of supply risk has been created, specifically in South Africa. The South African and Kenyan facilities are investigating opportunities to harness solar energy. Installation of solar panels and use of the sun as a source of energy will provide an alternative to the current energy sources in the facility. This could reduce the cost of electricity significantly.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Please select

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Financial impacts for the projects not yet established.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Solar energy panels providing 1MVA of power have been installed on the Port Elizabeth site. This is at the limit of the current allowable generation per erf. Similar installations are being considered for the Port Elizabeth warehouses and the East London facility in South Africa.

Comment

Financial impacts for the projects not yet established.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of supportive policy incentives

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

The German government is incentivizing businesses to implement energy management systems by providing tax refunds and this facilitated the installation of a 600 kW CHP unit at the Aspen German facility.

Time horizon

Long-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1500000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The German government is incentivizing businesses to implement energy management systems by providing tax refunds. Aspen Bad Oldesloe, the German facility, received tax refunds of approximately R2, 852,900 (€193,417) in the 2013 /2014 financial year, approximately R1, 868, 176 (€125,656, 21) in the 2014- 2015 financial year and approximately R1,003,860 (€78 000) in the 2015-2016 financial year. For the 2016/2017 financial year, it is anticipated that the site will receive a tax refund of approximately R R1,487,430 (€93,935). Since 2018, the site has continued to receive annual tax incentives in region of R1,800, 000 (€90,900) approximately.

Cost to realize opportunity

13500000

Strategy to realize opportunity and explanation of cost calculation

The German site successfully implemented the ISO 50001 energy management system to provides a systematic approach to achieve continual improvement of energy performance, including energy efficiency, energy use and consumption, as well as the accurate monitoring and reporting thereof in order to demonstrate the corresponding decrease in emissions. Due to resource conservation as a result of the installation of the Combined Heat and Power (CHP) plant, the German facility qualifies for annual tax refunds.

Comment

The German site invested approximately € 65 000 (R945 000) to implement the ISO 50001 system and to cover the on-going expenses linked to maintenance and auditing. The CHP cost approximately R12, 480,000 (€970 000).

Identifier

Opp4

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Ability to diversify business activities

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Predictive modelling and research have forecasted that there is a direct correlation between climate change and human health risks. Scientists have concluded that climate change, with its increase in sudden and extreme weather events, disease patterns are expected to be on the increase. This may potentially result in opportunities for Aspen to manufacture more medicines or research in new vaccines in response.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cannot be quantified at this stage.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

This will require consultation or collaborations with research institutions or partnerships with healthcare service providers therefore costs cannot be quantified at this stage.

Comment

No additional information.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

The risk assessment process to date has focused on short-to medium time horizon and as such climate-related risks have not been prioritized in informing the business strategy. In 2020, a strategic decision has been taken to consider the more longer-term impact of climate-related risks and this process has been initiated with the intention to complete a Company-wide climate risk assessment, formalization of Company-wide targets and development of strategies to achieve these targets. It is envisaged that a climate-related scenario analysis will form part of this process.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Not evaluated	Not yet evaluated
Supply chain and/or value chain	Yes	Suppliers are expected to conduct their business in an environmentally conscious manner and minimise the resources used and waste generated. This expectation is confirmed through the Aspen Supplier Code of Conduct, which is incorporated into all legal agreements with suppliers.
Investment in R&D	No	
Operations	Yes	One of our key sustainability commitments is in respect of the environment: "We are committed to practice responsible environmental stewardship, seeking to minimise any negative impact our operations have on the environment and to comply with applicable laws, regulations and other environmental management requirements." These initiatives are monitored by the following material key performance indicators that are reported to the Board as per the agreed reporting timelines: Volume of carbon emissions (bi-annually); Volume of waste recycled (quarterly); Electricity consumed (quarterly); and Volume of water used (quarterly). This intent is integrated into strategies for the Group's manufacturing facilities, with formal conservation projects currently in progress at the facilities in South Africa, Australia, Kenya, Mexico, Brazil, Netherlands, France and Germany. Resource availability, cost and changes to environmental legislation in each territory have played a role in developing the business strategy. Substantial business decisions that have been influenced by climate change include the following: <ul style="list-style-type: none"> • The adoption of an internationally recognised environmental management system (ISO 14001) to formally manage continuous improvement projects linked to resource conservation and reduced environmental pollution at the majority of the manufacturing facilities, with certification awarded to the pharmaceutical facilities in South Africa, France, Australia, Netherlands, Brazil and Germany. • The German (ABO) and France (NDB) sites implemented an ISO 50001 certified energy management system. The system enabled ABO and NDB to implement a systematic approach for managing continual improvement with respect to energy efficiency, energy security, energy use and consumption. The continuous reduction in energy use will ultimately result in lower energy costs and greenhouse gas emissions. • The prioritization of energy, water and waste reduction projects at all manufacturing sites within the Aspen global structure. • Investment in energy efficient technologies as a sustainable input into manufacturing processes.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures Capital allocation Assets	Energy and waste management have direct and indirect cost implications for the cost of production and overhead costs. Depreciation on assets is also a cost. Climate-related risks and opportunities could result in an increase in direct and indirect costs or present an opportunity for savings – while mitigations and strategies to reduce carbon emissions also have a financial impact. For example, the increase in climate-related business interruption risks (adverse weather events, sustained droughts) has resulted in increased expenditure being allocated to risk mitigations, such as additional capex (see below) as well as indirect cost impacts such as increases in property and business interruption insurance premiums) in order to reduce the risk of a sustained interruption to business. Many initiatives to address climate-related risks and opportunities require capital investment, replacing existing (functional) technology with new technology. In the construction of new facilities or when replacing existing plant and machinery, the investment in newer (possibly more expensive) energy efficient technology is given due consideration. In developing and implementing any climate-related strategy (whether operational or capital), the business case will require an evaluation of a number of criteria, which extends beyond traditional financial payback models. Consideration of the Group's sustainability commitments, legislative requirements and business continuity as well as other implications (such as carbon tax and/or incentives) need to be incorporated. This often results in a careful consideration of a trade –off, with complexity introduced due to the longer timeframes associated with climate related risks and the qualitative aspects that cannot easily be incorporated into a financial feasibility model.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

No further information

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	An increase in the absolute energy consumption for the Aspen Group is expected over the next five years due to expansion projects currently in process	Group-wide targets have not been implemented as yet although individual targets are set at a site level. Focus is being given to implementing effective systems to measure energy usage and savings and to identify feasible conservation projects which will yield meaningful reductions within the Aspen Group. For example, significant work has been performed to establish appropriate intensity measures that take into account Aspen's varied production environments and provide a reliable baseline on which to base target reductions and measure performance. In 2020, a strategic decision has been taken to consider the more longer-term impact of climate-related risks and this process has been initiated with the intention to complete a Company-wide climate risk assessment, formalization of Company-wide targets and development of strategies to achieve these targets.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	2	0
Implementation commenced*	13	202.53
Implemented*	1	4
Not to be implemented	1	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

5

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

250000

Investment required (unit currency – as specified in C0.4)

7700000

Payback period

>25 years

Estimated lifetime of the initiative

16-20 years

Comment

This project involves the replacement of cooling towers; pumps, compressed air pumps with newer and more energy-efficient technology.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Investment in emission reduction activities is primarily driven by Aspen's commitment to continual improvement as a responsible corporate citizen, in response to potential future regulatory changes, sustainable access to scarce resources e.g. water, and the rising cost and security of electricity supply. Energy efficiency is factored into all expansion and replacement projects and project teams are tasked with ensuring that equipment and processes are designed, procured and installed accordingly to consume the least possible amount of natural resources.
Employee engagement	Awareness campaigns on energy conservation and carbon footprint reduction are rolled out at all manufacturing sites on internationally recognised days such as World Environment Day and World Water Day.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

July 1 2011

Base year end

June 30 2012

Base year emissions (metric tons CO2e)

6774

Comment

This is the first year that our emission calculation and methodology were externally verified.

Scope 2 (location-based)

Base year start

July 1 2011

Base year end

June 30 2012

Base year emissions (metric tons CO2e)

88008

Comment

This is the first year that our emission calculation and methodology were externally verified.

Scope 2 (market-based)

Base year start

July 1 2011

Base year end

June 30 2012

Base year emissions (metric tons CO2e)

0

Comment

Not yet established

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

48095

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This data is for our Financial Year 2019 which started from 1 June 2018 to 30 June 2019.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

9 facilities are reporting a location-based figure and 2 operations in France and Germany have electricity supplier emission factors.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

156233

Scope 2, market-based (if applicable)

2666

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This data is for our Financial Year 2019 which started from 1 June 2018 to 30 June 2019.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Aspen-owned corporate offices are excluded in our footprint calculations as well as our newly-acquired pharmaceutical facility in India (Alphamed).

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

As per a study that was conducted in 2010, the emissions generated by the South African corporate offices were found to be negligible. Using this rationale, it was concluded that energy consumption in the corporate offices is very low in comparison to the consumption in manufacturing operations, therefore, will be excluded. Some leased corporate offices are included in Scope 3.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

582

Emissions calculation methodology

The methodology used is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Emission factors source is DEFRA 2018 and/or bespoke local emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The water supply emission factor is 0.344. Data used is from the water service provider

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are in the process of investigating the most accurate way to calculate these emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

27377.97

Emissions calculation methodology

This category includes emissions from three distinct activities: (1) Upstream emissions of purchased fuels (both stationary and mobile combustion); (2) Upstream emissions from purchased electricity, heat, steam and cooling; (3) Transmission & Distribution (T&D) Losses from purchased electricity, heat, steam and cooling. For calculating (1), the proportion between DEFRA 2018 emissions factors and DEFRA 2018 WTT emission factors were used to calculate Scope 1 emissions. For calculating (2), the proportion between DEFRA 2018 emissions factors and DEFRA 2018 WTT emission factors were applied and eGRID emission factors used to calculate Scope 1 & 2 emissions. For calculating (3), the proportion between DEFRA 2018 emissions factors and DEFRA 2018 T&D emission factors were applied and eGRID emission factors used to calculate Scope 1 & 2 emissions. Please note the DEFRA 2018 Average for Africa was used for Ghana, Kenya and Tanzania.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Please note the DEFRA 2018 Average for Africa was used for Ghana, Kenya and Tanzania.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are in the process of investigating the most accurate way to calculate these emissions.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

32142

Emissions calculation methodology

The methodology used is based on the GHG Protocol Corporate Value Chain (Scope 3). This category includes emissions from third party disposal and treatment of waste generated in our operations. Our waste is broken is classified into Hazardous and non-hazardous and methods of disposals include Reuse/Recycle, Energy Recovery, Biological treatment, Incineration, Landfill. The emissions have been calculated using the appropriate emission factor from DEFRA 2018 for reused/recycled and landfilled.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Waste Data is provided by our service providers and the following waste types were considered: General waste, Glass, Cardboard and Paper, Plastic, Scrap Metal, Aluminium, and Wood.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

7578

Emissions calculation methodology

Emissions are calculated based on flight leg distance data provided by our corporate travel agencies. Business travel flights include all domestic, short-haul, and long haul based on individual flight distance data and the aligned DEFRA 2018 emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Business travel data is only reported for the South African Operations and this data was calculated and provided by Aspen's travel agents and service providers i.e. Car hire, hotel stay and air travel.

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are in the process of investigating the most accurate way to calculate these emissions.

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1990

Emissions calculation methodology

This category includes only Scope 2 emissions from some of our leased assets' electricity consumption and made use of the IEA 2019 country emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Leased commercial offices in the Philippines, China, Ireland, Australia, Brazil, Mexico, and Mauritius were included in this report.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are in the process of investigating the most accurate way to calculate these emissions.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Currently, the complexity and extent of the value chain prohibit accurate calculations.

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are in the process of investigating the most accurate way to calculate these emissions.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are in the process of investigating the most accurate way to calculate these emissions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not calculated due to the lack of available data.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Aspen Pharmacare has no franchises.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

According to the GHG Protocol, financial investments required for reporting are equity investments, debt investments, and project finance. Other investments or financial services such as pension funds, retirement accounts, securitized products, insurance, credit guarantees, export credit insurance, etc. are not required to be reported. We do not have any of the required financial investments and therefore, no emissions are relevant to this category.

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable.

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not applicable.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000005325

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

206994

Metric denominator

unit total revenue

Metric denominator: Unit total

38872422942

Scope 2 figure used

Location-based

% change from previous year

6

Direction of change

Increased

Reason for change

Scope 1 and Scope 2 emissions for the Group have increased by 8,6% and 6,7%, respectively. The increase in Scope 1 emissions is attributable to the in-progress commissioning of new machinery and refrigerant refills required for chiller maintenance and repairs at our East London and Tanzanian sites. The increase in Scope 2 emissions is in line with higher electricity usage in 2019 (although not directly proportional due to the different emission factors for each country). The significant decline in manufacturing revenue has offset an increase in Commercial Pharmaceuticals and the positive impact of exchange rate movements, resulted in a net growth of 1% in revenue (denominator).

Intensity figure

37.8624632355

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

206994

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

5467

Scope 2 figure used

Location-based

% change from previous year

8

Direction of change

Increased

Reason for change

Scope 1 and Scope 2 emissions for the Group have increased by 8,6% and 6,7%, respectively. The increase in Scope 1 emissions is attributable to the in-progress commissioning of new machinery and refrigerant refills required for chiller maintenance and repairs at our East London and Tanzanian sites. The increase in Scope 2 emissions is in line with higher electricity usage in 2019 (although not directly proportional due to the different emission factors for each country). The significant decline in manufacturing revenue has offset an increase in Commercial Pharmaceuticals and the positive impact of exchange rate movements, resulted in a net growth of 1% in revenue (denominator).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
South Africa	12767
Germany	5499
Australia	2169
Netherlands	17380
Brazil	492
Kenya	464
Ghana	29
United Republic of Tanzania	2754
France	2251
United States of America	779
Mexico	3511

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By facility
- By activity

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Port Elizabeth (South Africa)	5227	-33.9167	25.5667
East London (South Africa)	4637	-32.981	27.8282
Johannesburg (South Africa)	394	-25.9874	28.8282
Cape Town (South Africa)	2509	-33.9157	18.577
Bad Oldesloe (Germany)	5499	53.8009	10.3983
Dandenong (Australia)	2169	-37.981	145.215
Oss (Netherlands)	17380	51.6225	5.1
Vitoria (Brazil)	492	-20.3222	-40.3381
Beta (Kenya)	464	-1.2833	36.8167
Shelys (Tanzania)	2754	-6.8235	39.2695
Kama (Ghana)	29	5.556	-0.1969
Notre Dame de Bondeville (France)	2251	49.4431	1.0993
Sioux City (United States of America)	779	43.5499	-96.7003
Vallejo (Mexico)	3511	19.5018	-99.1674

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Mobile Fuel Combustion: Diesel	214
Mobile Fuel Combustion: Gasoline	224
Stationery Fuel Combustion: Diesel	173
Stationery Fuel Combustion: Heavy Fuel Oil	7347
Stationery Fuel Combustion: Natural Gas	30494
Fugitive Emissions: Refrigerants	9568
Liquid Petroleum Gas	24
Wood Chips	43

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
South Africa	120070	0	112329	0
Germany	0	2402	0	4619
Australia	14199	0	13147	0
Netherlands	18916	0	29583	0
Brazil	312	0	3387	0
Kenya	301	0	2834	0
Ghana	69	0	759	0
United Republic of Tanzania	1423	0	2834	0
France	0	264	0	13232
United States of America	337	0	759	0
Mexico	606	0	10411	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By facility
- By activity

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Port Elizabeth (South Africa)	82042	0
East London (South Africa)	17561	0
Johannesburg Nutritionals (South Africa)	8997	0
Cape Town (South Africa)	11470	0
Bad Oldesloe (Germany)	0	2402
Dandenong (Australia)	14199	0
Oss (Netherlands)	18916	0
Vitória (Brazil)	312	0
Beta (Kenya)	301	0
Shelys (Tanzania)	1423	0
Notre Dame de Bondeville (France)	0	264
Sioux City (United States of America)	337	0
Vallejo (Mexico)	606	0
Kama (Ghana)	69	0

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Electricity	151861	2666
Steam	4372	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

- Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Not applicable
Other emissions reduction activities	0	No change	0	Not applicable
Divestment	0	No change	0	Not applicable
Acquisitions	0	No change	0	Not applicable
Mergers	0	No change	0	Not applicable
Change in output	0	No change	0	Not applicable
Change in methodology	0	No change	0	Not applicable
Change in boundary	0	No change	0	Not applicable
Change in physical operating conditions	3790	Increased	8.6	Scope 1 and Scope 2 emissions for the Group have increased by 8.6% and 6.7%, respectively. The increase in Scope 1 emissions is attributable to the in-progress commissioning of new machinery and refrigerant refills required for chiller maintenance and repairs at our East London and Tanzanian sites.
Unidentified	9987	Increased	6.7	The increase in Scope 2 emissions is in line with higher electricity usage in 2019 (although not directly proportional due to the different emission factors for each country)
Other	0	No change	0	Not applicable

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired electricity	<Not Applicable>	17852	173780	191631
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	21398	21390
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	17852	195178	213021

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	0	0	0	0
Steam	21398	21398	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, not supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Germany

MWh consumed accounted for at a zero emission factor

2042

Comment

The German plant makes use of a green energy mix made from renewable sources such as biomass, photovoltaic systems, and the wind.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, not supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/region of consumption of low-carbon electricity, heat, steam or cooling

France

MWh consumed accounted for at a zero emission factor

264

Comment

Average monthly emission factor for France are used to calculate their carbon footprint.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

86904

Metric numerator

Measures in Tonnes

Metric denominator (intensity metric only)

Not measured currently

% change from previous year

15

Direction of change

Decreased

Please explain

The decrease is due to a reduction in certain high waste generating production activities together with a focus on waste reduction initiatives in most operations.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

ERM-Assurance-Statement FY19.pdf

Page/ section reference

Assurance Statement is for Scope 1 and Scope 2 as indicated Page 1-5

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

ERM-Assurance-Statement FY19.pdf

Page/ section reference

Assurance Statement is for Scope 1 and Scope 2 as indicated Page 1-5

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Please select

% of suppliers by number

0

% total procurement spend (direct and indirect)

0

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Aspen has prioritized engagement with key service suppliers who are able to supply the required level of data and where the frequency or volume of transactions is significant especially for Scope 3 emissions.

Impact of engagement, including measures of success

Aspen has been successful in obtaining statistics relating to business travel i.e. flights and car rentals for our South African facilities. We also engage with our waste services providers at manufacturing sites and obtain monthly reports on waste management. In both cases, the data is supplied by the service provider to Aspen in the form of reports. In some cases, e.g. downstream transport and distribution, the service providers have not been able to isolate emissions generated due to Aspen products specifically.

Comment

Aspen will be engaging with more suppliers during our Life Cycle Assessment process for our ISO 14001:2015 system.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Carbon tax	Undecided	Aspen continues to consult with its external tax advisors and with relevant industry forums on this matter.	Consider the objective of carbon taxes in relation to other commercial factors which impact the sustainability of business in the relevant countries. Aspen does however support incentives that encourage a reduction in carbon emissions.
Mandatory carbon reporting	Support	Aspen is committed to reporting to the Carbon Disclosure Project on an annual basis through the National Business Initiative. Aspen South Africa consults with the Department of Environment, Forestry and Fisheries on legislation pertaining to mandatory carbon reporting where necessary.	Industry context to be applied in interpretation of information in CDP submissions, through direct engagement with the reporting company.
Clean energy generation	Support	The Clean Energy Regulator is the Government body responsible for administering legislation to reduce carbon emissions and increase the use of clean energy. Aspen Australia is a member of the "Australian Environment Business Network" (AEBN) AEBN's position is to:1.Make companies aware of climate change2.Provide forums for government bodies to present current and future environmental policies and seek corporate feedback, often before launching these policies.	Aspen Australia participates as required to support and follow the Clean Energy Regulator guidelines.
Cap and trade	Support	The EU emissions trading system (EU ETS) is a cornerstone of the European Union's policy to combat climate change and its key tool for reducing industrial greenhouse gas emissions cost-effectively	Aspen Oss (Netherlands) will participate in EU-ETS as required when the installed capacity exceeds 20 MW.
Energy efficiency	Support	Aspen Oss (Netherlands) is a signatory to MEE (Methodology Energy Efficiency), a long-term energy efficiency agreement for ETS companies, an agreement between the Dutch government and heavy industry.	Although participation in MEE covenant is voluntary, Aspen Oss has made an obligation to target an annual energy reduction of 2% .
Energy efficiency	Support	At COP17, Aspen Pharmacare made a commitment to participate in the Energy Efficiency Leadership Network (EELN), where an Aspen representative provides input on matters impacting climate change, particularly groups focusing on the healthcare and pharmaceutical industries.	Energy efficiency projects need to contribute to the business sustainability and must demonstrate return on investment. A national plan, which incentivises business to reduce their carbon footprint, will support the implementation of energy efficiency projects. In addition, national carbon reduction plans need to weigh legislated obligations across industries appropriately with due regard of economic conditions impacting general industry sustainability in the relevant countries.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Business Unity South Africa (BUSA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Business Unity in South Africa (BUSA) serves as the interface between businesses in SA and government on high level macroeconomic issues to ensure that businesses are able to play meaningful role in contributing to national objectives in a feasible manner for all stakeholders. BUSA supports the need to move to a lower carbon intensive economy, which is in the long term interest of South Africa. BUSA is in the process of engaging with the South African National Committee on Climate Change and the South African National Treasury on the following topics: • Requirement for carbon tax to ensure adherence to Paris Agreement • Introduction of duplicate carbon reduction mechanisms simultaneously • Need to develop suitable administration instrument

How have you influenced, or are you attempting to influence their position?

Aspen is an active member of BUSA and participates in industry initiatives to address climate change objectives in South Africa.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Aspen's business activities and stakeholder engagement processes are aligned to the Group's strategic objectives. This alignment is monitored by Group Executives and the Aspen Board. The Group SHE department, under the direction of Group Operating Officer and Responsible Pharmacist develops and promotes Aspen's environmental management principles and standards and monitors the alignment of business unit environmental management systems to the Group standards and ensures consistency across the operations. Aspen's climate change strategy promotes containment and reduction of the Group's carbon footprint within Aspen's operations, in a technically and economically feasible manner through systems of environmental reporting, monitoring and management. This intent is fulfilled directly across the manufacturing facilities through identification and evaluation of energy efficient technologies and implementation of energy conservation initiatives. Energy savings initiatives are monitored and reported on a quarterly basis through the sustainability KPI Board reporting process. Site management teams monitor progress more frequently where practical. The sites based in Port Elizabeth, East London, Cape Town and Johannesburg in South Africa, as well as sites in Mexico, Brazil and Australia are ISO 14001 certified. The sites in Germany and France are ISO 14001 and ISO 50001 certified. This demonstrates Aspen's commitment to responsible environmental management practices in accordance with international standards. A combined assurance audit plan is in place to monitor on-going alignment of environmental policies, procedures and systems to the relevant ISO standards. Identified risks are prioritised and addressed. Progress is monitored by Group SHE, site management teams; Group Executives and the Social & Ethics Committee. In addition, all direct and indirect activities are communicated as per the ISO 14001 Environmental Management Systems Communication procedure for ISO certified facilities, ensuring consistency with the overall group environmental management principles and sustainability reporting structures. A culture of continual improvement exists across the Aspen Group.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

aspen-ir-2019-final.pdf

Page/Section reference

Page 81-87

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Comment

<https://www.aspenpharma.com/results-and-reports/>

Publication

In mainstream reports

Status

Complete

Attach the document

Aspen-Sustainability-Data-Supplement-2019.pdf

Page/Section reference

Page 16-18

Content elements

Governance

Strategy

Emissions figures

Other, please specify (Information on Aspen's 6 capitals)

Comment

Information on Aspen's 6 capitals. The Aspen Sustainability Supplement reports can be found at <https://www.aspenpharma.com/sustainability-overview/>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No further information.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Jeanette Englund Group Risk Sustainability Manager	Environment/Sustainability manager

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Aspen is a pharmaceutical company listed on the Johannesburg Stock Exchange Limited ("JSE"). Aspen employs approximately 10 000 employees and its heritage dates back more than 160 years in South Africa. Aspen supplies branded and generic pharmaceutical products and consumer healthcare products in selected territories and to more than 150 countries worldwide. The Aspen brand has become synonymous with high quality and affordable products. Aspen recognises that climate change has potential direct and indirect implications on its operations and is therefore relevant to Aspen's sustainability objectives. As at 30 June 2019, the Group had 23 manufacturing facilities across 15 sites. The manufacturing sites contribute to the bulk of Aspen's carbon emissions and as such environmental reporting is focused at a manufacturing site level. The main contributors to Aspen's Scope 1 emissions are natural gas, refrigerants and fuel consumption while Scope 2 emissions are comprised of purchased electricity and steam.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	38872422942

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	ZA	ZAE0000666

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Wal Mart de Mexico

Scope of emissions

Scope 2

Allocation level

Facility

Allocation level detail

Allocation based on Aspen Vallejo Facility in Mexico.

Emissions in metric tonnes of CO₂e

63

Uncertainty (±%)

10

Major sources of emissions

The emissions are from purchased electricity and steam used to power production lines, maintain Heating, Ventilation and Air Conditioning (HVAC) systems, lighting in offices etc.

Verified

No

Allocation method

Other, please specify (Allocation based on Cost of Sales)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The Scope 2 Emissions used to calculate the allocation are for Aspen Group. The corporate offices in South Africa i.e. Durban and Woodmead, Mexico City and Sydney Australia were excluded from the calculation. The Scope 2 emissions were verified by a third party and the revenue was audited. There is, however, an element of uncertainty with respect to the allocation as there is currently no scientific process in place to allocate emissions to customers.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Aspen's primary data, as per verified internal reporting mechanisms, was utilized to calculate the response provided in question C.10.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	A scientific process would need to be devised so that the emissions could be allocated to different customers. In addition, the financial and reporting systems would need to be adjusted to allow for the collection and recording of the data.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Aspen is willing to investigate ways in which to be able to provide this data in the long term. Currently, the focus is on developing a broader base with respect to Scope 3 emissions and establishing recording and reporting mechanisms for Aspen's supply chain sustainability data.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Wal Mart de Mexico

Group type of project

Other, please specify (No projects in process at this stage)

Type of project

Other, please specify (No projects in process at this stage)

Emissions targeted

Other, please specify (No targets in process at this stage)

Estimated timeframe for carbon reductions to be realized

Other, please specify (0.00)

Estimated lifetime CO2e savings

0

Estimated payback

Other, please specify (Not applicable at this stage)

Details of proposal

Not applicable at this stage.

Requesting member

Johnson & Johnson

Group type of project

Other, please specify (No projects in process at this stage)

Type of project

Other, please specify (No projects in process at this stage)

Emissions targeted

Other, please specify (No targets at this stage)

Estimated timeframe for carbon reductions to be realized

Other, please specify (0.00)

Estimated lifetime CO2e savings

0

Estimated payback

Other, please specify (Not applicable at this stage)

Details of proposal

Not applicable at this stage.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms