

INDEPENDENT ASSURANCE STATEMENT TO THE MANAGEMENT AND STAKEHOLDERS OF ASPEN PHARMACARE HOLDINGS LIMITED

INTRODUCTION

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Aspen Pharmacare Holdings Limited (Aspen) to conduct an independent third-party assurance engagement in relation to the sustainability information in its Integrated Report (the report) for the financial year that ended 30 June 2020.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Adam Sutton-Pryce and Sharon Kekana from IBIS. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work. This assurance engagement is the first sustainability assurance engagement conducted for Aspen by IBIS.

ASSURANCE STANDARD APPLIED

This assurance engagement was performed in accordance with AccountAbility's AA1000AS (2008) with 2018 Addendum (AA1000AS) Type II moderate level requirements.

RESPECTIVE RESPONSIBILITIES AND IBIS' INDEPENDENCE

ASPEN

Aspen is responsible for preparing their Integrated Report and for the collection and presentation of sustainability information within the report.

Aspen is also responsible for maintaining adequate records and internal controls that support the reporting processes.

IBIS

IBIS' responsibility is to the management of Aspen alone and in accordance with the scope of work and terms of reference agreed with Aspen.

IBIS applies a strict independence policy and confirms its impartiality to Aspen in delivering the assurance engagement.

ASSURANCE SCOPE

The scope of the subject matter for moderate assurance in accordance with the AA1000AS assurance standard, as captured in the agreement with Aspen is set out below:

SUBJECT MATTERS IN THE ASSURANCE SCOPE

Alignment with the AA1000AP (2018) stakeholder engagement principles of inclusivity, materiality, responsiveness, and impact

The following selected disclosures relating to Aspen's material sustainability risks and opportunities

SAFETY:

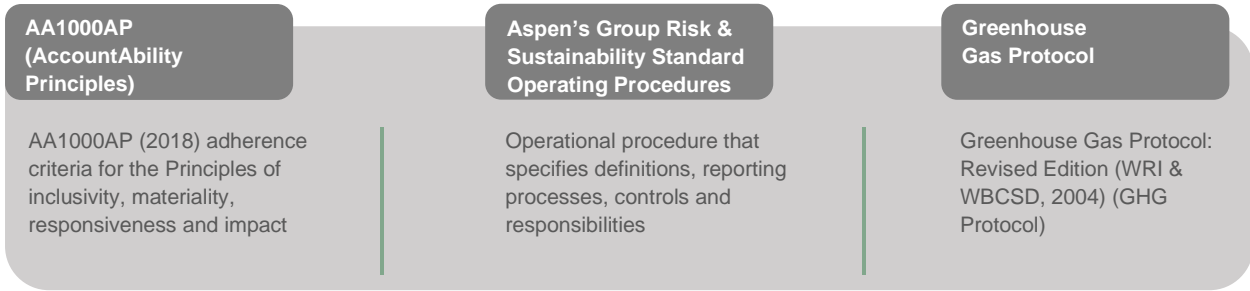
- Disabling incident frequency ratio
- Lost workday frequency ratio

ENVIRONMENTAL:

- Scope 1 and 2 greenhouse gas emissions
- Total electricity used
- Total volume of water withdrawn
- Total volume of water waste recycled
- Total amount of hazardous waste generated

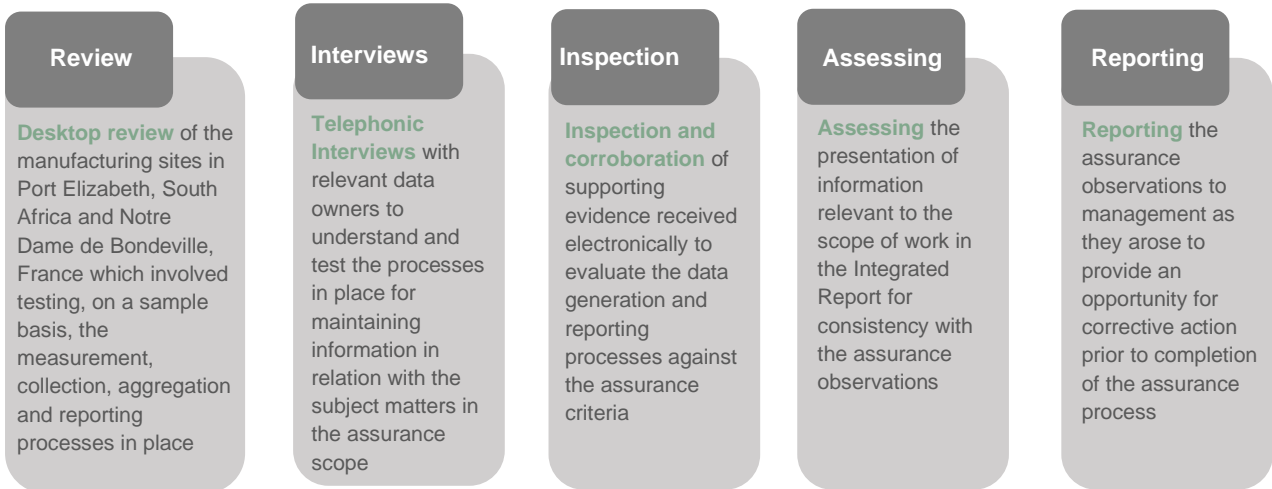
ASSESSMENT CRITERIA

The following assessment criteria were used in undertaking the work:



ASSURANCE PROCEDURES PERFORMED

Our assurance methodology included:



ENGAGEMENT LIMITATIONS

The procedures performed in a moderate assurance engagement vary in nature from, and are less in extent, than for a high assurance engagement. As a result, the level of assurance obtained for a moderate assurance engagement is lower than for high assurance as per AA1000AS.

Due to the global COVID-19 pandemic related travel restrictions and risks, all assurance work was desktop based. Evidence to support information reported for the sampled sites was obtained electronically for review and assessment as a basis for our assurance conclusion. Readers of the Integrated Report are cautioned to understand this inherent limitation.

The scope of work did not extend to any subject matters other than specified in this assurance statement. IBIS experienced no limitations to the agreed extent of work required for the engagement.

ASSURANCE CONCLUSION

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusion for a moderate assurance level in accordance with AA1000AS.

In our opinion, based on the work undertaken for moderate assurance as described, we conclude that the subject matters in the scope of this assurance engagement have been prepared in accordance with the defined criteria and are free from material misstatement.

KEY OBSERVATIONS AND RECOMMENDATIONS FOR IMPROVEMENT

Based on the work set out above, and without affecting the assurance conclusion, the key observations and recommendations for improvement are set out below.

IN RELATION TO AA1000APS

Inclusivity: Aspen has defined and identified their key stakeholder groups. Aspen publicly demonstrates their commitment and accountability to their stakeholders at all levels as indicated in the Stakeholder Engagement Policy and Policy on Communications with Media and Investors. A formal stakeholder engagement process is in place pointing to a high level of stakeholder inclusivity as well as the consideration of stakeholders' material needs and concerns, which is also deliberated at the Board level.

It is recommended that Aspen continue to be proactive in their engagement with stakeholders to ensure purposeful action planning, monitoring and effective management of stakeholders across the group.

Materiality: Aspen's materiality determination process includes input from both internal and external stakeholders and considers economic, environmental and social factors. This process contributes to the identification of key risks and opportunities that could have a material impact on their ability to achieve their strategic objectives and create value. Aspen has a Group Risk Management Policy and a Risk Management Framework which embeds the key risks and opportunities into decision-making processes to achieve alignment with Aspen's risk appetite, which is ultimately approved and monitored by the Board. As Aspen continuously evolves in their business strategy, the regular assessment and monitoring of materiality should be considered to ensure a comprehensive understanding of Aspen's sustainability context.

Responsiveness: Aspen responds to stakeholders' material needs and concerns across different stakeholder groups, at both corporate and operational levels. Executive management submits quarterly stakeholder engagement reports that detail notable engagements with the Aspen's key stakeholders and any material topics. Furthermore, management responds to the material issues using appropriate engagement mechanisms.

Impact: Aspen reports on a range of material environmental, social and governance topics based on its ongoing monitoring, measurement, and evaluation of its impacts; both qualitatively and quantitatively. Aspen's strategy is aligned to the UN Global Compact and the UN SDGs which demonstrates their commitment to creating value for all stakeholders in a responsible and transparent manner. Eight of the SDGs that most closely align with Aspen's business have been adopted and reported on for FY2020, demonstrating Aspen's impact related to the relevant topics. It is recommended that Aspen continue to report on the progress against the select SDGs as well as monitor and measure the social changes that result from Aspen's activities and the long-term impacts on its stakeholders and on Aspen's business itself.

IN RELATION TO THE SELECTED DISCLOSURES

It was observed that appropriate measures are in place to provide reliable source-data related to the selected disclosures assessed. Aspen has an established sustainability data management system in place, which assists with the collection and consolidation of sustainability information. Data inconsistencies identified during the assurance process were subsequently corrected and IBIS is satisfied with the accuracy of the final data in the assurance scope.

A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Aspen management for consideration.



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Johannesburg

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